

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

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**TITLE:**

**RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY  
AUTHORIZING EXECUTION OF A TERM SHEET IN CONNECTION WITH THE  
SUSSEX COUNTY RENEWABLE ENERGY PROGRAM**

**WHEREAS**, the Morris County Improvement Authority (including any successors and assigns, the "*Morris Authority*") has been duly created by resolution duly adopted by the Board of Chosen Freeholders (the "*Morris Board of Freeholders*") of the County of Morris ("*Morris County*") in the State of New Jersey (the "*State*") 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**, pursuant to the Program Documents (the "*Morris Program Documents*") defined in the hereinafter defined Morris Bond Resolution, including that certain resolution number 11-31 entitled "RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF MORRIS 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 Morris Authority on July 20, 2011, as amended and supplemented from time to time in accordance with its terms, including by Certificates of an Authorized Officer of the Morris Authority dated December 8, 2011 and May 15, 2012, (collectively, and as the same may be further amended or supplemented in accordance with its terms, the "*Morris Bond Resolution*"), the Act and other applicable law and official action, the Morris Authority issued its (i) "County of Morris Guaranteed Renewable Energy Program Lease Revenue Bonds, Series 2011A (Federally Taxable)" dated December 8, 2011, in the aggregate principal amount of \$33,100,000 (the "*Morris Series 2011A Bonds*") and its (ii) "County of Morris Guaranteed Renewable Energy Program Lease Revenue Note, Series 2011B (Federally Taxable)" dated May 15, 2012, in the aggregate principal amount of \$1,200,000 (the "*Morris Series 2011B Note*", and together with the Morris Series 2011A Bonds, the "*Morris Series 2011 Bonds*"), which Morris Series 2011B Note is held in its entirety by Morris County, to finance the Renewable Energy Projects (the "*Morris Renewable Energy Projects*") defined therein (certain capitalized terms herein not otherwise defined herein relating to the Morris Series 2011 Bonds, for all purposes herein, shall have the meanings ascribed to such terms in the Morris Bond Resolution); and

**WHEREAS**, pursuant to the Program Documents (the "*Sussex Program Documents*", and together with the Morris Program Documents, the "*Program Documents*") defined in the hereinafter defined Sussex Bond Resolution, including 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 Morris 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 Morris Authority dated December 14, 2011 (collectively, and as the same may be further amended or supplemented in accordance with its terms, the “*Sussex Bond Resolution*” and together with the Morris Bond Resolution, the “*Bond Resolutions*”), the Act and other applicable law and official action, the Morris 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 “*Sussex 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 “*Sussex Series 2011B Note*”, which Sussex Series 2011B Note is no longer Outstanding as of the date hereof, and together with the Series 2011A Bonds, the “*Sussex Series 2011 Bonds*”) to finance the Renewable Energy Projects (the “*Sussex Renewable Energy Projects*”, and together with the Morris Renewable Energy Projects, the “*Renewable Energy Projects*”) defined therein (any capitalized terms herein not otherwise defined herein, relating to the Sussex Series 2011 Bonds, for all purposes herein, shall have the meanings ascribed to such terms in the Sussex Bond Resolution); and

**WHEREAS**, Sussex County utilized the services of the Morris Authority for the development and implementation of the Sussex Renewable Energy Program, pursuant to that certain “Service Agreement (Sussex County Renewable Energy Program),” dated as of March 1, 2011, by and between the County of Sussex and the Morris Authority (the “*Sussex Service Agreement*”);

**WHEREAS**, the Company Parties were selected to develop the respective Renewable Energy Projects under the Program Documents by competitive processes of the Morris Authority; and

**WHEREAS**, the respective Company Parties engaged in arbitrations before the American Arbitration Association with the EPC Contractor, Power Partners Mastec, LLC (“*Mastec*”), with respect to the Morris Renewable Energy Projects and the Sussex Renewable Energy Projects (the “*Arbitrations*”), to which no governmental entity associated with the Renewable Energy Projects was a party; and

**WHEREAS**, in connection with the dispute between the Company Parties and Mastec, Mastec filed a law suit against the Morris Authority in the United States District Court for the District of New Jersey, seeking damages against the Morris Authority on a variety of legal theories, for work performed pursuant to its contract with the respective Company Parties, related to each of the Morris Renewable Energy Program and the Sussex Renewable Energy Program (the “*Federal Suit*”); and

**WHEREAS**, the presiding judge in the Federal Suit implored all parties to engage in non-binding mediation (the “*Mediation*”) before a mediator mutually agreeable to the parties, in an effort to resolve the Federal Suit without further litigation; and

**WHEREAS**, the parties engaged in Mediation on October 20, 2014, at the completion of which Mastec and Sussex County proffered a term sheet, dated October 20, 2014, attached hereto as Exhibit A (the “*Sussex Term Sheet*”) to the Morris Authority for execution, the terms of which purport to resolve all litigation relating to the Sussex Renewable Energy Program; and

**WHEREAS**, implementation of the Sussex Term Sheet will require the further assistance of the Morris Authority, to the extent Sussex County continues to utilize the services of the Morris Authority pursuant to the Services Agreement; and

**WHEREAS**, pursuant to Section 4(b)(vii) of the Sussex Service Agreement, direction provided by Sussex County to the Morris Authority with respect to the Sussex Renewable Energy Program shall control on all matters other than applicable law; and

**WHEREAS**, pursuant to Section 1(a)(v) of the Sussex Service Agreement, neither the Morris Authority nor Morris County shall have any financial responsibility in connection with the Sussex Renewable Energy Program.

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

**Section 1.** The Chairperson, Vice-Chairperson and the Treasurer of the Morris Authority (including their designees, each an “*Authorized Officer*”) are each hereby severally authorized and directed to execute the Sussex Term Sheet, substantially in the form attached hereto as Exhibit A, subject to inclusion of the Rider A provisions to become part of the Sussex Term Sheet, substantially in the form attached hereto as Exhibit B, with such further changes thereto as any such Authorized Officer, in their sole discretion, after consultation with counsel, shall determine to be necessary, desirable or convenient to effectuate the Morris Authority’s execution of the Sussex Term Sheet and the implementation of the terms therein, or otherwise in the best interests of the Morris Authority.

**Section 2.** The Authorized Officer of the Morris Authority is hereby authorized to take all such further actions in connection herewith, and to execute and deliver such other documents, certificates and instruments necessary, desirable or convenient, in consultation with counsel, to effectuate the Morris Authority’s execution of the Sussex Term Sheet and the implementation of the terms therein, to the extent Sussex County provides such direction pursuant to Section 4(b)(vii) of the Sussex Service Agreement.

**Section 3.** All actions taken to date by the Morris Authority, the Authorized Officers and the Morris Authority’s special energy and bond counsel, Inglesino, Wyciskala & Taylor, LLC, through their Agent, Pearlman & Miranda, LLC, with respect to the matters set forth in or contemplated by this resolution, are hereby ratified, confirmed and approved.

**Section 4.** In accordance with N.J.S.A. 40:37A-50, the Secretary of the Morris Authority is hereby authorized and directed to submit to each member of the Morris 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 Morris Board of Freeholders a certification from the Clerks stating that the minutes of this meeting have not been vetoed by the Director of the Morris Board of Freeholders.

**MOVED/SECONDED:**

**Resolution moved by Commissioner \_\_\_\_\_.**

**Resolution seconded by Commissioner \_\_\_\_\_.**

**VOTE:**

<b>Commissioner</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>	<b>Absent</b>
<b>Gallop</b>				
<b>Kovalcik</b>				
<b>Ramirez</b>				
<b>Sandman</b>				
<b>Bonanni</b>				

**ATTESTATION:**

This Resolution was acted upon at a special meeting of the Morris Authority held on October 29, 2014 at the Morris Authority's principal corporate office in Morristown, New Jersey.

Attested to this 29th day of October, 2014

**By:** \_\_\_\_\_  
**Secretary of the Morris Authority**

**FORM and LEGALITY:**

This Resolution is approved as to form and legality as of October 29, 2014

**By:** \_\_\_\_\_  
**Stephen B. Pearlman, Esq., Partner**  
**Pearlman & Miranda, LLC**  
**Counsel to the Morris Authority**  
**Agent for Inglesino, Wyciskala & Taylor, LLC**