

RESOLUTION OF THE BOARD OF COMMISSIONERS  
MORRIS COUNTY IMPROVEMENT AUTHORITY

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**TITLE:**

RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY  
AUTHORIZING THE PURCHASE AND SALE OF SOLAR RENEWABLE ENERGY  
CERTIFICATES IN CONNECTION WITH TRANCHE I OF THE MORRIS COUNTY  
RENEWABLE ENERGY PROGRAM AND CERTAIN OTHER MATTERS RELATED  
THERE TO

**WHEREAS**, the Morris County Improvement Authority (including any successors and assigns, the “*Authority*”) has been duly created by resolution 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*”) 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;

**WHEREAS**, pursuant to that certain resolution entitled “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 10, 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 dated February 18, 2010 (the “*Bond Resolution*”; (capitalized terms used herein and not otherwise defined herein, for all purposes of this Resolution, shall have the meanings ascribed to such terms in the Bond Resolution)), the Act and other applicable law and official action, the Authority issued its “County of Morris Guaranteed Renewable Energy Program Lease Revenue Bonds, Series 2009A” dated February 18, 2010, in the aggregate principal amount of \$21,600,000 (the “*Series 2009A Bonds*”) to finance the Renewable Energy Projects for the Series 2009A Local Units as set forth in the various Program Documents in connection with the initial tranche of the Authority’s Renewable Energy Program (“*Tranche I*”);

**WHEREAS**, in connection with Tranche I, the Authority and Tioga Solar Morris County 1, LLC, a limited liability company organized and existing under the laws of the State of Delaware, duly authorized to conduct business in the State (including any successors and assigns, the “*Company*” or “*Tioga Morris*”, and together with the Authority, the Series 2009 Local Units, the “*Parties*”) entered into certain agreements;

**WHEREAS**, in connection with Tranche I, the County and the Authority entered into that certain “County Guarantee Agreement (Morris County Renewable Energy Program, Series 2009A,” dated February 1, 2010 (the “*County Guarantee*”) pursuant to which the County guaranteed the payment of all principal of and interest on the Series 2009A Bonds;

**WHEREAS**, Tioga Morris was selected by the Authority pursuant to a competitive process pursuant to (a) the competitive contracting provisions of the Local Public Contracts Law (N.J.S.A. 40A:11-4.1(k)), (b) the State Pay to Play Law, N.J.S.A.19:44A-20.1 *et seq.*, (c) with respect to the Board of Education Series 2009A Local Units, the Public Schools Contracts Law (N.J.S.A. 18A:18A-4.1(k)) of the State, and (d) on behalf of the County Series 2009A Local Units, the State College Contracts Law (N.J.S.A. 18A:64-52 *et seq.*), all pursuant to (i) Local Finance Board Notice 2008-20, December 3, 2008, *Contracting for Renewable Energy Services (“LFB Notice 2008-20”)*, (ii) the Board of Public Utilities protocol for measuring energy savings in PPA Agreements (*Public Entity Energy Efficiency and Renewable Energy Cost Savings Guidelines, Dated February 20, 2009*), (iii) Local Finance Board Notice 2009-10 dated June 12, 2009, *Contracting for Renewable Energy Services: Update on Power Purchase Agreements* (the “*LFB Notice 2009-10*”, and together with LFB Notice 2008-20, the “*Local Finance Board Notices*”) and applicable law;

**WHEREAS**, on April 30, 2013 Tioga Energy, Inc., the managing member of Tioga Morris assigned (the “*Initial Assignment to ABC*”) all of its membership interest in Tioga Morris to Tioga Energy (Assignment for the Benefit of Creditors) LLC (“*Tioga Energy ABC*”), and Tioga Energy ABC was initially looking to sell or otherwise transfer all of its controlling membership interest in and to Tioga Morris (the “*ABC Assignment*”) to a to be determined private entity (initially the hereinafter defined Short Term Manager, and ultimately, the “*New Parent Company*”);

**WHEREAS**, the Tioga Energy ABC has a number of unmonetized solar renewable energy certificates (“*SRECs*”), which it is unable to monetize on the SREC market because counterparties view it as not credit worthy due to its status as an “*ABC Co.*”;

**WHEREAS**, pursuant to that certain “RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE PURCHASE AND SALE OF SRECS IN CONNECTION WITH TRANCHE I OF THE MORRIS COUNTY RENEWABLE ENERGY PROGRAM AND CERTAIN OTHER MATTERS RELATED THERETO,” duly adopted by the Authority on December 22, 2014, the Authority authorized the entering of certain contracts to facilitate the sale of SRECs on behalf of the Tioga Energy ABC to ensure that it has sufficient funds on hand to deal with any emergent or non-emergent damage to the SGFs which may arise this winter;

**WHEREAS**, based on the current status of the SREC market, it is foreseeable that further monetization of SRECs by the Tioga Energy ABC may be advisable in the near future;

**WHEREAS**, it is in the best interests of the Authority to facilitate the sale of SRECs on behalf of the Tioga Energy ABC in an effort to maximize the value of the SRECs currently held by the Tioga Energy ABC.

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

**Section 1.** The Chairperson, Secretary, and the Treasurer of the Authority (including their designees, each an “*Authorized Officer*”) are hereby authorized, in their reasonable discretion, after consultation with counsel and the Authority’s energy consultant Gabel Associates, Inc., to authorize an agreement, and any subsequent agreements deemed advisable by the Authorized Officers in their sole discretion, to purchase SRECs from Tioga Energy ABC for an amount equal to the sale price the Authority can obtain for said SRECs on the SREC market, with the proceeds to be remitted as agreed with Tioga Energy ABC.

**Section 2.** The Authorized Officers are each hereby severally authorized to execute and deliver such certificates, instruments or documents, as deemed necessary, convenient or desirable by the Authorized Officer, in consultation with counsel, to effectuate the actions contemplated by Section 1 above.

**Section 3.** The Authorized Officers are hereby authorized to take all such further actions in accordance with all applicable law, as such Authorized Officers, in consultation with counsel, shall deem necessary, convenient or desirable to effectuate the actions contemplated by Section 1 above.

**Section 4.** All actions taken to date by the Authority, the Authorized Officers and the Authority’s consultants with respect to the matters set forth in or contemplated by this resolution, are hereby ratified, confirmed and approved.

**Section 5.** Reserved.

[continued on next page]

**Section 6.** Subject to the second sentence of this section, this resolution shall take effect immediately. 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:***

<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 the Regular Meeting of the Authority held on January 21, 2015 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 21st day of January, 2015

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

***FORM and LEGALITY:***

This Resolution is approved as to form and legality as of January 21, 2015

**By: \_\_\_\_\_**  
**Stephen B. Pearlman, Esq., Partner**  
**Pearlman & Miranda, LLC**  
**Counsel to the Authority**