

**RESOLUTION OF THE BOARD OF COMMISSIONERS
MORRIS COUNTY IMPROVEMENT AUTHORITY**

TITLE:

**RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING THE SETTLEMENT OF VARIOUS LITIGATIONS, THE
PREPARATION AND SUBMISSION OF AN APPLICATION TO THE LOCAL
FINANCE BOARD PURSUANT TO LOCAL AUTHORITIES FISCAL
CONTROL LAW AND OTHER APPLICABLE LAW AND SEEKING CERTAIN
OFFICIAL ACTIONS OF THE COUNTIES OF SUSSEX AND MORRIS, IN
CONNECTION WITH THE AUTHORITY'S COUNTY OF SUSSEX
GUARANTEED RENEWABLE ENERGY PROGRAM LEASE REVENUE
BONDS, SERIES 2015 (FEDERALLY TAXABLE) IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$6,750,000 AND OTHER MATTERS
RELATED THERETO, ALL IN CONNECTION WITH THE SUSSEX COUNTY
RENEWABLE ENERGY PROGRAM**

WHEREAS, the County of Sussex, New Jersey, a political subdivision of the State ("*Sussex County*") developed a renewable energy program (the "*Renewable Energy Program*") for the financing, design, permitting, acquisition, construction, installation, operation and maintenance of renewable energy capital equipment and facilities such as solar panels, including any related electrical modifications, work related to the maintenance of roof warranties, or other work required, desirable or convenient for the installation of such systems (collectively, the renewable energy capital equipment and facilities, the "*Renewable Energy Projects*") for and on behalf of Sussex County and its affiliates, and the local governmental units within Sussex County, including without limitation municipalities, boards of education for school districts, local authorities and any other local government instrumentalities, public bodies or other local government entities (collectively, including Sussex County, the "*Local Units*");

WHEREAS, the Morris County Improvement Authority (the "*Authority*") has been duly created by resolution no. 42 entitled "Resolution of the Board of Chosen Freeholders of Morris County, New Jersey creating the Morris County Improvement Authority" duly adopted by the Board of Chosen Freeholders (the "*Morris County Board of Chosen Freeholders*") of the County of Morris (the "*Morris County*") in the State of New Jersey (the "*State*") on April 10, 2002 as a public body corporate and politic of the State pursuant to and in accordance with the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (as codified at N.J.S.A. 40:37A-44 *et seq.*, the "*Act*"), and other applicable law;

WHEREAS, as of the date hereof, Sussex County has not created its own county improvement authority, and therefore pursuant to the Act, Sussex County may determine to utilize the services of another county improvement authority, including without limitation the Authority, with the consent of both Sussex County, a beneficiary county under the Act, and the Morris County Board of Chosen Freeholders, on behalf of Morris County as “the county” as defined in the Act, for any purpose for which an improvement authority shall exist, including those set forth in Section 11 of the Act (N.J.S.A. 40:37A-54, “*Section 11*”), which purposes include the development and implementation of the Renewable Energy Program;

WHEREAS, the Renewable Energy Projects procured under the Renewable Energy Program are to be installed on, in, affixed or adjacent to and/or for any other Local Unit controlled buildings, other structures, lands or other properties of the Local Units (collectively, the “*Local Unit Facilities*”);

WHEREAS, pursuant to that certain resolution number 11-39 entitled “RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF SUSSEX GUARANTEED RENEWABLE ENERGY PROGRAM LEASE REVENUE NOTES AND BONDS, SERIES 2011 AND ADDITIONAL BONDS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY” adopted by the governing body of the Authority on September 28, 2011, as amended and supplemented from time to time in accordance with its terms, including by a Certificate of an Authorized Officer of the Authority dated December 14, 2011 (collectively, and as the same may be further amended or supplemented in accordance with its terms, the “*Original Bond Resolution*”), the other “Program Documents” as defined in the Original Bond Resolution, (the “*Original Program Documents*”), the Act, and other applicable law and official action, the Authority issued its (i) “County of Sussex Guaranteed Renewable Energy Program Lease Revenue Bonds, Series 2011A (Federally Taxable)” dated December 14, 2011, in the aggregate principal amount of \$26,715,000 (the “*Series 2011A Bonds*”) and its (ii) “County of Sussex Guaranteed Renewable Energy Program Lease Revenue Note, Series 2011B (Federally Taxable)” dated December 14, 2011, in the aggregate principal amount of \$985,000 (the “*Series 2011B Note*”, and together with the Series 2011A Bonds, the “*Series 2011 Bonds*”), which Series 2011B Note is no longer outstanding, to finance the Renewable Energy Projects (as defined in the Original Bond Resolution, as amended to date by the hereinafter defined Prior Consents (the “*Prior Bond Resolution*”));

WHEREAS, certain capitalized terms herein not otherwise defined herein relating to the Series 2011 Bonds, for all purposes herein, shall have the meanings ascribed to such terms in the Prior Bond Resolution, and if not defined therein, in the hereinafter defined Consent No. 3, a form of which is attached hereto as Exhibit A;

WHEREAS, for certain purposes herein, including reference to the Prior Consents and Consent No. 3, (i) the Authority, Sussex County and the Trustee are each a “*County Party*,” and may be collectively referred to as the “*County Parties*”, (ii) SunLight General Sussex Solar, LLC (the “*Company*”), the Investment Company, the

Holding Company, and SLG Capital (as such terms are defined in the hereinafter defined Consent No. 3) are each a “*Company Party*,” and may be collectively referred to as the “*Company Parties*”; (iii) each of the County Parties and the Company Parties shall be considered Parties;

WHEREAS, the Company was selected by the Authority through a competitive process to develop the respective Renewable Energy Projects for the Series 2011 Local Units detailed in the Original Program Documents within the timeframe set forth in the Original Program Documents;

WHEREAS, the Company, in turn, prior to the issuance of the Series 2011 Bonds, entered into the engineering, procurement, and construction contract (the “*EPC Contract*”) with Power Partners Mastec, LLC (“*Mastec*” or the “*EPC Contractor*”), for the EPC Contractor to construct the Renewable Energy Projects and undertake certain other functions set forth in the EPC Contract;

WHEREAS, the Company failed to cause the construction of all of the Renewable Energy Projects within the original timeframes contemplated by the Original Program Documents due to a series of disputes arising between the Company and the EPC Contractor under the EPC Contract (the “*EPC Contract Disputes*”);

WHEREAS, in accordance with the terms of the EPC Contract, the Company and the EPC Contractor entered into a private, binding arbitration proceeding (as more particularly defined in the hereinafter defined Settlement Agreement, the “*Arbitration*”) to resolve the EPC Contract Disputes, which Arbitration did not involve any County Party (in accordance with the terms of the EPC Contract), and the details and progression of which (other than occasional schedule updates provided by the Company) were not made available to the County Parties;

WHEREAS, in addition, the EPC Contractor filed certain liens on funds held by the Trustee preventing the Company from requisitioning the balance of the proceeds of the Series 2011 Bonds, which prevented the completion of the development of all of the Renewable Energy Projects, and which actions (among others) resulted in several presently ongoing federal and state court litigation proceedings as detailed in the Settlement Agreement (collectively, the “*Litigation*”);

WHEREAS, the development timeframes were extended to allow for the Arbitration to conclude, and other related provisions of the Original Program Documents were amended, as set forth in that certain (i) “Amendment and Consent No. 1 (Sussex County Renewable Energy Program, Series 2011)” dated as of December 1, 2012 (“*Consent No. 1*”) by and among the Parties and the Series 2011 Local Units referenced and defined therein and (ii) “Amendment and Consent No. 2 (Sussex County Renewable Energy Program, Series 2011)” dated as of October 1, 2013 (“*Consent No. 2*” and together with Consent No. 1, the “*Prior Consents*”) by and among the Parties referenced therein;

WHEREAS, the Prior Consents also amended the Original Bond Resolution (as so amended, the “*Prior Bond Resolution*”) and the other Program Documents (as so amended, the “*Prior Program Documents*”);

WHEREAS, on August 15, 2014, a panel of arbitrators issued Findings of Fact and entered Partial Final Arbitrators’ Awards in favor of the EPC Contractor against the Company in the amount of \$13,649,230 (the “*Arbitration Award*”), it being understood that such Arbitration Award was a private proceeding not involving, and not issued against, any County Party;

WHEREAS, on August 21, 2014, the Authority, upon direction of Sussex County, delivered to the Trustee that certain “Authority Notice Regarding Events of Defaults and other defaults” (the “*Authority Default Notice*”), dated August 21, 2014, which by its terms directed the Trustee to issue to the Company that certain “Trustee Notice Regarding Events of Default and other defaults” (the “*Trustee Default Notice*”), dated August 21, 2014;

WHEREAS, the Authority Default Notice, among other things, informed the Company of the Authority’s position that the Company: (i) had caused certain Events of Default under the Prior Program Documents; and (ii) was in default with respect to additional obligations pursuant to the Prior Program Documents, which if not timely cured, would accrue into additional Events of Default under the Program Documents (collectively, the “*Defaults*”);

WHEREAS, in order to resolve all of the Litigation, provide for a workable methodology to deal with the Defaults and allow the Authority’s renewable energy program to continue, allow Sussex County to determine their best interests relating to the completion of the Renewable Energy Projects, and certain other considerations under the Prior Program Documents, the Authority has determined, through adoption of this resolution and subject to approval of each of Sussex County, as a beneficiary county pursuant to the Act, and Morris County, as “the county” as defined in the Act, and pursuant to Section 13 (“*Section 13*”) of the Act (N.J.S.A. 40:37A-56), to (i) enter into that certain “Settlement Agreement” by and among, including others, the Authority, Sussex County, the Company, and the EPC Contractor (the “*Settlement Agreement*”), a form of which is attached hereto as Exhibit B, and (ii) further amend the Prior Program Documents (as amended, including by the hereinafter defined Series 2015 Bond Authority Documents, the “*Program Documents*”) through the authorization, execution and delivery of that certain “Amendment and Consent No. 3 (Sussex County Renewable Energy Program, Series 2011)” (“*Consent No. 3*”, and together with the Prior Consents, the “*Consents*”; collectively, the Settlement Agreement and Consent No. 3 may be collectively referred to as the “*Settlement Documents*”), which Consent No. 3 may be acknowledged by certain Series 2011 Local Units referenced therein;

WHEREAS, pursuant to the Settlement Documents, among other things, (i) the EPC Contractor shall be paid for certain Costs of the Renewable Energy Projects as

outlined therein from (A) a portion of the Project Fund held by the Trustee, (B) an amount to be funded by the Authority and/or Sussex County, through the issuance of the hereinafter defined Series 2015 Bonds, or through other available funds, and (C) such other sources as detailed in the Settlement Documents, (ii) provide that a portion of the Series 2015 Bonds shall be applied to the completion of the construction of all or a portion of the remaining Renewable Energy Projects not yet constructed and/or to the payment and/or reimbursement of the Sussex County Guaranty, and (iii) provide for certain Administrative Expenses (collectively, and together with such other purposes as may be specified in the hereinafter defined Series 2015 Supplement Resolution, the “*Settlement Project*”);

WHEREAS, litigations substantially similar to, and in some cases identical to, the Litigations have also arisen among affiliates of the Company, the EPC Contractor, the Authority, Morris County, Somerset County, and the Somerset County Improvement Authority, in connection with renewable energy programs being implemented in each of Morris and Somerset Counties (the “*Morris Litigations*” and the “*Somerset Litigations*,” respectively, and together with the Litigation, collectively the “*Tri-County Litigations*”);

WHEREAS, the Authority understands that the governing bodies of each of Morris and Somerset Counties are scheduled to consider taking action with respect to settling the Morris Litigations and the Somerset Litigations, respectively, upon terms substantially similar to the Settlement Project;

WHEREAS, in order to finance the (i) Settlement Project, (ii) costs incurred in connection with the issuance of the Series 2015 Bonds, and (iii) such other amounts as shall be set forth in the hereinafter defined Series 2015 Supplemental Resolution (collectively, the “*Series 2015 Project*”), Sussex County may decide to direct the Authority to issue one or more series of taxable bonds or notes, in either event issued as Additional Bonds subject to the benefits of the Sussex County Guaranty and the other provisions of the hereinafter defined Bond Resolution, in an aggregate principal amount not to exceed \$6,750,000 (the “*Series 2015 Bonds*”), all pursuant to the Prior Bond Resolution, as further amended and supplemented by Consent No. 3 and by that certain “SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF SUSSEX GUARANTEED RENEWABLE ENERGY PROGRAM LEASE REVENUE NOTES AND BONDS, SERIES 2015 OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY,” if and when adopted, as may be further amended and supplemented from time to time in accordance with its terms, including by a Certificate of an Authorized Officer of the Authority to be dated the date of issuance of the Series 2015 Bonds (the “*Series 2015 Supplemental Resolution*” and together with the Prior Bond Resolution, as the same may be further amended or supplemented from time to time in accordance with its terms, the “*Bond Resolution*”), the Act and other applicable law;

WHEREAS, the Series 2015 Supplemental Resolution shall determine if the Series 2015 Bonds, if necessary, shall be issued in a public offering, limited public offering, or private placement, including as a purchase by Sussex County or an affiliate thereof;

WHEREAS, upon issuance of the Series 2015 Bonds, if issued, the Authority will have issued no more than \$34,450,000 (original aggregate principal amount of Series 2011 Bonds of \$27,700,000, plus Series 2015 Bonds in an aggregate principal amount of not to exceed \$6,750,000) of the \$50,0000 of Authority bonds authorized for County guaranty under the Guaranty Ordinance, leaving guaranty capacity of no less than \$15,550,000, \$10,000,000 of which shall constitute the “*Excess Guaranty Bonding Capacity*”;

WHEREAS, the Series 2015 Supplemental Resolution shall authorize the Authority to execute and deliver, to the extent Sussex County directs the Authority to issue the Series 2015 Bonds, simultaneously with or prior to the issuance of the Series 2015 Bonds, the following agreements (together with the Series 2015 Supplemental Resolution and the Series 2015 Bonds, the “*Series 2015 Bond Authority Documents*,” a form of which is attached hereto as Exhibit F), which Series 2015 Bond Authority Documents shall further amend and supplement the following Prior Program Documents (as so amended and supplemented, the “*Program Documents*”):

- (i) That certain “Amendment No. 1 to Lease Purchase Agreement (Sussex County Renewable Energy Program, Series 2011)” to be dated the first day of the month of issuance of the Series 2015 Bonds (the “*Amendment No. 1 to Company Lease Agreement*”), which in accordance with the Prior Program Documents, shall automatically become part of the Company Lease Agreement;
- (ii) That certain “Amendment No. 1 to Power Purchase Agreement (Sussex County Renewable Energy Program, Series 2011)” to be dated the first day of the month of issuance of the Series 2015 Bonds (the “*Amendment No. 1 to Power Purchase Agreement*”), which in accordance with the Prior Program Documents, shall automatically become part of the Power Purchase Agreement,
- (iii) That certain “Amendment No. 1 to County Guaranty Agreement (Sussex County Renewable Energy Program, Series 2011)” to be dated the first day of the month of issuance of the Series 2015 Bonds (the “*Amendment No. 1 to County Guaranty Agreement*”), which in accordance with the Prior Program Documents, shall automatically become part of the County Guaranty Agreement, which in turn shall automatically become a part of the Sussex County Guaranty applicable to all Bonds, including the Outstanding Series 2011 Bonds and the Series 2015 Bonds;
- (iv) To the extent the Series 2015 Bonds are not privately sold, or the federal securities laws contemplated thereby are otherwise not applicable, that certain “Amendment No. 1 to Company Continuing Disclosure Agreement (Sussex County Renewable

Energy Program, Series 2011)” to be dated the first day of the month of issuance of the Series 2015 Bonds (the “*Amendment No. 1 to Company Continuing Disclosure Agreement*”), which in accordance with the Prior Program Documents, shall automatically become part of the Company Continuing Disclosure Agreement; and

- (v) To the extent the Series 2015 Bonds are not privately sold, or the federal securities laws contemplated thereby are otherwise not applicable, that certain “Amendment No. 1 to County Continuing Disclosure Agreement (Sussex County Renewable Energy Program, Series 2011)” to be dated the first day of the month of issuance of the Series 2015 Bonds (the “Amendment No. 1 to County Continuing Disclosure Agreement”), which in accordance with the Prior Program Documents, shall automatically become part of the County Continuing Disclosure Agreement;

WHEREAS, as Additional Bonds, the Series 2015 Bonds shall be secured on a pro-rata basis with, and in the same manner as, the Outstanding Series 2011 Bonds, including by the payment of certain Basic Lease Payments (as modified by Consent No. 3), and the Sussex County Guaranty;

WHEREAS, pursuant to the terms of the Program Documents, with respect to the Series 2015 Bonds, if Sussex County directs the Authority to issue same (i) Morris County and the Authority shall not be considered a “materially obligated person” within the meaning and for the purposes set forth in Rule 15c2-12, and (ii) the Authority shall be required to provide certain material events notices in accordance with Rule 15c2-12, and accordingly, the Authority shall be required to provide such material events notices under the terms of the Company Continuing Disclosure Agreement and the County Continuing Disclosure Agreement, all in order to satisfy the secondary market disclosure requirements of Rule 15c2-12;

WHEREAS, prior to the issuance of the Series 2015 Bonds and in accordance with N.J.S.A. 40A:5A-6, 7 and 8 of the Local Authorities Fiscal Control Law, Sussex County shall have directed the Authority to have made an application (the “*Local Finance Board Application*”) to, and seek, obtain, and officially recognize the findings from, the Local Finance Board (the “*Local Finance Board*”) in the Department of Local Government Services of the State Department of Community Affairs;

WHEREAS, if Sussex County shall direct the Authority to market and sell the Series 2015 Bonds by negotiated sale, but otherwise than in a private placement, the Authority shall have authorized the distribution of a preliminary official statement “deemed final” within the meaning and for the purposes of Rule 15c2-12 describing the terms of the Series 2015 Bonds, the Series 2015 Project and the other transactions contemplated hereby (the “*Preliminary Official Statement*”), (ii) the execution and delivery of a bond purchase agreement (the “*Bond Purchase Agreement*”) with an

underwriter to be selected by the Authority through a fair and open process (alternatively, the “*Underwriter*”) to purchase all of the Series 2015 Bonds; and (iii) the delivery a final Official Statement incorporating the terms of the sale of the Series 2015 Bonds and certain other information into the Preliminary Official Statement (the “*Official Statement*”, and together with the Preliminary Official Statement, the Bond Purchase Agreement, as applicable, and any of the same or other offering or sale documents that may be required by Sussex County, as direct purchaser of the Series 2015 Bonds, the “*Sale Documents*”);

WHEREAS, (i) to the extent Sussex County determines to direct the Authority to issue the Series 2015 Bonds, prior to the issuance of the Series 2015 Bonds and in accordance with Section 13, the Authority shall have made a detailed report regarding the Series 2015 Project to each of the Sussex County Board of Chosen Freeholders, on behalf of Sussex County in its capacity as a beneficiary county pursuant to Section 13, and the Morris County Board of Chosen Freeholders, on behalf of Morris County in its capacity as “the county” as defined in the Act, which reports shall include, without limitation, descriptions of the Series 2015 Bonds, the Series 2015 Supplemental Bond Resolution, the other Series 2015 Bond Authority Documents, the Settlement Documents, and if and as applicable, the Sale Documents (collectively, the “Series 2015 Program Documents”), and which report and amended report shall be accepted by: (A) Morris County pursuant to a duly adopted resolution of the Morris County Board of Chosen Freeholders, if and when adopted, a form of such resolution to be considered by the Morris County Board of Chosen Freeholders attached hereto as Exhibit C, pursuant to Section 13; and (B) Sussex County pursuant to a duly adopted resolution of the Sussex County Board of Chosen Freeholders, if and when adopted, a form of such resolution to be considered by the Sussex County Board of Freeholders attached hereto as Exhibit D, all in accordance with Section 13;

WHEREAS, Sussex County and the Authority have previously entered into that certain “Service Agreement (Sussex County Renewable Energy Program),” dated as of March 1, 2011 (the “*Service Agreement*”), which shall continue to remain in effect;

WHEREAS, prior to the execution and delivery of Consent No. 3 and the Settlement Agreement, the Authority shall have made a detailed report regarding Consent No. 3 and the Settlement Agreement to each of the Sussex County Board of Chosen Freeholders, on behalf of Sussex County in its capacity as a beneficiary county pursuant to Section 13, and the Morris County Board of Chosen Freeholders, on behalf of Morris County in its capacity as “the county” as defined in the Act, which reports shall include, without limitation, descriptions of the terms of Consent No. 3 and the Settlement Agreement, and which report and amended report shall be accepted by: (A) Morris County pursuant to a duly adopted resolution of the Morris County Board of Chosen Freeholders, if and when adopted, a form of such resolution to be considered by the Morris County Board of Chosen Freeholders attached hereto as Exhibit C, pursuant to Section 13; and (B) Sussex County pursuant to a duly adopted resolution of the Sussex County Board of Chosen Freeholders, if and when adopted, a form of such resolution to be

considered by the Sussex County Board of Freeholders attached hereto as Exhibit D, all in accordance with Section 13;

WHEREAS, as part of the Settlement Agreement, the parties thereto, except as between Sussex County and the Authority, have reciprocally released all legal claims against one another, as is fully set forth in the Settlement Agreement, and Sussex County and the Authority intend to release each other through execution of that certain “Release of Claims,” by and among Sussex County and the Authority, a form of which is attached hereto as Exhibit E;

WHEREAS, the authorization, execution, and delivery of Consent No. 3, the Settlement Agreement, and the other Series 2015 Program Documents, and all other actions contemplated herein are in the best interests of the Authority.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Authority as follows:

Section 1. The Chairperson and the Treasurer of the Authority (including their designees, each an “*Authorized Officer*”) are hereby authorized to prepare and submit to the Local Finance Board Application for the purpose of financing the Series 2015 Project through the issuance of the Series 2015 Bonds. The Authorized Officer shall act in consultation with the Authority's counsel, Pearlman & Miranda, LLC, hereby confirmed to act as bond counsel to the Authority for this financing and Phoenix Advisors, LLC, hereby confirmed to act as financial advisor to the Authority for this financing (collectively, the “*Consultants*”), in the preparation and submission of the Local Finance Board Application. All actions taken to date by such parties in connection with the Local Finance Board Application are hereby ratified and approved. All of such parties are hereby authorized and directed to represent the Authority in matters pertaining thereto, including without limitation, the hearing to be held by the Local Finance Board relating to the Financing Documents, and the Series 2015 Project financed thereby required by N.J.S.A. 40A:5A-6.

Section 2. Subject to consent of Morris County and Sussex County pursuant to Section 13, the Authorized Officers are hereby severally authorized to undertake the following actions: (i) execution, delivery, and negotiation of Consent No. 3 and the Settlement Agreement, substantially in the form attached hereto as Exhibit A and Exhibit B, respectively, with such changes to Consent No. 3 and the Settlement Agreement from the attached forms as deemed by the Authorized Officer, in his or her sole discretion, to be necessary, desirable, convenient, or in the best interests of the Authority; (ii) adoption of the Series 2015 Supplemental Resolution, and the authorization, execution, and delivery of the other Series 2015 Bond Authority Documents; (iii) issuance of the Series 2015 Bonds, including any and all actions deemed necessary, convenient, or desirable by the Authorized Officers to effectuate such issuance, including but not limited to, the preparation and submission to the Local Finance Board Application for the purpose of financing the Series 2015 Project through the issuance of the Series 2015 Bonds, including, without limitation, attendance at the hearing to be held by the Local Finance

Board relating to the Financing Documents, and the Series 2015 Project financed thereby required by N.J.S.A. 40A:5A-6; and (iv) the authorization, execution, and delivery of any other Series 2015 Program Documents in such form as the Authorized Officers shall determine as necessary, desirable, or convenient to implement the Settlement Agreement, Consent No. 3, or the transactions contemplated thereby. The Authorized Officers are further authorized and directed to take any and all actions deemed necessary, convenient, or desirable by such Authorized Officers, in their sole and reasonable discretion, to effectuate the foregoing, including but not limited to, execution of all such certificates, instruments or documents the Authorized Officer shall deem necessary, convenient or desirable for such purposes.

Section 3. The Authorized Officers are each hereby severally authorized and directed to deliver or cause to be delivered to the governing body of each of Morris County and Sussex County a detailed report describing the applicable Program Documents and the Series 2015 Project financed thereby, all in accordance with Section 13.

Section 4. The Authorized Officers are each hereby severally authorized and directed to deliver or cause to be delivered to the governing body of each of Morris County and Sussex County a detailed report describing Consent No. 3 and the Settlement Agreement, all in accordance with Section 13.

Section 5. Each Authorized Officer is hereby further authorized and directed to take all actions deemed necessary, convenient or desirable by any such Authorized Officer, in consultation with the Consultant, to obtain the resolutions of the governing body of each of Morris County and Sussex County contemplated by Section 13 relating to the Program Documents, the Series 2015 Project financed thereby, Consent No. 3, and the Settlement Agreement.

Section 6. The Authorized Officers are each hereby severally authorized and directed to negotiate, execute and deliver the Release of Claims, substantially in the form attached hereto as Exhibit E, with such changes to the attached form as deemed by the Authorized Officer, in his or her sole discretion, to be necessary, desirable, convenient, or in the best interests of the Authority, and to take all actions in connection therewith in accordance with all applicable law, including without limitation the execution of such other certificates, instruments or documents, deemed necessary, convenient or desirable to implement the Release of Claims. Sussex County's execution of the Release of Claims shall constitute a condition precedent to the effectiveness of any authorizations granted to the Authorized Officers pursuant to this resolution, including, but not limited to, execution of Consent No. 3 and the Settlement Agreement. For avoidance of doubt, execution of the Settlement Documents and the taking of other actions contemplated by this resolution shall be deemed without authority absent execution of the Release of Claims by Sussex County.

Section 7. The Secretary of the Authority is hereby directed to prepare and cause counsel to the Authority to file a copy of this resolution with the Local Finance Board as part of the Local Finance Board Application.

Section 8. The Local Finance Board is hereby respectfully requested to consider the Local Finance Board Application and to record its findings and recommendations as provided by N.J.S.A. 40A:5A-7 of the Local Authorities Fiscal Control Law.

Section 9. To the extent the Bonds are issued in any year other than 2015 references herein to “2015” may without any further action be changed to the year of issuance of such Bonds.

Section 10. The Authority hereby severally authorizes its Authorized Officers and Consultant to assist Sussex County in any action to be taken by Sussex County with the Local Finance Board under any applicable law, as any such actions may be related to or coordinated with the Local Finance Board Application and the transactions contemplated hereby, including without limitation the submission to the Local Finance Board on behalf of Sussex County, the hearing in connection therewith and the actions of the Local Finance Board relating thereto, all relating to the Bonds.

Section 11. All actions of the Authorized Officers and the Consultants taken prior to the date of adoption hereof in connection with the Bonds, the Series 2015 Project, Consent No. 3, the Settlement Agreement, or any of the foregoing transactions contemplated by this resolution are hereby ratified and approved.

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Section 12. This resolution shall take effect on the date that the last of the governing bodies of the County, the Authority, Morris County, the Somerset County Improvement Authority, and Somerset County approve settlement of the respective Tri-County Litigations. Notwithstanding the prior sentence, in accordance with N.J.S.A. 40:37A-50, the Secretary of the Authority is hereby authorized and directed to submit to each member of the Board of Freeholders, by the end of the fifth business day following this meeting, a copy of the minutes of this meeting. The Secretary is hereby further authorized and directed to obtain from the Clerk of the Board of Freeholders a certification from the Clerk stating that the minutes of this meeting have not been vetoed by the Director of the Board of Freeholders.

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Gallop				
Kovalcik				
Ramirez				
Sandman				
Bonanni				

ATTESTATION:

This Resolution was acted upon at a special meeting of the Authority held on February 25, 2015 at the Morris Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 2nd day of March, 2015

By: _____
Secretary of the Morris Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of March 2, 2015

By: _____
Stephen B. Pearlman, Esq., Partner
Pearlman & Miranda, LLC
Counsel to the Morris Authority

Exhibit A

[Attach Form of Consent No. 3]

Exhibit B

[Attach Form of Settlement Agreement]

Exhibit C
[Attach Form of Resolution of the Morris County Board of Chosen Freeholders]

Exhibit D
[Attach Form of Resolution of the Sussex County Board of Chosen Freeholders]

Exhibit E
[Attach Form of Release of Claims]

Exhibit F
[Attach Form of Series 2015 Bond Authority Documents]