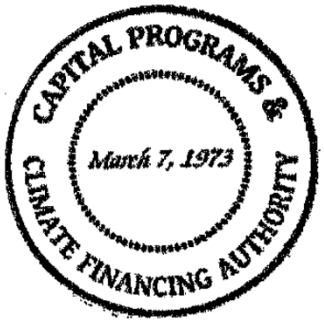
CERTIFICATE OF THE EXECUTIVE DIRECTOR
Sacramento, California

I, Shela Tobias-Daniel, Executive Director of the Capital Programs and Climate Financing Authority, hereby certify that the foregoing is a full, true, and correct copy of a RESOLUTION OF OFFICIAL INTENT TO ISSUE BONDS TO FINANCE WATER FACILITY IMPROVEMENT PROJECTS FOR AMERICAN WATER CAPITAL CORP. AND/OR ITS AFFILIATES Project approved by me on November 9, 2026, and that I have the requisite right, power, and authority to approve this resolution as delegated by the Authority in the RESOLUTION OF THE CAPITAL PROGRAMS AND CLIMATE FINANCING AUTHORITY DELEGATING CERTAIN POWERS AND AUTHORIZING CERTAIN ACTIONS RELATED TO BOND FINANCINGS adopted on January 21, 2025.

This resolution of intent expires November 9, 2029.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Capital Programs and Climate Financing Authority hereto.



Shela Tobias-Daniel

Shela Tobias-Daniel
Executive Director

November 9, 2026

RESOLUTION OF OFFICIAL INTENT TO ISSUE BONDS TO FINANCE WATER FACILITY IMPROVEMENT PROJECTS FOR AMERICAN WATER CAPITAL CORP. AND/OR ITS AFFILIATES

November 9, 2026

WHEREAS, the Capital Programs & Climate Financing Authority ("Authority"), a public instrumentality of the State of California ("State") is authorized and empowered by the provisions of the Capital Programs and Climate Financing Authority Act (Division 27 (commencing with Section 44500) of the Health and Safety Code) ("Act") to issue bonds for the purpose of defraying the cost of water facility improvement projects; and

WHEREAS, American Water Capital Corp., a Delaware corporation ("Applicant"), has submitted an application ("Application") requesting that the Authority assist in the financing or refinancing of water facility improvement projects in connection with the Monterey Peninsula Water Supply Project ("MPWSP") to be owned and operated by the Applicant and/or its Affiliates (as hereinafter defined), including without limitation California-American Water Company, a California corporation (collectively, "Company"), which are expected to be comprised of facilities for the furnishing and improvement of water which is available on reasonable demand to members of the general public within the service area of the Company's water system, including the acquisition, construction, refurbishing, rehabilitation, creation, development, redevelopment and installation of a desalination plant, including source water receiving tanks; pretreatment, reverse osmosis, and post-treatment systems; chemical feed and storage facilities; brine storage and discharge facilities; and associated non-process facilities; subsurface slant wells extending offshore beneath Monterey Bay as well as conveyance facilities, including pipelines, pump stations and a terminal reservoir; and related equipment including major pretreatment, pumping, electrical, control, chemical handling, storage, and auxiliary systems necessary to operate the desalination facilities, including reverse osmosis, filtration, UV disinfection, pumps, motor control centers, switchgear, variable frequency drives, supervisory control and data acquisition system, instrumentation, storage tanks, and related support equipment (collectively, "Facilities"), and have presented an estimate of the maximum cost of such Facilities as shown in Exhibit "A" attached hereto; and

WHEREAS, the Authority desires to encourage the Company to provide water facility projects that will serve the public of the State; and

WHEREAS, the Authority deems it necessary and advisable to further the purposes of the Act that the Facilities be constructed at the earliest practicable date, but the Company requires satisfactory assurances from the Authority that the proceeds of the sale of bonds of the Authority will be made available to finance such Facilities; and

WHEREAS, the Company expects to incur or pay from its own funds certain expenditures in connection with the Facilities prior to the issuance of indebtedness for the purpose of financing costs associated with the Facilities on a long-term basis; and

WHEREAS, subject to meeting all the conditions set forth in this resolution the Authority reasonably expects that bonds, in one or more series, on a taxable or tax-exempt basis, in an amount not expected to exceed $450,000,000 will be issued and that certain of the proceeds of such bonds will be used to reimburse the Company for its prior expenditures associated with the Facilities; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Facilities with the proceeds of a subsequent borrowing;

NOW, THEREFORE, BE IT RESOLVED by the Capital Programs & Climate Financing Authority as follows:

Section 1. The Authority finds and determines that the foregoing recitals are true and correct. For purposes of this Resolution, an "Affiliate" of the Applicant means any person or entity that meets the definition of "participating party" in the Act and controls, is controlled by, or is under common control with, the Applicant, as shown by the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through majority equity ownership, contract or otherwise. California-American Water Company is an Affiliate of the Applicant.

Section 2. The Authority declares its official intent to issue, at one time or from time to time, an aggregate of up to $450,000,000 principal amount of bonds of the Authority, in one or more series and on a taxable or tax-exempt basis, for the Facilities; including for the purpose of reimbursing to the Company costs incurred for the Facilities prior to the issuance of the bonds.

Section 3. The bonds shall be payable solely from the revenues to be received by the Authority pursuant to a loan agreement or other agreements to be entered into between the Authority and the Company in connection with the Facilities. Each bond shall contain a statement to the following effect:

"Neither the faith and credit nor the taxing power of the State of California or any political subdivision thereof or any local agency is pledged to the payment of the principal of, premium, if any, or any interest on this bond."

Section 4. The bonds shall be issued subject to the conditions that (i) the Authority and the Company shall have first agreed to mutually acceptable terms for the

bonds and of the sale and delivery thereof, and mutually acceptable terms and conditions of the loan of the proceeds thereof to the Company; (ii) all requisite governmental approvals shall have first been obtained; (iii) a Final Resolution shall have been received from the Authority; and (iv) to the extent required, an allocation shall have been received from the California Debt Limit Allocation Committee for any portion of the bonds which are to be sold as exempt from federal income tax.

Section 5. The Executive Director of the Authority is hereby directed to indicate the willingness of the Authority to proceed with and effect such financing in order to assist the Company by defraying the cost of the Facilities, subject to due compliance with all requirements of the law and the obtaining of all necessary consents and approvals and meeting all other requirements of the Authority.

Section 6. It is intended that this Resolution shall constitute "some other similar official action" towards the issuance of bonds within the meaning of Section 1.103-8(a)(5) of the Treasury Regulations and "official intent" within the meaning of Section 1.150-2 of the Treasury Regulations, each as applicable under Section 103 of the Internal Revenue Code of 1986, as amended. It is also intended that this statement of "official action" or "official intent" by the Authority shall continue in full force and effect even if this Resolution ceases to be effective for other purposes.

Section 7. This Resolution shall take effect immediately upon its approval and remain in full force and effect thereafter; provided that, subject to Section 6, this Resolution shall cease to be effective three years after the approval date unless prior to such date the Authority or its Executive Director specifically adopts a further resolution extending the effective date of this Initial Resolution, which it will do only after receiving a specific request for such action from the Company, accompanied by any additional information requested by the Authority to supplement the Company's application, and an explanation of the status of the Facilities.

EXHIBIT A

NUMBER	Application No. 979
LOCATONS	Northern coastal Monterey County including: the desalination plant in unincorporated Monterey County on Charles Benson Road; the subsurface slant-well intake system on a coastal property in the City of Marina at the former CEMEX mining site; and conveyance pipelines and related facilities connecting the plant to existing California - American Water infrastructure serving the Monterey Peninsula
TYPE	Water Facility Improvement Projects (MPWSP)
AMOUNT	Up to $450,000,000