

**RESOLUTION NO. 08-08**

**RESOLUTION OF THE PHELAN PIÑON HILLS COMMUNITY SERVICES  
DISTRICT ACKNOWLEDGING ASSUMPTION OF ENTERPRISE FUND  
INSTALLMENT SALES AGREEMENT WITH THE CALIFORNIA  
INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK  
(County Service Area 70, Improvement Zone L)**

RECITALS

WHEREAS, the Phelan Piñon Hills Community Services District (“District”) was certified by the Local Agency Formation Commission on March 18, 2008 (the “District Effective Date”); and

WHEREAS, as of the District Effective Date, the District became the current owner and operator of that certain water enterprise system (the “System”), including all rights, property, and liabilities thereof, formerly owned and operated by the County of San Bernardino on behalf of the County Service Area 70, Improvement Zone L (“County”); and

WHEREAS, County has previously entered into the Enterprise Fund Installment Sale Agreement dated as of December 17, 2002 (Agreement # CIEDB-02-033) with the California Infrastructure and Economic Development Bank as amended (the “CIEDB Agreement”) related to the System; and

WHEREAS, Section 5.09 of the CIEDB Agreement provides a process for the assumption of the CIEDB Agreement upon the transfer of the entire System; and

WHEREAS, the requirements contained in Section 5.09 of the CIEDB Agreement have been completed.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT HEREBY RESOLVES AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct.

Section 2. Assumption of CIEDB Agreement. The Board of Directors acknowledges, agrees and certifies that pursuant to the terms of the District’s formation and pursuant to the terms of the CIEDB Agreement, the District has assumed all of the rights, responsibilities and obligations of the County as contained in the CIEDB Agreement as of the District Effective Date.

Section 3. Bound by Terms of CIEDB Agreement. The Board of Directors acknowledges, agrees and certifies that the District shall be bound by the terms of the CIEDB Agreement as successor to the County.

Section 4. Representations and Warranties. The Board of Directors certifies that the representations and warranties made in the CIEDB Agreement are true and correct as if made on the date of this certificate.

Section 5. Direction and Authorization. The Board of Directors hereby directs and authorizes the District General Manager to take all necessary steps and actions to effectuate the intent of this Resolution and to administer and comply with the terms and conditions of the CIEDB Agreement on behalf of the District.

PASSED, APPROVED and ADOPTED this 23<sup>rd</sup> day of July, 2008.

Ayes: Rogers, Johnson, Adams, Anderson, Morrissette

Noes:

Absent:

Abstain:

  
\_\_\_\_\_  
President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors