RESOLUTION NO. 26-14

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK BOARD OF DIRECTORS AUTHORIZING AND APPROVING SHORT-TERM FINANCING NOT TO EXCEED $25,000,000 FOR THE BENEFIT OF THE CLEAN WATER STATE REVOLVING FUND AND THE DRINKING WATER STATE REVOLVING FUND OF THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD

WHEREAS, the California Infrastructure and Economic Development Bank ("IBank") was established and is existing pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) (the "IBank Act"), for the purpose of, among other things, providing financial assistance to eligible projects;

WHEREAS, the United States of America, pursuant to the Federal Water Pollution Control Act, as amended by, among other laws and regulations, the Water Quality Act of 1987 (33 U.S.C. Section 1251 et seq.) (the "Clean Water Act"), requires each state to establish a water pollution control revolving fund to be administered by an instrumentality of such state as a condition to receipt of capitalization grants under the Clean Water Act;

WHEREAS, the State has, pursuant to Chapter 6.5 (commencing with Section 13475) of Division 7 of the California Water Code, as amended (the "CWSRF Act"), established a water pollution control revolving fund (the "CWSRF") to be used for purposes of the CWSRF Act and the Clean Water Act;

WHEREAS, the United States of America, pursuant to the 1996 amendments to the Safe Drinking Water Act (the "SDWA") created the Drinking Water Revolving Fund (42 U.S.C. Section 300j-12 et seq., 40 C.F.R. part 35, subpart L) (the "federal DWSRF"). The federal DWSRF program, in part, provides grants to states to capitalize revolving loan funds, which along with its earnings, is used to provide financial assistance to eligible applicants for a wide variety of drinking water planning and construction projects;

WHEREAS, the State has, pursuant to Chapter 4.5 (commencing with Section 116760 of Division 104 of the Health and Safety Code), established the California Drinking Water State Revolving Fund (the "DWSRF") to be used for the purpose of the federal DWSRF and the Safe Drinking Water Act;

WHEREAS, the California State Water Resources Control Board (the "Water Board") administers the CWSRF through its Clean Water State Revolving Fund Program, and administers the DWSRF through its Drinking Water State Revolving Fund Program;

WHEREAS, pursuant to the IBank Act, IBank is authorized to loan funds to the Water Board for deposit into the CWSRF and the CWSRF Act authorizes Water Board to use certain of the assets of the CWSRF to enter into agreements with IBank, and take other actions to repay amounts loaned by IBank to the Water Board for deposit into the CWSRF;

WHEREAS, pursuant to the IBank Act, IBank is authorized to loan funds to the Water Board for deposit into the DWSRF and the federal DWSRF and SDWA authorizes Water Board to use certain of the assets of the DWSRF to enter into agreements with IBank, and take other actions to repay amounts loaned by IBank to the Water Board for deposit into the DWSRF;

WHEREAS, IBank intends to enter into a short-term financing (the "Financing") with the Water Board, on certain terms and conditions to enable the Water Board to provide state match funds ("State Match Funds") that are required as a condition for the receipt of certain federal capitalization grants associated with the SWSRF and DWSRF; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank (the "Board"), as follows:

Section 1. The above recitals are true and correct.

Section 2. Pursuant to this resolution (this "Resolution"), the Board authorizes and approves providing the Financing subject to the execution of a loan agreement (the "Loan Agreement") between IBank and the Water Board. The Loan Agreement shall include the terms and conditions (the "Financing Terms") as included herein as Attachment A. Additionally, the Loan Agreement shall include such other customary, necessary, and/or advisable terms and conditions as determined by the Executive Director.

Section 3. All actions heretofore taken by the officers and employees of IBank with respect to the approval and entry by IBank into an agreement for the Financing are hereby approved, confirmed and ratified. IBank's Executive Director, Chief Deputy Executive Director, or either of their assignees, each acting alone, is hereby authorized and directed, jointly and severally, to perform their duties, provide funding, take actions and execute and deliver the Loan Agreement and any and all other financing documents and instruments they may deem necessary or desirable consummate the Loan Agreement, to effect the transactions contemplated by hereby and to otherwise effectuate the purposes of this Resolution.

Section 4. IBank hereby approves the execution and delivery of all agreements, documents, certificates, and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED at a meeting of the Board of Directors of the California Infrastructure and Economic Development Bank on September 23, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: ____________________________________
Andy Nakahata,
Executive Director and Chief Executive Officer

ATTEST:

By: ____________________________________
Angel Lau,
Secretary of the Board of Directors

Attachment A

Financing Terms

Financing amount:	$25 million total requested; $10M for the Clean Water State Revolving Fund (CWSRF), and $15M for the Drinking Water State Revolving Fund (DWSRF)
Financing term:	60-Day Term, with no prepayment penalty
Interest rate:	Annual rate of 3.64%, assuming AA 10-year scale.
Fees:	$50,000
Source of repayment:	Cumulative interest earnings (estimated at over $1B) from each respective SRF i.e. the CWSRF and DWSRF accounts.
Security:	Unsecured, though Borrower will adhere to protective covenants with respect to the SRF interest accounts
Condition of Disbursement:	IBank funds may not be disbursed to the Water Board until IBank receives written evidence of the United States Environmental Protection Agency's approval of the Financing and determination that the Financing constitutes a permissible source of State Match Funds.