

**SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY
RESOLUTION APPROVING THE PROPOSED ISSUANCE OF BONDS AND
TEMPORARY NOTES IN LIEU THEREOF**

WHEREAS, Section 22 of the of Special Act 77-98, as amended, of the Connecticut General Assembly (the “Act”) provides in pertinent part, that bonds shall be authorized by a resolution of the South Central Connecticut Regional Water Authority (the “Authority”), subject to the approval of the Representative Policy Board of the South Central Connecticut Regional Water District (“RPB”), which shall provide for the terms and conditions of the bonds, including the interest rates on the bonds and may provide for any matter which in any way effects the security or protection on the bonds; and

WHEREAS, Section 23 of the Act provides, in pertinent part, that the Authority shall have the power to issue bond anticipation notes in the same manner as the bonds; and

WHEREAS, Section 9 of the Act provides that the Authority may delegate to one or more of its members, officers, agents or employees, such powers and duties as it may deem proper; and

WHEREAS, the Authority proposes to issue its Water System Revenue Bonds (“Bonds”) and its bond anticipation notes in anticipation of the proceeds of the Bonds (the “Notes”) in accordance with the Act and the Water System Revenue Bond Resolution, General Bond Resolution, adopted by the Authority and approved by the RPB on July 31, 1980, as amended and supplemented (the “General Bond Resolution”); and

WHEREAS, the Authority wishes to establish the general terms and provisions of the Authority’s Bonds in the aggregate principal amount not to exceed \$5,000,000 to finance or refinance the cost of certain capital improvements to the water system and to fund operating expenses which may be issued in one or more series (the “Projects”) and, subject to RPB’s approval of the general terms and provisions of the Bonds, provide for the issuance, sale and delivery of Notes to finance temporarily a portion of the Projects.

NOW THEREFORE,

RESOLVED: That the Authority hereby establishes the general terms and provisions of the Authority’s Bonds (the “Bonds”) which may be on a parity with or subordinate to bonds which are to be issued under its Water System Revenue Bond Resolution, General Bond Resolution adopted by the Authority and approved by the Representative Policy Board on July 31, 1980, as amended (the “General Bond Resolution”).

1. The Bonds shall not exceed Five Million Dollars (\$5,000,000) in aggregate principal amount.
2. The Bonds may be issued as obligations in one or more series pursuant to the General Bond Resolution and a supplemental resolution to be adopted by the Authority for each series of Bonds, each of which shall specify the amount of the

Bonds, the purposes for which the Bonds are to be issued, the date or dates, maturities, sinking fund installments if any, interest rates, series, denominations, form, redemption prices, security provisions, whether taxable or tax-exempt, and such other details of the Bonds as the Authority shall determine in accordance with the limits established by the General Bond Resolution and hereby.

3. The purposes of the Bonds shall be to finance or refinance the cost of certain capital improvements to the water system of the Authority as set forth in the Authority's capital improvement plan (the "Projects"), to fund operating expenses and to provide funds for deposit to the Capital Contingency Fund, Debt Reserve Fund, and Operating Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended, if applicable, and to pay costs of issuance.
4. The Bonds may be sold by negotiation as serial or term bonds with stated maturities and may be sold in a private or direct placement to a bank or the State of Connecticut.
5. The Authority reasonably expects to incur expenditures (the "Expenditures") in connection with the Projects of which a general functional description is contained in the Plan. If the Bonds are issued as tax-exempt, the Authority reasonably expects to reimburse itself for the cost of Expenditures with respect to the Projects with the proceeds of tax-exempt debt to be issued by the Authority within eighteen (18) months after the date of any Expenditure or the date the Project is placed in service or abandoned, whichever is later. The maximum principal amount of such debt with respect to the Projects is not expected to exceed \$5,000,000.
6. The form of this resolution entitled "Resolution Approving the Proposed Issuance of Bonds" a copy of which shall be filed with the records of the Authority, shall be submitted to the Representative Policy Board for its approval in accordance with Section 22 of Special Act No. 77-98, as amended.

BE IT FURTHER RESOLVED that:

1. Temporary notes of the Authority may be issued by the Authority in the amount of \$5,000,000 in anticipation of the receipt of the proceeds from the sale of such Bonds.

BE IT FURTHER RESOLVED that should the foregoing be approved by the RPB:

1. The Authority hereby approves the resolution authorizing the issuance of the Notes (the "Note Resolution") in one or more series substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President and Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of

Corporate Development shall deem advisable and which shall be as set forth in a Certificate of Determination for the appropriate series of Notes attached thereto.

2. The Chairperson or Vice Chairperson and President and Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development be authorized (i) to issue, sell and deliver the Notes in an amount for each not to exceed \$5,000,000, and (ii) to determine the amount, date, date of maturity, interest rate, whether taxable or tax-exempt, form and other details of each series of Notes, pursuant to the Act and the General Bond Resolution or any other provisions of law thereto enabling.
3. The Chairperson or Vice Chairperson and President and Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development, or any one of them, are hereby authorized to execute and deliver such documents as may be necessary or desirable to issue, sell, secure and deliver the Notes, including but not limited to, an Official Statement if the Notes are publicly offered, a Contract of Purchase, a Tax Regulatory Agreement if the Notes are tax-exempt, and a Continuing Disclosure Agreement and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale, security and delivery of the Notes as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination.
4. The Chairperson or Vice Chairperson and President and Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development, or any one of them, are authorized to apply for and accept federal and state grants to finance the project and federal and state loans to finance the Project, and enter into any grant or loan agreement prescribed by a federal agency or by the State, and that the Chairperson or Vice Chairperson and President and Chief Executive Officer or Senior Vice President, Chief Financial Officer and Head of Corporate Development, or any one of them, are authorized to take any other actions necessary to obtain such grants or loans or to implement such grant or loan agreements. Any grant proceeds may be used to pay project costs or principal and interest on bonds, notes, or temporary notes or obligations.

EXHIBIT A

NOTE RESOLUTION