BOARD OF WATER AND NATURAL RESOURCES
ACTING AS THE SOUTH DAKOTA CONSERVANCY DISTRICT

SERIES RESOLUTION #2026—__ AUTHORIZING STATE

REVOLVING FUND PROGRAM BONDS
SERIES 2026C and SERIES 2026D

WHEREAS, the South Dakota Conservancy District (the "*District*") is duly constituted as an instrumentality of the State of South Dakota exercising public and governmental functions under the operation, management and control of the Board of Water and Natural Resources of South Dakota (the "*Board of Water and Natural Resources*"), pursuant to SDCL Chapters 46A-1 and 46A-2 (the "*Act*"); and

WHEREAS, pursuant to the Act and the Clean Water Act (as herein defined) the District has established a state revolving fund program (the "*Clean Water Program*"); and

WHEREAS, pursuant to the Act and the Drinking Water Act (as herein defined) the District has established a state revolving fund program (the "*Drinking Water Program*"); and

WHEREAS, pursuant to the Act, the District is authorized to issue bonds and notes and to make loans to Borrowers (as defined in the Master Trust Indenture) through the purchase of municipal securities or loans in connection with the Clean Water Program and the Drinking Water Program (each a "*Program*" and collectively, the "*Programs*"); and

WHEREAS, to fund the Programs, the United States Environmental Protection Agency currently makes annual capitalization grants to the states on the condition that each state provide an appropriate match for such state's related revolving fund; and

WHEREAS, pursuant to SDCL §46A-1-60.1, the State has heretofore established the state water pollution control revolving fund program and the state drinking water revolving fund program and provided that program subfunds (each, a "*Program Subfund*" and collectively, the "*Program Subfunds*") be created within the water and environment fund established pursuant to SDCL §46A-1-60; that each Program Subfund be maintained separately; and all federal, state and other funds for use in each such Program be deposited into the related Program Subfund, including all federal grants for capitalization of each such Program, all repayments of assistance awarded from each such Program Subfund, interest on investments made on money in each such Program Subfund, proceeds of discretionary bond issues allowed by SDCL §46A-1-31 and principal and interest on loans made from each fund, that money in the Program Subfunds may be used only for purposes authorized under federal law and that the Program Subfunds may be pledged or assigned by the District to or in trust for the holder or holders of the bonds and notes of the District as permitted by law and may be transferred to and held by a trustee or trustees pursuant to SDCL §46A-1-39; and

WHEREAS, SDCL §46A-1-60.2 provides that funds from the Programs therein described shall be disbursed and administered according to rules enacted by the Board of Water and Natural Resources pursuant to SDCL §46A-1-65 and the provisions of SDCL §46A-1-60 to §46A-1-60.3

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inclusive and SDCL §46A-1-60.1 provides that money in the Program Subfunds may be used only for purposes authorized under federal law; and

WHEREAS, the District and The First National Bank in Sioux Falls (the "*Original Trustee*") previously entered into that certain (a) Master Trust Indenture dated as of January 1, 1994, as heretofore amended and supplemented (the "*Original Clean Water Indenture*") and (b) Master Trust Indenture dated as of June 1, 1998, as heretofore amended and supplemented (the "*Original Drinking Water Indenture*"); and

WHEREAS, pursuant to that certain Amended and Restated Master Trust Indenture dated as of July 1, 2004 (the "*Amended and Restated Indenture*"), the District and the Original Trustee amended, restated and consolidated the Original Clean Water Indenture and Original Drinking Water Indenture into the Amended and Restated Indenture; and

WHEREAS, pursuant to that certain First Amendment dated as of October 1, 2005, that certain Second Amendment dated as of April 1, 2006, that certain Third Amended and Restated Master Trust Indenture dated as of March 1, 2008, that certain Fourth Amended and Restated Master Trust Indenture dated as of August 1, 2009, and that certain Fifth Amended and Restated Master Trust Indenture dated as of September 1, 2010, the District and the Original Trustee amended and supplemented the Amended and Restated Indenture (herein, as amended by that certain First Amendment to Fifth Amended and Restated Master Trust Indenture dated February 17, 2015 each by and between the District and the Trustee (as defined below) and as hereafter further amended, supplemented or restated, including as amended by that certain Second Amendment dated as of September 1, 2024 by and between the District and the current Trustee, the "*Master Trust Indenture*"); and

WHEREAS, pursuant to a Tri-Party Agreement dated as of April 14, 2017 among the District, the Original Trustee and U.S. Bank National Association (in such capacity, the "*Initial Successor Trustee*"), the Original Trustee assigned, conveyed, transferred, delivered and confirmed to the Initial Successor Trustee the Trust Estate and all estates, properties, rights, powers and trusts as "Trustee" under the Master Trust Indenture and all Series Resolutions and Bond Orders and the Initial Successor Trustee accepted such assignment, conveyance and transfer to all duties, trusts and responsibilities under the Master Trust Indenture, Series Resolutions and Bond Orders; and

WHEREAS, U.S. Bank Trust Company, National Association (the "*Subsequent Successor Trustee*") is the successor to the Initial Successor Trustee under the Master Trust Indenture and all Series Resolutions and Bond Orders and the Successor Trustee has heretofore accepted such assignment, conveyance and transfer to all duties, trusts and responsibilities under the Master Trust Indenture, Series Resolutions and Bond Orders and is now serving for all purposes thereunder and hereunder as the "*Trustee*"; and

WHEREAS, the District is authorized and empowered by the provisions of the Act to issue bonds and notes at its discretion in any amount at any time for the purpose of funding all or part of a revolving fund program under the Relevant Federal Acts, to be used to purchase or otherwise finance or provide for the purchase or payment of bonds or other obligations, including the refinancing of obligations previously issued or for projects previously completed and to enter into

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financing arrangements with such persons or public entities to secure and provide for the payment of such bonds and notes; and

WHEREAS, the District is authorized and empowered by the provisions of the Act, and specifically pursuant to §§46A-1-31, 46A-1-39 and 46A-1-60.1, SDCL, to pledge or assign to or in trust for the benefit of the holder or holders of such bonds and notes those moneys appropriated by the Legislature for the purpose of funding state contributions to the Programs and directing that such moneys be held and invested pursuant to a trust agreement for the payment of the principal of, premium, if any, and interest on the bonds and notes; and

WHEREAS, the Board of Water and Natural Resources, acting as the South Dakota Conservancy District, has at this time determined that it is necessary and expedient that the District issue one or more additional series of taxable and/or tax-exempt Bonds (herein, the "*Series 2026CD Bonds*") for the purpose of providing funds sufficient (a) to provide funds for new Loans to Borrowers under the Clean Water Program and the Drinking Water Program and (b) to pay costs of issuance; and

WHEREAS, drafts or final versions of the following documents have been filed with staff of the Board of Water and Natural Resources, acting as the South Dakota Conservancy District, and made available to each member of the Board:

(i) A draft Preliminary Official Statement with respect to the Series 2026CD Bonds (referred to herein as the "*Preliminary Official Statement*");

(ii) A draft Continuing Disclosure Agreement (in the form of an appendix to the Preliminary Official Statement and referred to herein as the "*Continuing Disclosure Agreement*");

(iii) A draft of an Official Terms of Bond Sale for the Series 2026CD Bonds setting forth the terms and conditions on which the District will offer and sell such Bonds (in the form of an appendix to the Preliminary Official Statement and referred to herein as the "*Notice of Sale*"); and

(iv) Supporting schedules prepared by the District's financial advisor which demonstrate satisfaction of the requirements of Section 2.11(b) of the Master Trust Indenture for the issuance of Additional Bonds (such schedules being included within the Preliminary Official Statement).

BE IT RESOLVED BY THE SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES, ACTING AS THE SOUTH DAKOTA CONSERVANCY DISTRICT, THAT:

ARTICLE 1

District and Definitions

Section 1.01 Series Resolution. This Series Resolution is adopted in accordance with the provisions of the Master Trust Indenture and pursuant to the authority contained in the Act. It is

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hereby determined pursuant to the Act that the issuance of the Series 2026CD Bonds pursuant to the Master Trust Indenture and the making of loans to Borrowers with the proceeds of the Series 2026CD Bonds will implement the policies of the Act and provide Borrowers with loans for essential projects at borrowing costs below the costs available to the Borrowers in the private bond market.

Section 1.02 Definitions. Unless defined below in this Section 1.02, all terms defined in the Master Trust Indenture, or in the Act, as applicable, shall have the same meanings, respectively, in this Series Resolution and with respect to the Series 2026CD Bonds as such terms are given in the Master Trust Indenture or in the Act, as applicable. In addition, the following terms shall have the following meanings for all purposes in connection with this Series Resolution and the Series 2026CD Bonds:

"*Allocable Portion*" with respect to each series of Bonds and each Program, and with respect to each State Match Portion and Leveraged Portion, shall mean the respective percentages of the aggregate principal amount of such Bonds which are to be applied (or to the extent subsequent transfers or allocations were made following issuance of such Bonds thereby changing such application, were applied) to finance Clean Water Loans or Drinking Water Loans either as State Match Loans or Leveraged Loans with respect to each Program.

"*Authorized Officers*" shall mean the Chairman, the Vice Chairman and the Secretary or, in the absence of any of the foregoing, any other Member of the Board of Water and Natural Resources designated in writing by the Chairman or Vice Chairman to act for purposes of and as authorized by this Resolution.

"*Beneficial Owner*" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2026CD Bonds, including persons holding Series 2026CD Bonds; through nominees or depositories.

"*Bond Order*" shall mean a written order signed by any two Authorized Officers consistent with the authority of this resolution setting forth the definitive terms and conditions of the Series 2026CD Bonds as shall be agreed to in the Bond Purchase Agreement.

"*Bond Purchase Agreement*" shall mean any agreement with respect to the Series 2026CD Bonds entered into between the District and the Representative, on behalf of the Underwriters, which agreement may take the form of a bid by the Representative in response to the Notice of Sale and accepted in writing by the District.

"*Clean Water Act*" means the Federal Clean Water Act, more commonly known as the Clean Water Act (PL 92-500), as amended by the Water Quality Act of 1987 (PL 100-4), 33 U.S.C. 1251, ET SEQ., any subsequent amendments thereto and any other applicable statutes governing any Program funded hereunder, and includes the State Revolving Fund Program Implementation Regulations, any amendments thereof issued pursuant thereto and any other applicable regulations.

"Clean Water Portion" shall have the meaning given thereto in the Bond Order.

"*Continuing Disclosure Undertaking*" means the Continuing Disclosure Undertaking executed by the District with respect to the Series 2026CD Bonds.

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"*Drinking Water Act*" means Chapter 6A of the Public Health Service Act, 42 U.S.C. §§300f through 300j-26, more commonly known as the Safe Drinking Water Act, any subsequent amendments thereto and any other applicable statutes governing any Program funded hereunder, any amendments thereof and all applicable regulations.

"Drinking Water Portion" shall have the meaning given thereto in the Bond Order.

"*Interest Payment Date*" shall have the meaning given thereto in the Bond Order.

"*Leveraged Portion*" shall have the meaning given thereto in the Bond Order.

"*Representative*" "shall mean the authorized representative of the bidder selected by the District for award of the sale of each of the series of the Series 2026CD Bonds, as applicable, or as otherwise specified in the Bond Purchase Agreement or the Bond Order.

"*Series 2026CD Bonds*" shall mean the District's State Revolving Fund Program Bonds issued pursuant to the Master Trust Indenture, this Series Resolution and the Bond Order.

"*Series Resolution*" shall mean this Series Resolution, as amended or supplemented from time to time.

"*State Match Portion*" shall have the meaning given thereto in the related Bond Order.

"*Tax-Exempt Bond"* or *"Tax-Exempt Bonds*" shall mean (a) any Bond or Bonds with respect to which (a) an opinion of nationally recognized bond counsel is provided in connection with their original issuance and sale to the effect that the interest thereon may be excluded from gross income of the beneficial owner thereof and (b) Bonds so designated in the Bond Order.

"*Underwriters*" shall have the meaning given thereto in the Bond Order or any Bond Purchase Agreement.

Section 1.03 Supplemental Granting Clauses. The South Dakota Conservancy District, in order to secure the payment of the principal of, premium (if any) and interest on all Bonds and Notes outstanding under or issued or to be issued under the Master Trust Indenture according to their tenor and effect and the performance and observance of each and all of the covenants and conditions herein and therein contained, and for and in consideration of the premises and of the purchase and acceptance of the Bonds and Notes by the respective purchaser or purchasers and registered owner or owners thereof, and for other good and valuable considerations, the receipt whereof is hereby acknowledged, but in all events subject to the General Limitation, by these presents does hereby grant, bargain, sell, assign, transfer, convey, warrant, pledge and set over, unto the Trustee and to its successor or successors in the trust hereby created and to its assigns forever:

I.

A lien on and pledge of the interests of the District in all Loan Agreements heretofore financed under the Master Trust Indenture, all Loan Obligations acquired in connection

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therewith and all payments of principal, premium (if any) and interest thereon, and all proceeds thereof.

II.

A lien on and pledge of the interests of the District in all Loan Agreements (including Supplemental Loan Agreements) hereafter entered into between the District and Borrowers in connection with Loans authorized hereby and all Loan Obligations acquired with the proceeds of such Loans, and all payments of principal, premium (if any) and interest thereon, and all proceeds thereof.

III.

A lien on and pledge of all funds and other amounts received by the District from the Letter of Credit for deposit in the Program Subfunds to the extent applied for the purpose of making Loans or other requirements hereunder, as and when received, and all proceeds thereof, all subject to the terms, conditions and limitations of the Relevant Federal Act, the rules and regulations promulgated thereunder, and the Applicable EPA Agreements.

IV.

Any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, assigned or transferred, or in which a security interest is granted, by the District or by anyone in its behalf or with its written consent, to the Trustee, which hereby is authorized to receive any and all such property at any and all times and to hold and apply the same to the terms hereof.

SUBJECT, HOWEVER, to the right of the District to withdraw or otherwise cause to be released or substituted from the Trust Estate any Loan Obligations and Loan Agreements, other assets, funds, investments or related rights of payments (defined in the Master Trust Indenture as "*Released Obligations*") pursuant to such Section 5.10 of the Master Trust Indenture.

TO HAVE AND TO HOLD all and singular the said property hereby conveyed and assigned, or agreed or intended so to be, to the Trustee, its successor or successors in trust and its assigns, FOREVER.

IN TRUST, NEVERTHELESS, upon the terms and trust herein set forth and in the Master Trust Indenture, for the equal and proportionate benefit, security and protection of all Holders of the Bonds and Notes issued or to be issued under and secured by the Master Trust Indenture, without preference, priority or distinction as to lien or otherwise or any of the Bonds or Notes over any of the others except as is specifically provided herein or in the Master Trust Indenture;

PROVIDED, HOWEVER, that if the District, its successors or assigns, shall well and truly pay or cause to be paid the principal of the Bonds and Notes and the premium, if any, and interest due or to become due thereon, at the times and in the manner mentioned in the Bonds and Notes, according to the true intent and meaning thereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee sums sufficient to pay the entire amount

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due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Trust Indenture (as supplemented from time to time), to be kept, performed and observed by it and shall pay to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof; then upon such final payment the Master Trust Indenture, and the rights hereby granted shall cease, determine and be void; otherwise, the Master Trust Indenture to be and remain in full force and effect.

ARTICLE 2

Authorization of Series 2026CD Bonds

Section 2.01 Authorization of the Series 2026CD Bonds. Pursuant to the Master Trust Indenture, one or more series of State Revolving Fund Program Revenue Bonds, Series 2026, with an additional letter or other identifying designation, if necessary, in an aggregate original principal amount not to exceed $190,000,000 (the "*Series 2026CD Bonds*") are hereby authorized and created and shall be issued in one or more series consisting of either or both of the following: (a) Taxable Revenue Bonds, Series 2026C (the "*Series 2026C Bonds*") and (b) Revenue Bonds, Series 2026D (the "*Series 2026D Bonds*").

Section 2.02 Purposes. The Series 2026CD Bonds are being issued to provide funds sufficient, together with other available moneys, (a) to provide funds in the approximate amount of $25,000,000 to be deposited to the Drinking Water Leveraged Loan Account established with respect to the Series 2026C Bonds which are to be loaned to Borrowers; (b) to provide funds in the approximate amount of $30,000,000 to be deposited to the Drinking Water Leveraged Loan Account established with respect to the Series 2026D Bonds which are to be loaned to Borrowers, and (c) to provide funds in the approximate amount of $125,000,000 to be deposited to the Clean Water Leveraged Loan Account established with respect to the Series 2026D Bonds which are to be loaned to Borrowers, and (d) to provide funds to pay associated costs of issuance.

Section 2.03 Date, Payment Dates and Maturities. The Series 2026CD Bonds shall be initially dated as provided in the Bond Order and, thereafter, Series 2026CD Bonds issued on or subsequent to the first interest payment date shall be dated as of the most recent date to which interest has been duly paid or provided.

The Series 2026CD Bonds shall bear interest from their dated date payable semiannually on February 1 and August 1 in each year, commencing no later than August 1, 2027.

Section 2.04 Sinking Fund Installments and Redemption Provisions.

The Series 2026CD Bonds shall mature on August 1 in each of the years and in the principal amounts as shall be determined by the Authorized Officers in the Bond Order, provided; however, the final maturity shall not be later than as specified in Section 2.07 of this Resolution.

The total scheduled principal and interest due on the Series 2026CD Bonds in any year (after taking into account any Sinking Fund Installments) shall not exceed $25,000,000.

Any Series 2026CD Bonds which are issued as term bonds (the "*Series 2026CD Term Bonds*") shall be redeemed prior to their stated maturities by payment of Sinking Fund

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Installments, upon notice as provided in Article III of the Master Trust Indenture, on August 1 in each of the years and amounts as set forth in the Bond Order, in each case at a redemption price of 100% of the principal amount of such Series 2026CD Term Bonds or portions thereof to be so redeemed, together with accrued interest to the redemption date.

The Series 2026CD Bonds shall be subject to redemption prior to their stated maturity only as provided in the Bond Order.

Section 2.05 Reserve Fund Requirements. The Series 2026CD Bonds shall not be secured by a pledge of or lien on any amounts on deposit in either Reserve Fund.

Section 2.06 Filing of Materials and Satisfaction of Conditions Applicable to Issuance of Additional Bonds. An Authorized Officer shall cause to be filed with the Trustee a Coverage Certificate for each Program based upon the principal amount, maturity and sinking fund schedule and interest rates applicable to the Bonds the District expects to be issued to provide the funds necessary to pay the Series 2026CD Bonds on the Maturity Date, all pursuant to the terms and conditions of Section 2.11(b) of the Master Trust Indenture.

Section 2.07 Sale of Series 2026CD Bonds; Execution of Bond Purchase Agreement. Any Authorized Officer is hereby authorized to award the sale of each series of the Series 2026CD Bonds and/or execute a Bond Purchase Agreement (if any) provided such Authorized Officer shall first make the determinations described below, which determinations shall be memorialized in the Bond Order at or prior to the delivery of each series of Series 2026CD Bonds.

Before awarding the sale of the Series 2026CD Bonds an Authorized Officer shall first determine that:

a) the weighted average interest cost of (i) the Series 2026C Bonds is less than 6.50% and (ii) of the Series 2026D Bonds is less than 6.50%,

b) the true interest cost of the Series 2026C Bonds does not exceed 7.00%,

c) the yield for arbitrage purposes for the Series 2026D Bonds does not exceed 5.50%,

d) the last stated maturity date for the (i) Series 2026C Bonds is not later than August 1, 2046, and (ii) Series 2026D Bonds is not later than August 1, 2056,

e) the Series 2026CD Bonds will have serial maturities (or mandatory sinking fund requirements) such that the annual scheduled debt service on the Series 2026CD Bonds will have the effect, subject to adjustments to take into account debt service on the District's Outstanding Bonds, Projected Revenues other expected future series of Bonds to be issued, so as to result in projected debt service coverage which will satisfy the requirements of Section 2.11(b) of the Master Trust Indenture,

f) the purchase price to be paid by the purchasers of the Series 2026CD Bonds is not less than 99% of the Series 2026CD Bonds, and

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g) the underwriters' discount shall not exceed 1.5% of the par amount of Series 2026CD Bonds.

Section 2.08 Conforming Amendments to Master Trust Indenture. The Authorized Officers are hereby authorized (provided only one signature shall be sufficient) to execute, deliver and perform any conforming amendments or supplements to the Master Trust Indenture approved as to form by the Attorney General and Bond Counsel to the extent such Authorized Officers determine the same is necessary or appropriate in connection with the sale and delivery of the Series 2026CD Bonds, provided that such execution and delivery are not expected to result in a downgrade in the current ratings of outstanding Bonds as of the date of issuance of the Series 2026CD Bonds consistent with the requirements of Section 11.01(h) of the Master Trust Indenture.

Section 2.09 Official Statement. The form of Preliminary Official Statement, in substantially the form presented at this meeting, is hereby approved and a final Official Statement shall be distributed with such changes, omissions, insertions and revisions as the officer executing the Official Statement shall deem advisable in order to make such Official Statement a complete and accurate disclosure of all material facts to prospective purchasers of the Series 2026CD Bonds. The Chairman, Vice Chairman or Secretary (provided only one signature shall be sufficient) are each authorized to sign one or more copies of such Preliminary Official Statement or final Official Statement on behalf of the District, and a copy of at least one such signed copy shall be filed with the permanent records of the District.

Section 2.10 Delegation of Certain Functions. The Secretary of the Department, or any authorized representative thereof, shall be authorized on behalf of the State Department of Agriculture and Natural Resources (the "*Departmen*t") and the District to direct the Trustee to transfer funds from any account or fund under the Master Trust Indenture to provide for flexibility for the Programs, including any transfers from time to time as authorized by the Master Trust Indenture. In addition to the foregoing, the Secretary of the Department, or any authorized representative thereof, shall be authorized on behalf of the Department and the District to direct the Trustee to establish and maintain additional accounts or subaccount for the purposes described above or to account for allocation of restricted and unrestricted moneys under the Master Trust Indenture.

Section 2.11 Authorization and Ratification of Subsequent Acts. The officers, agents and employees of the District and the Department are hereby authorized and directed to do all such acts and things and to execute or accept documents as may be necessary to carry out and comply with the provisions of these resolutions and the documents approved hereby, and all of the acts and doings of the officers, agents and employees of the District and the Department which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved. Without limiting the generality of the foregoing, the proper officers of the District are hereby also authorized and directed to execute, acknowledge and deliver such certificates, agreements and documents which, in the opinion of bond counsel, Perkins Coie LLP, are necessary to preserve the tax exempt status of the Series 2026CD Bonds, including a form of Tax Regulatory Agreement providing for the periodic payment of certain earnings on funds held by the Trustee to the United States of America.

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Section 2.12 Electronic Signatures. Any electronic signature of an Authorized Officer in connection with the Series 2026CD Bonds, the Bond Purchase Agreement or any other document or certificate authorized by this Series Resolution shall be as valid as an original signature and shall be effective to bind the District. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

ARTICLE 3

Use of Proceeds of Series 2026CD Bonds; Determination of Leveraged Portion and Allocable Portions

Section 3.01 Establishment of Accounts.

(a) There is hereby established within the Loan Fund for each Program with respect to the Series 2026CD Bonds, and to the extent applicable, the following accounts which are to be maintained by the Trustee pursuant to the Master Trust Indenture and this Series Resolution:

1. In the Clean Water Loan Fund, a Clean Water Leveraged Loan Account.

2. In the Drinking Water Loan Fund, a Drinking Water Leveraged Loan Account.

(b) There is hereby established within the Revenue Fund for each Program and with respect to each series of the Series 2026CD Bonds (*i.e.*, Series 2026C and Series 2026D), the following accounts and subaccounts which are to be maintained by the Trustee pursuant to the Master Trust Indenture and this Series Resolution:

1. In the Clean Water Revenue Fund, (A) a Clean Water Unrestricted Interest Repayments Account, (B) a Clean Water Restricted Principal Repayments Account, (C) a Clean Water Unrestricted Cumulative Excess Interest Repayments Subaccount and (D) a Clean Water Restricted Cumulative Excess Principal Repayments Subaccount.

2. In the Drinking Water Revenue Fund, (A) a Drinking Water Unrestricted Interest Repayments Account, (B) a Drinking Water Restricted Principal Repayments Account, (C) a Drinking Water Unrestricted Cumulative Excess Interest Repayments Subaccount and (D) a Drinking Water Restricted Cumulative Excess Principal Repayments Subaccount.

(c) There is hereby established within the Administration Fund for each Program and with respect to each series of the Series 2026CD Bonds (*i.e.*, Series 2026C and Series 2026D), the following accounts which are to be maintained by the Trustee pursuant to the Master Trust Indenture and this Series Resolution:

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1. In the Clean Water Administration Fund, (A) a Clean Water State Administration Account, (B) a Clean Water State Administration Discretionary Account, and (C) a Clean Water State Admin Cost of Issuance Account.

2. In the Drinking Water Administration Fund, (A) a Drinking Water State Administration Account, (B) a Drinking Water State Administration Discretionary Account, and (C) a Drinking Water State Admin Cost of Issuance Account.

(d) There is hereby established within the Bond Fund for each Program the following accounts and subaccounts which are to be maintained by the Trustee pursuant to the Master Trust Indenture and this Series Resolution:

1. In the Clean Water Bond Fund, a Clean Water Leveraged Bond Account.

2. In the Drinking Water Bond Fund, a Drinking Water Leveraged Bond Account.

3. In the Bond Fund for each Program, such other accounts as the Authorized Officers determine to be necessary or appropriate to provide for payment of the Series 2026CD Bonds in accordance with the Master Trust Indenture.

Section 3.02 Determination of Allocable Portions. The Allocable Portion of Series 2026CD Bonds for each Program and the Leveraged Portion thereof, shall be determined by the two Authorized Officers who approve the Bond Order in accordance with the Indenture.

Section 3.03 Application of Proceeds of the Series 2026CD Bond Proceeds.

(a) The proceeds of the Series 2026CD Bonds shall be applied for the purposes described in Section 2.02 of this Series Resolution; all as shall be further specified in the Bond Order.

(b) To the extent not financed out of the proceeds of the Series 2026CD Bonds as provided in subparagraph (a) above, the Authorized Officers shall provide in the Bond Order that costs of issuance of the Series 2026CD Bonds may be paid for out of Revenues or other available funds of the District.

Section 3.04 Allocation of Interest Earnings and Other Amounts; Investment Agreements. (a) Earnings on any amounts on deposit in the Leveraged Loan Account for each Program shall be allocated periodically no less frequently than as of the end of each January and July to the Unrestricted Interest Repayments Accounts for such Program.

Section 3.05 Re-designation of Various Funds, Accounts and Subaccounts. At the direction of any Authorized Officer, the Trustee may create Funds, Accounts or Subaccounts for either Program and re-designate or clarify the various names of the Funds, Account and Subaccounts for either Program under the Master Indenture or any other prior indenture or resolution so as to properly account for the various funds, accounts and subaccounts established hereunder or under the Master Trust Indenture for purposes of compliance with any requirements of the Code, any requirements of the Environmental Protection Agency, to close loan accounts for

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State Match for either Program, and to reallocate amounts between Leveraged and State Match Loan Accounts for either Program as necessary to maximize available funding of loans or compliance with various investment agreements or any accounting requirements. In addition, and not by way of limitation, the Authorized Officers shall be authorized to include instructions to the Trustee in the Bond Order or by subsequent written certificate or direction regarding the consolidation and/or closing of accounts and subaccounts with respect to any of the Series of Bonds for either Program. The actions authorized hereby shall expressly include the creation or re-designation or correction of the names of various funds, accounts or subaccounts which are consistent with any provisions of the Master Trust Indenture or with any request or requirement of the Environmental Protection Agency, the requirements of the Code or any investment provider.

ARTICLE 4

Form, Execution and Other Details of Series 2026CD Bonds

Section 4.01 Form of Series 2026CD Bonds. The Series 2026CD Bonds, the Registrar's Authentication Certificate, and the form of assignment shall be in substantially the form contemplated by the Master Trust Indenture, with all such insertions as may be consistent with this Series Resolution and the Bond Order.

Section 4.02 Execution and Delivery. The Series 2026CD Bonds shall be executed and delivered as provided in the Master Trust Indenture.

Section 4.03 Uses of Securities Depository; Book-Entry Only System. The provisions of the Series Resolution and the Bond Order shall take precedence over the provisions of the Master Trust Indenture to the extent they are inconsistent therewith as to matters relating to the appointment of The Depository Trust Company ("*DTC*") to act as securities depository for the Series 2026CD Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the Series 2026CD Bonds (the "*DTC participants*"), and for distributing to such DTC Participants such amount of the principal and interest payments on the Series 2026CD Bonds as they are entitled to receive, for redistribution to the beneficial owners of the Series 2026CD Bonds as reflected in their records (the "*Beneficial Owners*").

ARTICLE 5

Special Covenants

The Board of Water and Natural Resources and the District covenant and agree with the persons who at any time are Holders and Owners of the Series 2026CD Bonds that so long as any Series 2026CD Bonds remain outstanding and unpaid:

Section 5.01 Observe Master Trust Indenture, Series Resolution and Loan Agreements. The District will faithfully keep and observe all the terms, provisions and covenants contained in the Master Trust Indenture, this Series Resolution and the Loan Agreements.

Section 5.02 Maintenance of Tax-Exempt Status. The District shall not take, or permit the Political Subdivision to take, any action that would cause the Tax-Exempt Series 2026CD

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Bonds to be "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended. The District shall comply with all the rebate requirements imposed under Section 148(f) of the Internal Revenue Code of 1986, as amended, and regulations thereunder, which are necessary to preserve the tax-exempt status of the Tax-Exempt Series 2026CD Bonds, including (if applicable) the requirement to make periodic calculations of the amount subject to rebate thereunder and the requirement to make all required rebates to the United States. The District agrees to use any moneys on deposit in any Fund or Account maintained under the Master Trust Indenture to pay any such rebate (or penalty in lieu thereof) when due to the extent permitted by the Master Trust Indenture. In addition, the District shall make no investment of funds or take or permit the Political Subdivision to take any action that would cause the Tax-Exempt Series 2026CD Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder. The forgoing covenant shall not apply to any Bonds which are designated as of the date of issuance as taxable Bonds.

The Chairman is hereby authorized to make on behalf of the District any elections under the provisions of Section 148 of the Internal Revenue Code of 1986 and regulations thereunder as he may deem appropriate. All terms used in this Section 5.02 shall have the meanings provided in the Internal Revenue Code of 1986, as amended, and regulations thereunder. The Chairman shall execute any certificates as may be necessary or appropriate to establish the tax-exempt status of the Bonds. The District covenants that it will take such actions as may be necessary in order to ensure that the interest on any Series 2026CD Bonds remains excluded from the gross income of the holders thereof for federal income tax purposes under Section 103 of the Code.

ARTICLE 6

Miscellaneous

Section 6.01 Adjustments by Authorized Officers.

The Authorized Officers are hereby authorized and directed to adjust the deposit and application of the proceeds of the Series 2026CD Bonds as described herein if and to the extent such Authorized Officers determine that the payment of any underwriter's discount, bond insurance premium or other amounts can be made from any other funds or accounts in a manner favorable to the District.

Section 6.02 Amendments. This Series Resolution may be amended as provided in the Master Trust Indenture.

Section 6.03 Effective Date. This Series Resolution is effective immediately.

Adopted: September 24, 2026

_____
Its Chair

Attest:

_____
Its Secretary

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