

RESOLUTION NO. 15-02

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

TITLE:

RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AND RATIFYING THE DEFERRAL OF THE MATURITY OF THE
AUTHORITY'S "COUNTY OF MORRIS GUARANTEED RENEWABLE ENERGY
PROGRAM LEASE REVENUE NOTE, SERIES 2011B [FEDERALLY TAXABLE]"
IN CONNECTION WITH THE AUTHORITY'S RENEWABLE ENERGY PROGRAM

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*");

WHEREAS, pursuant to the Program Documents (the "*Program Documents*") defined in the hereinafter defined 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 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 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 "*Bond Resolution*"), the Act and other applicable law and official action, the 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 "*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 "*Series 2011B Note*", and together with the Series 2011A Bonds, the "*Series 2011 Bonds*"), which Series 2011B Note is held in its entirety by the County, to finance the Renewable Energy Projects (the "*Renewable Energy Projects*") defined therein (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 Bond Resolution); and

WHEREAS, SunLight General Morris Solar, LLC (the “*Company*”) was selected to develop the respective Renewable Energy Projects under the Program Documents by competitive processes of the Authority and are contractually responsible for repayment of the Series 2011B Note;

WHEREAS, the principal of, and interest on, the Series 2011B Note was originally scheduled to mature on January 15, 2013;

WHEREAS, on November 26, 2012 the Authority requested, and received, permission from the Local Finance Board in the Division of Local Government Services of the State Department Community of Affairs (the “*Local Finance Board*”) pursuant to N.J.S.A. 40A:5A-24 to extend the maturity date of the Series 2011B Note from January 15, 2013 to January 15, 2014;

WHEREAS, on December 18, 2013 the Authority requested, and later received, permission from the Local Finance Board pursuant to N.J.S.A. 40A:5A-24 to extend the maturity date of the Series 2011B Note from January 15, 2014 to January 15, 2015;

WHEREAS, the dispute between the Company and Power Partners MasTec, LLC (the “*EPC Contractor*”), which now also involves the Authority, is ongoing, and the United States District Court for the District of New Jersey has entered an order preventing the Company from utilizing funds on hand to satisfy its competing financial obligations, including, but not limited to, those under the Series 2011B Note; and

WHEREAS, the County, as 100% holder of the Series 2011B Note, authorized the deferral of payment on the Series 2011B Note until February 16, 2015, through that certain “RESOLUTION OF THE MORRIS COUNTY BOARD OF CHOSEN FREEHOLDERS AUTHORIZING THE DEFERRAL OF THE MATURITY OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY “COUNTY OF MORRIS GUARANTEED RENEWABLE ENERGY PROGRAM LEASE REVENUE NOTE, SERIES 2011B [FEDERALLY TAXABLE]” IN CONNECTION WITH THE AUTHORITY’S RENEWABLE ENERGY PROGRAM” duly adopted by the Board of Chosen Freeholders of the County on January 14, 2015 (the “*County Deferral Authorization*”);

WHEREAS, Authorized Officers of each of the Authority and the County executed that certain “Deferment of 2011B Note Maturity,” dated January 14, 2015, attached hereto as Exhibit A, which was thereafter transmitted to the Trustee;

WHEREAS, deferment of the maturity of the 2011B Note for a period of time sufficient to resolve the ongoing dispute between the Company, the EPC Contractor, and the Authority is in the best interests of the Authority and the County.

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

Section 1. The Authority, as issuer of the 2011B Note, and with the consent of the County as 100% holder thereof as set forth in the County Deferral Authorization, hereby authorizes the deferment of payment on the 2011B Note, until February 16, 2015.

Section 2. The Chairperson, Secretary, and the Treasurer of the Authority (including their designees, each an “*Authorized Officer*”) are each hereby severally authorized and directed to execute and deliver such certificates, instruments or documents, as deemed necessary, convenient or desirable by the Authorized Officer, in consultation with counsel, to defer payment on the Series 2011B Note until February 16, 2015.

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 defer payment on the Series 2011B Note.

Section 4. All actions taken to date in connection with the deferment of payment under the Series 2011B Note by the Authority and the Authority’s counsel, Pearlman & Miranda, LLC, are hereby ratified, confirmed and approved.

Section 5. The deferment of payment under the Series 2011B Note by the Authority shall not constitute a waiver of, and shall be without prejudice to, any other rights or remedies which may be available to the Authority.

Section 6. This resolution shall take effect in accordance with applicable law.

Section 7. Reserved

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Section 8. 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:

Commissioner	Yes	No	Abstain	Absent
Gallopo				
Kovalcik				
Ramirez				
Sandman				
Bonanni				

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

EXHIBIT A