

RESOLUTION NO. 9-84

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE LAKE ARROWHEAD COMMUNITY SER-  
VICES DISTRICT, SAN BERNARDINO COUNTY,  
CALIFORNIA, DESIGNATING A CORPORATION  
INCIDENT TO THE ISSUANCE AND SALE OF  
\$10,700,000 INSTALLMENT PURCHASE CERTI-  
FICATES, SERIES A AND APPROVING FEES  
FOR SERVICES OF THE CORPORATION

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 Corporation, pursuant to the Installment Sale Agreement:

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 authorizes and approves Independent Public Facilities Corporation, as "Seller", under the Installment Sale Agreement.

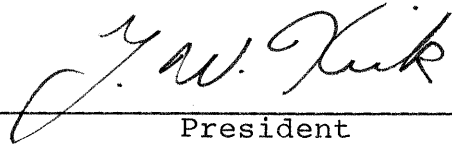
Section 3. The Board of Directors hereby approves the schedule of fees to be charged by the Corporation for services rendered under the Installment Sale Agreement and directs the Secretary to maintain a copy of the fee schedule on file in the offices of the District.

Section 4. The Board of Directors hereby authorizes and

directs its officers to execute such agreements with the Corporation 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.

  
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President

ATTEST:

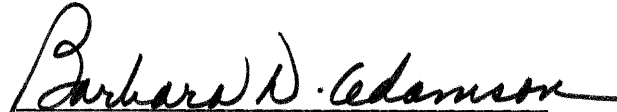
  
\_\_\_\_\_  
Secretary

(SEAL)

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

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. 9-84, 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)

**INDEPENDENT**  
Public Facilities Corporation

1636 Bush Street, San Francisco 94109

415/775-3106

June 14, 1984

Board of Directors  
Lake Arrowhead Community Services District  
PO Box 798  
Lake Arrowhead, CA 92352

Re: Lake Arrowhead Community Services District Trust Fund  
\$10,700,000 Installment Purchase Certificates, Series A

Dear Board Members:

We are pleased to submit this letter-proposal to serve as Seller for the Project, as described in the Installment Sale Agreement dated as of July 1, 1984. Independent Public Facilities Corporation (IPFC) is a corporation duly organized and existing under the laws of the State of California.

SERVICES

Under the terms of the Installment Sale Agreement referenced above, IPFC will provide the following services:

- Cause the Project to be constructed and sell the Project to the District.
- Execute the Assignment Agreement whereby we assign all of our rights and interest in the Installment Sale Agreement to the Trustee.
- Execute the Trust Agreement whereby, with the Trustee and the District, we agree to implement the Installment Sale Agreement by providing for the delivery of the Certificates, the administration of funds, and the exercise of rights and remedies.
- Execute the Agency Agreement whereby we appoint the District as our agent for the purpose of acquisition, construction, and installation of the Project.
- Work closely with District officials and staff, special counsel, the Trustee, and others as necessary to carry out the terms of the Installment Sale Agreement.

AVAILABILITY AND FEES

1. We are prepared to begin work upon your written acceptance of this proposal.

AVAILABILITY AND FEES (cont'd)

2. During the project development period, we will be available at all reasonable times and on reasonable notice for meetings and for consultation with the District's board and staff, the Trustee, special counsel, other attorneys, consulting engineers, dealers, rating analysts, and others as necessary.
3. All work will be performed by Independent Public Facilities Corporation and those special consultants with whom we are regularly associated. One of our officers will be placed in charge of the work and will devote his time and effort to the project as needed.
4. Our fee for the services described in this proposal is as follows:
  - a. For all services related to a proposed sale of certificates, commencing 120 days before the estimated date of sale and continuing for up to 60 days following the sale, the fee is \$4,000 plus one-tenth of 1 percent (0.1%) of the principal amount of certificates sold in excess of \$6,000,000, including direct expenses except extraordinary legal fees (i.e., those over \$1,500), payable upon sale of the certificates.
  - b. Any additional services not included above, as authorized, are payable as provided in our billing rate schedule 10-A.
5. Employment under this proposal is limited to a maximum of 12 months from the date of this proposal.

Very truly yours,

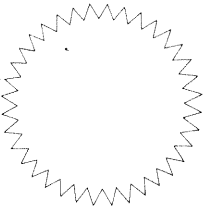
INDEPENDENT PUBLIC FACILITIES CORPORATION

*Thomas E. Gaffney*

Thomas E. Gaffney  
Vice President-Secretary

TEG:mt  
11-A

Enc.



INDEPENDENT PUBLIC FACILITIES CORPORATION  
 BILLING RATE SCHEDULE 10-A  
 1984/85

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PROFESSIONAL SERVICES

1. Fees for professional services are based on hourly rates for professional level personnel as follows:

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Research Consultant	\$ 40/hr.
Staff Consultant	55/hr.
Consultant	70/hr.
Senior Consultant	90/hr.
Limited Assignment	110/hr.

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2. The billing rates for professional services, based on professional personnel time only, include all consultant, administrative, and secretarial salaries, and overhead and indirect costs as follows:

property, payroll & income taxes	rent
routine postage	local telephone
in-house computer costs	office machine costs
accounting and legal services	social security
liability and casualty insurance	professional development
state disability insurance	workers' compensation
memberships and subscriptions	unemployment insurance
health and disability	sick leave
normal legal review fees*	vacation

DIRECT EXPENSES

Direct expenses, not included in the billing rates for professional services, are separately billable as incurred at cost plus ten percent and include: air and surface transportation, subsistence, telephone toll charges, typography and printing, photocopying and binding, statistical services, contract computer charges, word processing, extraordinary legal services, courier and delivery charges, mailing service charges, and advertisements.

PAYMENT

Billings will be made monthly as professional services are rendered and direct expenses are incurred. In certain situations billings will be rendered following successful sale of certificates. Bills are payable within 20 days of the billing date.

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\*Up to \$1,500 per sale.