

RESOLUTION NO. 8-84

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT,  
SAN BERNARDINO COUNTY, CALIFORNIA, DESIG-  
NATING A TRUSTEE FOR THE ISSUANCE AND SALE OF  
\$10,700,000 INSTALLMENT PURCHASE CERTIFICATES,  
SERIES A, AND APPROVING THE SCHEDULE OF FEES  
FOR SERVICES OF THE TRUSTEE

WHEREAS, the Lake Arrowhead Community Services District (the "District") proposes to finance construction and acquisition of certain public facilities for the transmission, treatment and disposal of sewage, waste and wastewaters (the "Project") by causing the issuance and sale of \$10,700,000 Installment Purchase Certificates, Series A (the "Certificates"); and

WHEREAS, the Board of Directors has determined that it is in the best interests and for the common benefit of the residents and landowners of the District that the Project be constructed and financed as follows:

- (a) The Project shall be constructed by and acquired from the Independent Public Facilities Corporation (the "Corporation"), pursuant to an Installment Sale Agreement by and between the District and Corporation;
- (b) The construction of the Project shall be supervised by the District, pursuant to an Agency Agreement by and between the District and Corporation;
- (c) The Installment Sale Agreement shall be assigned to Security Pacific National Bank (the "Bank"), pursuant to an Assignment Agreement by and between the Corporation and Bank;
- (d) The Certificates shall be issued by the Bank, pursuant

to a Trust Agreement by and among the District,  
Corporation and Bank;

- (e) The interest and principal on the Certificates shall be paid by Installment Payments to be made to the Bank by the District from any lawfully available revenues of the District; and
- (f) The Bank will act as Trustee for and on behalf of the owners of the Certificates and the net proceeds from the sale of the Certificates will be disbursed by the Bank, pursuant to written requisition, for the construction and acquisition of the Project as set forth in the Installment Purchase Agreement.

WHEREAS, the Board of Directors has received and reviewed a schedule of fees for the services to be rendered by the Bank, as Trustee:

NOW, THEREFORE, the Board of Directors of the Lake Arrowhead Community Services District does hereby RESOLVE, DETERMINE AND ORDER as follows:

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

Section 2. The Board of Directors hereby designates Security Pacific National Bank, as Trustee, under the Trust Agreement.

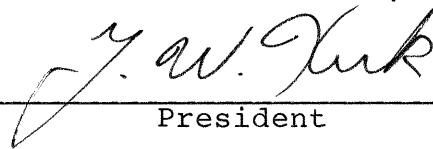
Section 3. The Board of Directors hereby approves the schedule of fees to be charged by the Trustee for services rendered under the Trust Agreement and directs the Secretary to maintain a copy of the fee schedule on file in the offices of the District.

Section 4. The Board of Directors hereby authorizes and directs its officers to execute such agreements with the Trustee

as may be necessary to fulfill the purposes of this Resolution.

Section 5. This Resolution shall take effect upon adoption.

ADOPTED this 15 day of June, 1984.

  
\_\_\_\_\_  
President

ATTEST:

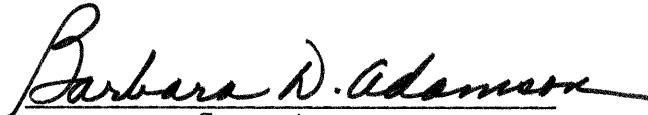
  
\_\_\_\_\_  
Secretary

(SEAL)

STATE OF CALIFORNIA                    )  
  )  ss.  
COUNTY OF SAN BERNARDINO            )

I, BARBARA ADAMSON, Secretary of the Board of Directors of the Lake Arrowhead Community Services District DO HEREBY CERTIFY that the foregoing resolution, being Resolution No. 8-84, was duly passed, approved and adopted at a regular meeting of said Board of Directors held on the 15 day of June, 1984, by the following vote:

AYES:	DIRECTORS:	Furness, Kirk, Leo, Neville
NOES:	DIRECTORS:	none
ABSENT:	DIRECTORS:	none
ABSTAIN:	DIRECTORS:	Longthorne

  
Secretary

(SEAL)



# SECURITY PACIFIC NATIONAL BANK

FINANCIAL MANAGEMENT GROUP, CORPORATE SERVICES DIVISION

333 SOUTH HOPE STREET, LOS ANGELES, CALIFORNIA

MAILING ADDRESS: P. O. BOX 30376, TERMINAL ANNEX, LOS ANGELES, CALIFORNIA 90030

June 8, 1984

Lake Arrowhead Community Services District  
P. O. Box 798  
Lake Arrowhead, CA 92352

Gentlemen:

As discussed, Security Pacific National Bank would be pleased to act as Trustee, Registrar and Paying Agent for the proposed issue of Series A Installment Sales Sewer Facility Bonds which we understand this issue will approximate \$10.7 million. A schedule of our fees is enclosed.

We have noted in past transactions of this type that the Trustee has been called upon to make certain representations such as, for example, on the face of the certificates: "It is hereby certified, recited and declared that all things, conditions and acts required by the Constitution and the statutes of the State of California and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the execution and the delivery of this Certificate, do exist, have happened and have been performed in due time, form and manner, as required by law." as well as certain other matters. In our view, we are not in a position to make such representations unless it is clearly understood that an opinion of counsel satisfactory to us would be provided upon which we could base such representations.

Should you have any questions, please do not hesitate to contact me. I may be reached at (213) 613-7994.

Very truly yours,

William N. Sharp  
Vice President

WNS:pj  
Enclosure

SECURITY PACIFIC NATIONAL BANK  
SCHEDULE OF FEES  
FOR ACTING AS TRUSTEE, REGISTRAR, AND PAYING AGENT  
LAKE ARROWHEAD INSTALLMENT SALES SEWER FACILITY BOND ISSUE  
(\$10.7 MILLION)

ACCEPTANCE FEE ESTIMATED FEE (1)

(An initial non-recurring charge that covers review of related documents and initial review of mortgage loan files, and liaison with issuer, underwriters, and attorneys.)

4.2 Basis Points, (.042%) or \$ 4,494.00

ANNUAL ADMINISTRATION FEE

(Covers normal trustee duties.)

First year, 3.21 Basis Points, (.0321%) or \$ 3,424.00

Total Amount Due at the Close: \$ 7,918.00

Second and subsequent years,  
3.21 Basis Points, (.0321%) or \$ 3,424.00

(Minimum: \$2,500)

PAYING AGENT SERVICES

Payment of Interest		
Per check issued	\$	.50
Payment of Principal		
Per bond maturing or redeemed	\$	2.75

REGISTRATION SERVICES

Initial issuance, per bond	\$	1.50
Thereafter, per bond registered		2.00
(Includes cancellation and postdown)		
Per bondholder account maintained per month		.25

OUT-OF-POCKET EXPENSES At Cost

NOTE: We do not contemplate retaining outside counsel for purposes of initial document review and the closing; hence, there would be no additional charge passed along to you as an out-of-pocket expense. However, please note that it is essential that we have draft documents at least three weeks before the mailing of the O/S or the close, whichever is controlling, for Bank counsel to review. If Bank counsel is required to review initial drafts of documents with less than three weeks time, there may be an additional charge.

(1) Based upon the par value of bonds outstanding at the time of computation.

June 8, 1984