

MORRIS COUNTY IMPROVEMENT AUTHORITY
REVISED

MINUTES of the Special Board Meeting held on February 16, 2010, at 6:00 p.m.,
Knox Conference Room #525, Morris County
Administration and Records Building, Morristown, New Jersey

At 6:00 p.m., John Bonanni, Chairman to the Morris County Improvement Authority called the meeting to order. The following persons were in attendance:

John Bonanni, Chairman
Frank T. Pinto, Commissioner
Christina Ramirez, Commissioner (via conference call)
Glenn Roe, Commissioner
Ellen Sandman, Commissioner
William Chegwiddden, Freeholder Liaison
Gene Feyl, Freeholder Director
Stephen Pearlman, Esq. - DeCotiis, Fitzpatrick, Cole & Wisler, LLC
Ryan Scerbo, Esq. - DeCotiis, Fitzpatrick, Cole & Wisler, LLC
Noreen White, Acacia Financial Group
Doug Bacher, NW Financial Group
Dianna Geist, NW Financial Group
Christine Johnson, Boonton High School, Pilot Participant
Joanne Gilman, Morris Hills Regional District, Pilot Participant
Susan Tindall, Parsippany, Pilot Participant
Joe Garifo, Public Information Officer

Commissioner Bonanni asked for the reading of the public statement in accordance with the Open Public Meetings Act which was then read by recording secretary Cindy Rueter.

Commissioner Bonanni asked for "roll call" for the Authority. All five Commissioners were in attendance, Ms. Christina Ramirez (via conference call), Ms. Ellen Sandman, Mr. John Bonanni, Mr. Glenn Roe and Mr. Frank Pinto, a quorum was established.

Approval of the January 20, 2010 minutes was considered. Commissioner Pinto made a motion to accept the minutes. Commissioner Roe seconded the motion. All were in favor to accept the minutes of January 20, 2010.

The public portion of the meeting was opened. – No comment at this time.

No Executive Session needed at this time.

Agenda item 6a. was discussed – Resolution appointing the officers of the Improvement Authority for 2010 through the Authority's annual meeting in 2011. The Commissioners are as follows: John Bonanni, Chairman, Christina Ramirez, Vice Chairman, Ellen Sandman, Secretary, Frank Pinto, Assistant Secretary and Glenn Roe, Treasurer. Commissioner Sandman made a motion to adopt this resolution, Commissioner Pinto seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution #10-05 "RESOLUTION APPOINTING OFFICERS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY FOR THE PERIOD FROM THE AUTHORITY'S 2010 ANNUAL MEETING THROUGH THE AUTHORITY'S 2011 ANNUAL MEETING" (No. 10-05) was adopted.

Agenda item 6b. was discussed – Resolution establishing the annual schedule of regular monthly meetings for the Improvement Authority for 2010 through the Authority's annual meeting in 2011. The meeting dates are as follows:

March 17, 2010
April 21, 2010
May 19, 2010
June 16, 2010
July 21, 2010
August 18, 2010

September 15, 2010
October 20, 2010
November 17, 2010
December 15, 2010
January 19, 2011
February 16, 2011 (includes annual meeting)

Commissioner Roe made a motion to adopt this resolution, Commissioner Pinto seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution #10-06 “RESOLUTION ESTABLISHING THE ANNUAL SCHEDULE OF REGULAR MONTHLY MEETINGS FOR THE MORRIS COUNTY IMPROVEMENT AUTHORITY FOR THE BALANCE OF CALENDAR YEAR 2010 AND EARLY 2011 THROUGH AND INCLUDING THE AUTHORITY’S 2011 ANNUAL MEETING” (No. 10-06) was adopted.

Agenda item 6c. was discussed – Resolution accepting the energy savings report from Gabel Associates as it relates to the Authority’s Renewable Energy Program. Commissioner Sandman made a motion to adopt this resolution; Commissioner Pinto seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution No. 10-07 “RESOLUTION ACCEPTING THE REPORT OF THE CONSULTING ENERGY ENGINEER REGARDING ENERGY SAVINGS FOR THE SERIES 2009A LOCAL UNITS IN CONNECTION WITH THE AUTHORITY’S RENEWABLE ENERGY PROGRAM, SERIES 2009A” (No. 10-07) was adopted.

Agenda item 6d. was discussed – Resolution approving the payment of bills as listed on the Schedule of Warrants. Commissioner Roe made a motion to adopt this resolution; Commissioner Sandman seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution No. 10-08 “RESOLUTION APPROVING THE PAYMENT OF BILLS AS LISTED ON THE SCHEDULE OF WARRANTS” (No. 10-08) was adopted.

7a. – The closing with Tioga Energy is scheduled for Thursday, February 18, 2010. The final invoices submitted by the architects used by both Boonton and Morris Hills Regional District will be paid at closing.

The Authority will also explore the possibility of hiring a Construction Manager, to answer any questions the Tioga team may have during the installation process.

7b. – Rockaway Borough has expressed an interest in using the Improvement Authority in the future for their new municipal building.

7c. – Nothing at this time.

7d. – Nothing at this time.

Agenda item 8. Other items – Freeholder Chegwidden expressed his appreciation for all the hard work the Improvement Authority and Professionals did to make the Renewable Energy Program a reality. Freeholder Director Feyl also offered his gratitude to all involved, and indicated that this program has given “new birth” to this Commission.

Agenda item 9. Further Official Action – Nothing at this time.

Agenda item 10. Additional Reports from Consultants – (None Scheduled).

The February 16, 2010 meeting of the Morris County Improvement Authority was adjourned at 6:30 p.m. Commissioner Pinto made a motion to adjourn and seconded by Commissioner Sandman.

Respectively Submitted,

Cynthia Rueter
Recording Secretary

RESOLUTION NO. 10-05

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

TITLE:

**RESOLUTION APPOINTING OFFICERS OF THE MORRIS COUNTY
IMPROVEMENT AUTHORITY FOR THE PERIOD FROM THE
AUTHORITY'S 2010 ANNUAL MEETING THROUGH
THE AUTHORITY'S 2011 ANNUAL MEETING**

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 "Board of Freeholders") of the County of Morris (the "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 (the "Act") and other applicable law; and

WHEREAS, it is the determination of the Commissioners of the Authority that the Authority appoint the following Commissioners to hold the offices of the Authority as set forth in Section 1 hereof.

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

Section 1. The Authority hereby appoints the following persons to the following respective offices of the Authority:

- a. Chairperson: John Bonanni
- b. Vice-Chairperson: Christina Ramirez
- c. Treasurer: Glenn Roe
- d. Secretary: Ellen Sandman
- e. Assistant Secretary: Frank T. Pinto

Section 2. Such officers are hereby severally authorized and directed to discharge the rights, duties and obligations of their respective offices to the extent provided for under applicable law, including the Act and in accordance with the provisions of the By-Laws, from the date of adoption of this resolution at the Authority's

2010 annual meeting through the Authority’s 2011 annual meeting to be held in February, 2011.

Section 3. This resolution shall take effect immediately.

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Pinto				
Ramirez				
Roe				
Sandman				
Bonnanni				

ATTESTATION:

This Resolution was acted upon at the Regular Meeting of the Authority held on February 16, 2010 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 16th day of February, 2010.

By: _____

Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of February 16, 2010

By: _____

**Stephen B. Pearlman, Esq., Partner
DeCotiis, FitzPatrick & Cole, LLP
Counsel to the Authority**

RESOLUTION NO. 10-06

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

TITLE:

**RESOLUTION ESTABLISHING THE ANNUAL SCHEDULE OF REGULAR
MONTHLY MEETINGS FOR THE MORRIS COUNTY IMPROVEMENT
AUTHORITY FOR THE BALANCE OF CALENDAR YEAR 2010 AND
EARLY 2011 THROUGH AND INCLUDING THE AUTHORITY'S
2011 ANNUAL MEETING**

WHEREAS, the Morris County Improvement Authority (the "Authority") has been duly created by resolution of the County of Morris (the "County"), State of New Jersey (the "State") and exists in good standing as a public body corporate and politic under and pursuant to all applicable law, including the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended from time to time (codified at N.J.S.A. 40:37A-44 *et seq.*, the "Act"); and

WHEREAS, in accordance with the Act and the Open Public Meetings Act, constituting Chapter 231 of the Pamphlet Laws of 1975 of the State, as amended from time to time (codified at N.J.S.A. 10:4-1 *et seq.*, the "Open Public Meetings Act") and Section 5.2 of the by-laws of the Authority adopted by resolution no. 02-13 on August 14, 2002 and entitled "RESOLUTION ADOPTING THE BY-LAWS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY", as amended by resolution no. 04-18 on June 9, 2004 and entitled "RESOLUTION AMENDING THE BY-LAWS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY", as amended by resolution no. 05-21 on October 11, 2005 and entitled, "RESOLUTION AMENDING THE BY-LAWS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY" (collectively, the "By-Laws"), the Authority desires to establish its monthly regular meeting schedule for the balance of the 2010 calendar year, and the beginning of the 2009 calendar year through and including the Authority's 2011 annual meeting in February of 2011.

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

Section 1. In accordance with the Act, the Open Public Meetings Act and other applicable law, the Authority hereby establishes the following schedule of regular monthly meetings of the Authority for the balance of the 2010 calendar year through and including the Authority's 2011 annual meeting in February of 2011, unless subsequently changed in accordance with such law:

March 17, 2010	September 15, 2010
April 21, 2010	October 20, 2010
May 19, 2010	November 17, 2010
June 16, 2010	December 15, 2010
July 21, 2010	January 19, 2011
August 18, 2010	February 16, 2011 (includes annual meeting)

Section 2. Unless subsequently changed in accordance with the Act, the Open Public Meetings Act or other applicable law, all such meetings shall be (i) open to the public, except for those portions for which executive session is permitted under such applicable law and (ii) held at 6:00 p.m. in the Knox Conference Room, 5th Floor, Morris County Administration Building, Morristown, NJ.

Section 3. The Chairperson is hereby authorized and directed to publish and post said schedule and make said schedule generally available to the public upon request, all in accordance with the Act, the Open Public Meetings Act and all other applicable law.

Section 4. Such 2010 schedule for regular meetings does not preclude the Authority from calling special or emergency meetings in accordance with the By-Laws, the Act, the Open Public Meetings Act and all other applicable law.

Section 5. This resolution shall take effect immediately.

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Pinto				
Ramirez				
Roe				
Sandman				
Bonanni				

ATTESTATION:

This Resolution was acted upon at the Regular Meeting of the Authority held on February 16, 2010 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 16th day of February, 2010

By: _____

Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of February 16, 2010

By: _____

**Stephen B. Pearlman, Esq., Partner
DeCotiis, FitzPatrick & Cole, LLP
Counsel to the Authority**

RESOLUTION NO. 10-07**RESOLUTION OF THE BOARD OF COMMISSIONERS
MORRIS COUNTY IMPROVEMENT AUTHORITY**

TITLE:**RESOLUTION ACCEPTING THE REPORT OF THE CONSULTING ENERGY ENGINEER REGARDING ENERGY SAVINGS FOR THE SERIES 2009A LOCAL UNITS IN CONNECTION WITH THE AUTHORITY'S RENEWABLE ENERGY PROGRAM, SERIES 2009A**

WHEREAS, The Morris County Improvement Authority (including any successors and assigns, 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 “**Board of Freeholders**”) of the County of Morris (the “**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, the Authority has developed a 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, wind turbines, and hydro-electric, bio-diesel, geothermal, and bio-mass facilities, including any related electrical modifications or other work required 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 the County and local governmental units within the 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 the County, the “**Local Units**”);

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, it may be necessary, desirable or convenient, in connection with the financing, design, permitting, acquisition, construction, installation, operation and maintenance of the Renewable Energy Projects, to finance, design, permit, acquire, construct, renovate and install certain capital improvements to the Local Unit Facilities,

including without limitation, improvements to or replacement of, roofing systems (the “**Capital Improvement Projects**” and together with the Renewable Energy Projects and any Completion Project as defined in the hereinafter defined Bond Resolution, the “**Projects**”);

WHEREAS, the primary goal of the Renewable Energy Program is to expand the use of renewable energy sources available and utilized by the Local Units for their Local Unit Facilities, with the attendant environmental and financial benefits associated thereby, and to reduce the energy related operating costs to the Local Units for their Local Unit Facilities, all intended to be offered at no net cost to the Local Units;

WHEREAS, in order to assist the Authority with funding all of the engineering, legal, financial advisory and other preliminary costs of the Renewable Energy Program necessary, desirable or convenient for the development and implementation of the Renewable Energy Program (the “**Preliminary Program Costs**”) prior to the issuance of Authority bonds that shall finance Renewable Energy Program, including the hereinafter defined Series 2009A Bonds, the Authority and the County entered into that certain “**Service Agreement (Renewable Energy Program)**” dated as of January 1, 2009 (as the same may be amended or supplemented from time to time in accordance with its terms, the “**County Service Agreement**”), all pursuant to Section 36 of the Act (N.J.S.A. 40:37A-79) and other applicable law;

WHEREAS, in order to assist in the development and implementation of the Renewable Energy Program, and pursuant to a qualification based request for proposals and qualification statements dated November 12, 2008 (the “**Consulting Energy Engineer RFP**”), the Authority has procured the services of Gabel Associates of Highland Park, New Jersey (“**Gabel**”), on behalf of the joint venture team of Metro Energy Solutions of West Caldwell, New Jersey (“**Metro Energy**”), and the PMK Group, Inc., a Business Unit of Birdsall Services Group, of Cranford, New Jersey, (“**Birdsall**”) and collectively with Metro Solutions and Gabel, the “**Consulting Energy Engineer**”), to provide consulting energy engineer and renewable energy services outlined as Phases 1-4, inclusive, in the Consulting Energy Engineer RFP (the “**Consulting Energy Engineering Services**”);

WHEREAS, in order to implement the initial tranche of the Renewable Energy Program, the Authority has determined to finance the respective Renewable Energy Projects and Capital Improvement Projects, if any, on the respective Local Unit Facilities, all as set forth on Exhibits B, C, and A to the hereinafter defined Local Unit License Agreement for each of the following participating Local Units:

- (i) Morris County Park Commission and the County; and
- (ii) Boonton Board of Education, Morris Hills Regional District Board of Education, Mountain Lakes Board of Education, Parsippany-Troy Hills Board of Education, and West Morris Regional High School District Board of Education, as board of education Local Units;

(each a “**Series 2009A Local Unit**”, and collectively, the “**Series 2009A Local Units**”) through the issuance by the Authority of a series of bonds (federally taxable) entitled “County of Morris Guaranteed Renewable Energy Program Lease Revenue Bonds, Series 2009A” to be dated February 28, 2009, their date of delivery, in the aggregate principal amount of \$21,600,000 (the “**Series 2009A Bonds**”);

WHEREAS, the Series 2009A Bonds shall also finance all other costs associated with the Renewable Energy Program that the Authority determines to be necessary, convenient or desirable for the successful implementation of the Renewable Energy Program, including without limitation (i) all or a portion of the Preliminary Program Costs, Administrative Expenses and Company Development Fees and Expenses (as such terms are defined in the Bond Resolution), (ii) costs incurred in connection with the issuance of the Series 2009A Bonds, (iii) costs incurred or to be incurred in connection with the design, permitting, acquisition, construction, installation, operation and maintenance of the Renewable Energy Projects for the Series 2009A Local Units, (iv) costs incurred or to be incurred in connection with the design, permitting, acquisition, construction, renovation, and installation of the Capital Improvement Projects for the Series 2009A Local Units, (v) capitalized interest and/or reserves, if any, and (vi) such other amounts as shall be set forth in the Bond Resolution;

WHEREAS, the Series 2009A Bonds, and any Additional Bonds defined under the Bond Resolution (collectively, the “**Bonds**”) shall be issued pursuant to the terms of that certain “RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY GUARANTEED RENEWABLE ENERGY PROGRAM LEASE REVENUE BONDS, SERIES 2009A AND ADDITIONAL BONDS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY” adopted by the governing body of the Authority on June 8, 2009, as 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 2009A Bonds (as the same may be amended or supplemented from time to time in accordance with its terms, the “**Bond Resolution**”), all in accordance with Sections 17-19 of the Act (N.J.S.A. 40:37A-60, 61 and 62) and all other applicable law;

WHEREAS, pursuant to N.J.S.A. 40:37A-77 of the Act, N.J.S.A. 40A:65-4 of the Uniform Shared Services and Consolidation Act (as amended and supplemented from time to time, the “**Shared Services Act**”) and other applicable law, upon or prior to the issuance of the Series 2009A Bonds, the Authority shall have entered into a “License and Access Agreement (Morris County Renewable Energy Program, Series 2009A)” dated as of February 1, 2010 (as the same may be amended or supplemented from time to time in accordance with its terms, each agreement shall constitute a “**Local Unit License Agreement**”, and collectively, the “**Local Unit License Agreements**”) with each Series 2009A Local Unit that would, among other things, provide the Authority and/or its assignees the right and obligation to (i) access the Local Unit Facilities of each such Series 2009A Local Unit, most particularly their roofs and electrical systems (the “**Local Unit License**”), (ii) finance, design, permit, acquire, construct, install, operate and

maintain the Renewable Energy Projects on, in, affixed or adjacent to, or for the benefit of such Local Unit Facilities, (iii) finance, design, permit, acquire, construct, renovate, and install, the Capital Improvement Projects on, in, affixed or adjacent to, or for the benefit of such Local Unit Facilities, (iv) receive the right to the renewable energy produced from the Renewable Energy Projects financed by the Series 2009A Bonds, and (v) sell all or a portion of the renewable energy produced from such Renewable Energy Projects through the Authority to the respective Series 2009A Local Units, pursuant to an assignment (under each Local Unit License Agreement) from the Authority to the Series 2009A Local Units of the Power Purchase Agreement (as hereinafter defined), the terms of which Power Purchase Agreement could be entered into directly by the Series 2009A Local Units under N.J.S.A. 40A:11-15(45) of the Local Public Contracts Law (for the municipality/County Series 2009A Local Unit) and under N.J.S.A. 18A:18A-42(o) of the Public Schools Contracts Law (for the board of education Series 2009A Local Units);

WHEREAS, upon or prior to the issuance of the Series 2009A Bonds, and in accordance with (i) N.J.S.A. 40A:11-4.1(k) of the Local Public Contracts Law, (ii) Local Finance Board Notice 2008-20, December 3, 2008, *Contracting for Renewable Energy Services*, (iii) the Board of Public Utilities (“**BPU**”) protocol for measuring energy savings in PPA agreements (*Public Entity Energy Efficiency and Renewable Energy Cost Savings Guidelines, Dated February 20, 2009*), (iv) Local Finance Board Notice 2009-10 dated June 12, 2009, *Contracting for Renewable Energy Services: Update on Power Purchase Agreements*, and (v) all other applicable law, and pursuant to a competitive contracting process governed thereby, which included a request for solar developer proposals issued by the Authority on October 29, 2009 (the “**Company RFP**”) and the receipt of proposals from prospective solar developers, including that of the hereinafter defined Company (the “**Company Proposal**”) dated November 25, 2009, and pursuant to Authority resolution adopted December 23, 2009 entitled “RESOLUTION DETERMINING THE SUCCESSFUL RESPONDENT TO THE REVISED SOLAR DEVELOPER REQUEST FOR PROPOSALS AND CERTAIN OTHER MATTERS IN CONNECTION WITH THE AUTHORITY'S RENEWABLE ENERGY PROGRAM”, the Authority procured the services of Tioga Solar Morris County 1, LLC, a private renewable energy developer (the “**Company**”) to (y) design, permit, acquire, construct, install, operate and maintain the Renewable Energy Projects and (z) design, permit, acquire, construct, renovate, and install the Capital Improvement Projects, in both cases for the designated Local Unit Facilities of such Series 2009A Local Units, with such Program terms to be set forth in the following Company Documents to be entered into between the Company and, at a minimum, the Authority, or acknowledged by the Company, as applicable:

- (a) Pursuant to N.J.S.A. 40:37A-78 of the Act, a “Lease Purchase Agreement (Morris County Renewable Energy Program, Series 2009A)” dated as of February 1, 2010 (as the same may be amended or supplemented from time to time in accordance with its terms, the “**Company Lease Agreement**”) between the Authority, as owner and lessor, and the Company, as lessee, (I) conveying to the Company a leasehold interest in and to the Renewable Energy

Projects, (II) assigning to the Company a license of the necessary portion of each Series 2009A Local Units' Local Unit Facilities (obtained by the Authority through the Local Unit License Agreements) in order for the Company to design, permit, acquire, construct, install, operate and maintain the Renewable Energy Projects, and to design, permit, acquire, construct, renovate, and install the Capital Improvement Projects, in both cases, for such Series 2009A Local Units, and (III) obligating the Company to operate and maintain, or cause the operation and maintenance of, the Renewable Energy Projects for the Series 2009A Local Units;

- (b) That certain "Power Purchase Agreement (Morris County Renewable Energy Program, Series 2009A)" dated as of February 1, 2010 (as the same may be amended or supplemented from time to time in accordance with its terms, the "**Power Purchase Agreement**") authorized pursuant to N.J.S.A. 40:37A-77 and -78 of the Act, N.J.S.A. 40A:65-4 of the Shared Services Act, N.J.S.A. 40A:11-15(45) of the Local Public Contracts Law (regarding that portion to be assigned to the municipal/County Series 2009A Local Unit under the applicable Local Unit License Agreement), N.J.S.A. 18A:18A-42(o) of the Public Schools Contracts Law (regarding that portion to be assigned to the board of education Series 2009A Local Units under the applicable Local Unit License Agreements) and the guidelines applicable to such contracts promulgated by the State Board of Public Utilities (the "**BPU**"), whereby, among other things,

(I) The Company shall establish a power purchase price based, in part, on the Authority's covenant in the Company Lease Agreement to issue the Series 2009A Bonds to finance the Renewable Energy Projects, and if applicable, the Capital Improvement Projects, for the Series 2009A Local Units, and the Company shall be entitled to draw a dedicated portion of the net proceeds of the Series 2009A Bonds for the design, permitting, acquisition construction, renovation, and installation of such Projects on a requisition basis,

(II) The Company shall establish a power purchase price based, in part, on the Authority's covenant in the Company Lease Agreement, as nominal owner of the Renewable Energy Projects for State law purposes, to assign to the Company all or a portion of the Authority's rights to the Solar Renewable Energy Certificates ("**SRECs**")

generated by the Renewable Energy Projects for the Series 2009A Local Units, and

(III) The Company shall sell to the Authority for the benefit of the Series 2009A Local Units, for a term of fifteen (15) years, plus extensions if applicable, for a fixed power purchase price per kilowatt hour (initially established at 10.6 cents/kWh), as escalated under the terms thereof, the renewable energy generated by the Renewable Energy Projects, which Authority obligation to purchase shall be assigned to the Series 2009A Local Units as part of the Local Unit License Agreements; and

- (c) The Company Lease Agreement, the Power Purchase Agreement, the hereinafter defined Company Disclosure Agreement, and the hereinafter defined Company Pledge Agreement, may be collectively defined as the “**Company Documents**”);

WHEREAS, payment of the principal of (including mandatory sinking fund installments, if any) and interest on the Series 2009A Bonds, shall be secured by the Trust Estate as defined under and in accordance with the terms of the Bond Resolution, which shall include, among other things, (i) Basic Lease Payments to be made by the Company under, and as defined in, the Company Lease Agreement, (ii) certain Additional Lease Payments to be made by the Company under, and as defined in, the Company Lease Agreement, which Additional Lease Payments shall be attributable to (a) the Purchase Option Price payable in accordance with Section 701 of the Company Lease Agreement upon any optional redemption of the Series 2009A Bonds or (b) the Mandatory Purchase Price payable in accordance with Section 702 of the Company Lease Agreement upon any acceleration of the Series 2009A Bonds, and (iii) payments by the County under the hereinafter defined County Guaranty to the extent other funds (including the Basic Lease Payments) are not available to make the Series 2009A Bond debt service payments on time and in full, all in accordance with the terms of the Bond Resolution;

WHEREAS, the payment of the principal of (including mandatory sinking fund installments, if any) and interest on the Series 2009A Bonds, but not any redemption premium, shall be fully, unconditionally and irrevocably guaranteed in accordance with (i) the terms of a guaranty ordinance of the County finally adopted by the Board of Freeholders on June 8, 2009, (ii) by a guaranty certificate to be executed by an authorized officer of the County within each Series 2009A Bond and (iii) a “County Guaranty Agreement (Morris County Renewable Energy Program, Series 2009A)” dated as of February 1, 2010 (as the same may be amended and supplemented from time to time in accordance with its terms, the “**County Guaranty Agreement**”) among the County and the Authority, as acknowledged by the Company and the Credit Facility Provider (as

hereinafter defined) setting forth, among other things, the County's obligation to make any such guaranty payments in accordance with and within the parameters set forth in the guaranty ordinance and the Bond Resolution (collectively, the "**County Guaranty**"), all pursuant to Section 37 of the Act (N.J.S.A. 40:37A-80);

WHEREAS, the holders of any Additional Bonds issued under the terms of the Bond Resolution, the Act and all other applicable law shall also be entitled to the pledge of the Trust Estate under the Bond Resolution on a pro-rata basis with the holders of any Outstanding Bonds as defined therein, including the Series 2009A Bonds;

WHEREAS, under the County Guaranty Agreement, the Authority shall be obligated to obtain a letter of credit or other form of security acceptable to and issued for the benefit of the County (the "**County Security**") to be issued by a sufficiently rated banking or other financial institution, or if the County Security is provided in the form of immediately available funds or the right to same, then the Company (in any such case, the "**County Security Provider**"), all to secure, in part, the County's payment obligations under the County Guaranty (but not to secure the payment of debt service on the Series 2009A Bonds, as any such County Security shall be deposited in the County Security Fund under the Bond Resolution, which Fund shall not be a part of the Trust Estate pledged for the payment of the Series 2009A Bonds), the terms of which County Security shall be set forth in a letter of credit and reimbursement or other agreement to be dated the first day of the month of issuance of the applicable series of Bonds (as the same may be amended and supplemented from time to time in accordance with its terms, the "**County Security Agreement**") among the Company, the County Security Provider, and the Authority, and acknowledged by the County, the provisions of which County Security Agreement, to the extent the County Security is in the form of immediately available funds or the right to same deposited in the County Security Fund created under the Bond Resolution, shall (i) not be set forth in an independent County Security Agreement, and accordingly (ii) be set forth in the Bond Resolution, the County Guaranty Agreement and the Company Lease Agreement;

WHEREAS, should the Company fail to make its Basic Lease Payments on time and in full, thereby causing the County to make payments to the Series 2009A Bondholders under the County Guaranty, which in turn causes the County Security to be drawn upon to reimburse the County for all or a portion of any such County Guaranty repayments, (i) the County Security Agreement, if any, shall provide that the Authority assign and pledge the Reimbursement Collateral (as defined in the Bond Resolution) to the County Security Provider, as reimbursement security for any such draw on the County Security, or (ii) to the extent the County Security is in the form of immediately available funds or the right to same deposited in the County Security Fund created under the Bond Resolution, in which case no County Security Agreement shall exist, then the Company, as County Security Provider in such instance, shall only be entitled to such excess County Security, as Reimbursement Collateral, if any shall remain available, after and to the extent the County has been fully paid under its County Guaranty;

WHEREAS, the Authority, at the direction of the County, has determined to initially accept as County Security, in lieu of a County Security Agreement, immediately available funds in the amount of the County Security Fund Requirement (as defined in the Bond Resolution) in the initial amount of \$3,795,481, to be funded by the Company in accordance with the terms of the Company Lease Agreement no later than February 28, 2011, all as contemplated by the Company Proposal, and all to secure, in part, the County's payment obligations under its County Guaranty should such County Guaranty ever be drawn upon, and which County Security Fund Requirement monies are to be deposited by the Trustee in the County Security Fund created and defined in the Bond Resolution, and which County Security Fund is specifically excepted from the pledge of the Trust Estate and shall not be available to secure the payment of debt service on the Series 2009A Bonds;

WHEREAS, the Company has further secured its obligation to fund the County Security Fund in the amount of the County Security Fund Requirement by pledging certain property interests of the Company and its managing member's interest in and to the Company to the Trustee as set forth in that certain "Pledge and Security Agreement (Morris County Renewable Energy Program, Series 2009A)" dated as of February 1, 2010 (as the same may be amended or supplemented from time to time in accordance with its terms, the "**Company Pledge Agreement**"), and issued by Tioga Energy, Inc., as managing member of the Company, in favor of the Trustee, and acknowledged and accepted by the Company;

WHEREAS, the Company as a potential "materially obligated person" within the meaning and for the purposes set forth in Rule 15c2-12 ("**Rule 15c-12**") promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, as amended, may be required to enter into that certain "Company Continuing Disclosure Agreement (Morris County Renewable Energy Program, Series 2009A)" dated as of February 1, 2010 (as the same may be amended and supplemented from time to time in accordance with its terms, the "**Company Continuing Disclosure Agreement**") with the Authority and the Trustee, as dissemination agent (the "**Dissemination Agent**") in order to satisfy the secondary market disclosure requirements of Rule 15c2-12;

WHEREAS, pursuant to the terms of the Bond Resolution, as a "materially obligated person" within the meaning and for the purposes set forth in Rule 15c2-12, the County will be required to enter into that certain "County Continuing Disclosure Agreement (Morris County Renewable Energy Program, Series 2009A)" dated as of February 1, 2010 (as the same may be amended and supplemented from time to time in accordance with its terms, the "**County Continuing Disclosure Agreement**" and together with the Company Continuing Disclosure Agreement, the "**Continuing Disclosure Agreements**") with the Dissemination Agent in order to satisfy the secondary market disclosure requirements of Rule 15c2-12;

WHEREAS, pursuant to the terms of the Bond Resolution and/or the Continuing Disclosure Agreements, the Authority shall (i) not be considered a "materially obligated

person” within the meaning and for the purposes set forth in Rule 15c2-12, and (ii) 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; and

WHEREAS, in accordance with Section 13 of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Series 2009A Bonds, the Authority has made a detailed report and an amended report of the Renewable Energy Program to the Board of Freeholders, which report included, without limitation, descriptions of the Service Agreement, the Series 2009A Bonds, the Bond Resolution, the Company Lease Agreement, the County Guaranty (including the County Guaranty Agreement), the Power Purchase Agreement, the Company Pledge Agreement, the Continuing Disclosure Agreements, and the Local Unit License Agreements (collectively, the “**Program Documents**”), and which report and amended report were accepted by the County by resolutions adopted by the Board of Freeholders pursuant to Section 13 of the Act on May 27, 2009 and February 10, 2010.

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

Section 1. The final pricing for the Series 2009 Bonds has been established in the rates, amounts and other information (the “**Final Pricing Information**”) set forth in the schedules contained in the energy savings report issued by the Consulting Energy Engineer (the “**Energy Savings Report**”), a copy of which is as attached as **Exhibit A** hereto, which includes a net interest cost of the Series 2009A Bonds of 4.46%, and which pricing terms have been set forth in that certain (a) Bond Purchase Agreement dated February 1, 2010 (the “**Bond Purchase Agreement**”) between the Authority and Raymond James & Associates, as representative of the underwriters for the Series 2009A Bonds set forth therein, and acknowledged as to pricing terms by the Company, and (b) final Official Statement dated February 1, 2010 (the “**Official Statement**”), a copy of each of which, together with the Preliminary Official Statement dated January 28, 2010 (the “**Preliminary Official Statement**”) relating to the Series 2009A Bonds, is on file with the Chair of the Authority.

Section 2. The Preliminary Official Statement, the Final Pricing Information, the Bond Purchase Agreement, the Official Statement, and the Energy Savings Report are all hereby accepted by the Authority, and the provisions of the Preliminary Official Statement, the Bond Purchase Agreement, and the Official Statement are hereby ratified and approved, and all actions taken to date by the Authority, its Commissioners, and its counsel, Consulting Energy Engineer, financial advisor and other consultants (collectively the “**Consultants**”) with respect to any of the foregoing and the matters set forth in or contemplated by this resolution, are hereby ratified and approved.

Section 3. The Chair of the Authority, the Vice-Chair of the Authority, the Treasurer of the Authority, or their designee in writing (each an “**Authorized Officer**”), or at the direction of an Authorized Officer, the Consultants, are hereby severally authorized to (a) execute the Program Documents to which the Authority is an execution or acknowledgment party (the “**Authority Program Documents**”) in substantially the respective forms attached to the Official Statement, with such changes thereto, as an Authorized Officer, each severally authorized to execute and deliver such Authority Program Documents, shall in their sole discretion, determine to be in the best interests of the Authority, the Series 2009A Local Units, the County and the Renewable Energy Program, (b) execute such other certificates, instruments or other documents (collectively, the “**Authority Closing Documents**” and together with the Authority Program Documents, the “**Authority Documents**”) necessary, desirable or convenient to issue the Series 2009A Bonds, all in such form and with such terms and conditions that any such Authorized Officer shall determine, in their sole discretion, after consultation with the Consultants, to be compliant with the Act and within the terms and conditions of, or as otherwise contemplated by, the Authority Program Documents and the Bond Purchase Agreement.

Section 4. The Secretary and the Assistant Secretary of the Authority are hereby authorized and directed, where required, to affix the corporate seal of the Authority and to attest to the signature of the Authorized Officer on any such Authority Documents. Thereafter the Authorized Officer is hereby authorized and directed to deliver any such fully authorized, executed, delivered, and if applicable, attested and sealed Authority Documents to any interested party.

[Remainder of page intentionally left blank]

Section 5. This resolution shall take effect immediately.

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Pinto				
Ramirez				
Roe				
Sandman				
Bonanni				

ATTESTATION:

This Resolution was acted upon at the Regular Meeting of the Authority held on February 16, 2010 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 16th day of February, 2010

By: _____

Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of February 16, 2010.

By: _____

**Stephen B. Pearlman, Esq., Partner
DeCotiis, FitzPatrick, Cole & Wisler, LLP
Counsel to the Authority**

EXHIBIT A

[Attach Energy Savings Report]