

RESOLUTION NO. 17-975

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
JOSHUA BASIN WATER DISTRICT TERMINATING THE
JOSHUA BASIN WATER DISTRICT AND HI-DESERT FINANCING AUTHORITY**

WHEREAS, Joshua Basin Water District (“JBWD”) and Hi-Desert Water District (“HDWD”) entered into a Joint Exercise of Powers Agreement (“Agreement”) creating the Joshua Basin-Hi-Desert Financing Authority (“Authority”) on February 1, 1991, and

WHEREAS, the Authority was formed to assist JBWD and HDWD in the financing of public improvements to be acquired or constructed for the benefit of JBWD and HDWD; and

WHEREAS, JBWD and HDWD, through the Authority, financed public improvements for the benefit of their respective districts and issued bonds (“Bonds”); and

WHEREAS, the Bonds have been repaid in full and as a result thereof the Authority has been dormant for a number of years; and

WHEREAS, the parties to the Agreement have determined to terminate the Authority in accordance with the terms of the Agreement and California law, and

WHEREAS, the Agreement provides that the Authority “shall continue in effect until February 1, 2020, unless extended or earlier terminated by a supplemental agreement of” JBWD and HDWD, and

WHEREAS, JBWD and HDWD contemplate entering into that certain Termination Agreement attached hereto as Exhibit “A” (“Supplemental Agreement”) to satisfy the requirements of the Authority with respect to the termination of the Agreement; and

WHEREAS, the Board of Directors (“Board”) of JBWD desires to terminate the Agreement and Authority,

NOW, THEREFORE, THE BOARD OF DIRECTORS OF JOSHUA BASIN WATER DISTRICT DOES RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION ONE. The Board consents to the termination of the Authority effective upon the consent of all of the parties to the Agreement to the termination thereof.

SECTION TWO. The form of the Supplemental Agreement attached hereto as Exhibit “A” presented at this meeting is hereby approved and the General Manager of the JBWD is hereby authorized and directed to execute such agreement in the form hereby approved with such additions therein and changes thereto as the General Manager deems necessary if such changes do not materially alter the substance or content thereof.


SECTION THREE. The General Manager is hereby authorized to take any actions and to execute and deliver any and all documents that are necessary to accomplish the termination of the Authority.

ADOPTED, SIGNED AND APPROVED THIS 3rd DAY OF MAY 2017.

Mickey Luckman Aye
Robert Johnson Aye
Geary Hund Aye
Rebecca Unger Aye



Mickey Luckman, President, Board of Directors



Curt Sauer, Board Secretary

EXHIBIT "A"
SUPPLEMENTAL AGREEMENT
TO
RESOLUTION NO. 17-975

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT ("Agreement") is made on this 3rd day of May 2017 ("Effective Date") by and between the HI-DESERT WATER DISTRICT, a public agency of the State of California ("HDWD") and JOSHUA BASIN WATER DISTRICT, a public agency of the State of California ("JBWD"). HDWD and JBWD may be collectively referred to as the "Parties" and individually as a "Party".

RECITALS

A. On or about February 1, 1991, HDWD and JBWD, entered into a Joint Exercise of Powers Agreement ("JPA Agreement") creating the Joshua Basin-Hi-Desert Financing Authority ("Authority").

B. The Authority was formed to assist JBWD and HDWD in the financing of public improvements to be acquired or constructed for the benefit of JBWD and HDWD

C. The Parties, through the Authority, financed public improvements for the benefit of their respective districts and issued bonds ("Bonds") of the Joshua Basin Assessment District No. 87-1.

D. The Bonds have been repaid in full and as a result thereof the Authority has been dormant for a number of years.

E. The Parties, through their respective boards of directors have determined to terminate the Authority in accordance with the terms of this Agreement and California law.

F. The Parties now desire to terminate the JPA Agreement and Authority and evidence such termination by execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the preceding promises and the mutual covenants and agreements hereinafter contained, the Parties hereto do hereby agree as follows:

1. All of the Recitals are hereby incorporated herein by this reference as to the same extent as though hereinagain set forth in full.

2. HDWD and JBWD hereby declare and agree that the JPA Agreement and the Authority be and is hereby terminated. Nothing herein shall be construed a release of any right by a Party against the other Party which existed prior to the execution of this Agreement.

3. Each Party shall assume the defense of, indemnify and hold harmless the other Party and its respective officers, directors, administrators, representatives, consultants, engineers, employees and agents, from and against all actions, causes of action, damages, demands, liabilities, costs (including, but not limited to, reasonable attorneys' fees), claims, losses and expenses of every type and description to which they may be subjected or put, by reason of, or resulting from or in connection with any responsibility, obligation, or liability of such Party arising from the JPA Agreement or a breach by such Party of the terms thereof.

4. (a) JBWD shall make such filing with the State of California, including, but not limited to, the Secretary of State evidencing the termination of the JPA Agreement and Authority.

(b) If any provision of this Agreement shall be ruled invalid, illegal or unenforceable, the Parties shall: (i) promptly negotiate a substitute for the provision which shall, to the greatest extent legally permissible, effect the intent of the Parties in the invalid, illegal or unenforceable provision, and (ii) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with clause (i) above to give effect to the intent of the Parties without the invalid, illegal or unenforceable provision. To the extent the Parties are unable to negotiate such changes, substitutions or additions as set forth in the preceding sentence, and the intent of the Parties with respect to the essential terms of the Agreement may be carried out without the invalid, illegal or unenforceable provision, the balance of this Agreement shall not be affected, and this Agreement shall be construed and enforced as if the invalid, illegal or unenforceable provision did not exist.

(c) Each Party hereto agrees to execute and deliver such documents and perform such other acts as may be necessary to effectuate the purposes of this Agreement.

(d) Each individual executing this Agreement hereby represents and warrants that he or she has the full power and authority to execute this Agreement on behalf of the named Parties

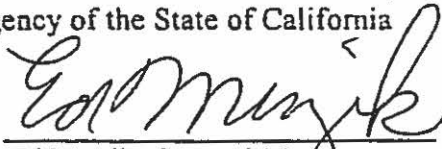
(e) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

HDWD:

HI-DESERT WATER DISTRICT,
a agency of the State of California

By:


Ed Muzik, General Manager

JBWD:

JOSHUA BASIN WATER DISTRICT,
a public agency of the State of California

By:


Curt Sauer, GM and Board Secretary