

**BEFORE THE BOARD OF PLACER COUNTY
PUBLIC FINANCING AUTHORITY,
STATE OF CALIFORNIA**

In the matter of:

Resolution No. _____

**A RESOLUTION OF THE GOVERNING BOARD OF THE PLACER COUNTY
PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF
REVENUE BONDS, APPROVING AN INDENTURE OF TRUST AND A LOAN
AGREEMENT, AUTHORIZING THE SALE OF BONDS, AND PROVIDING
OTHER MATTERS PROPERLY RELATING THERETO**

The following Resolution was duly passed by the Board of the Placer County Public Financing Authority at a regular meeting held on February 9, 2010.

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman of the Board
Placer County Public Financing
Authority

Attest:
Secretary of the Board

THE GOVERNING BOARD (the "Board") OF THE PLACER COUNTY PUBLIC FINANCING AUTHORITY (the "Authority"), STATE OF CALIFORNIA, DOES HEREBY RESOLVE THAT:

WHEREAS, the Authority is a joint powers authority duly organized and existing under that certain Joint Exercise of Powers Agreement, dated May 9, 2006, by and between the County of Placer (the "County") and the Placer County Redevelopment Agency, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act (the "Bond Law") to issue bonds for the purpose of making loans to local agencies, to the extent those local agencies are authorized by law to borrow moneys, when the loan proceeds will be used by the local agencies to pay for public capital improvements; and

WHEREAS, the County is authorized to borrow money under Section 5898.22 and Section 5898.28 of Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Chapter 29") to finance the installation of distributed generation renewable energy, energy efficiency and water efficiency improvements that are permanently fixed to real property (the "Authorized Improvements"), and the Authorized Improvements constitute "public capital improvements" pursuant to the Bond Law; and

WHEREAS, on December 8, 2009, the Board of Supervisors of the County (the "Board of Supervisors") adopted Resolution No. 2009-343, entitled "Declaring the County of Placer's Intention to Finance Distributed Generation Renewable Energy Sources, and Energy Efficiency Improvements and Water Efficiency Improvements Through the Use of Contractual Assessments Pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code and Setting a Public Hearing Thereon" (the "Resolution of Intention"), to initiate proceedings under Chapter 29 to establish the "Placer money for Property Owner Water & Energy Efficiency Retrofitting Program" (the "Program"), pursuant to which the County will enter into contractual assessments to finance the installation of Authorized Improvements as described in the Resolution of Intention; and

WHEREAS, by the Resolution of Intention, the Board of Supervisors provided that one or more series of bonds or other financing instruments or relationships would be issued under the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code of California (the "1915 Act"); and

WHEREAS, on January 26, 2010, after holding a duly noticed public hearing at which interested persons were allowed to object to or inquire about the proposed Program or any of its particulars, the Board of Supervisors adopted Resolution No. 2010-22, entitled "Resolution Confirming Report Relating to the Financing of the Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency and Water Efficiency Improvements, and Approving and Ordering Other Related Matters," (the "Resolution Confirming Program Report"), pursuant to which the Board of Supervisors, among other things, (i) confirmed and approved a report (the "Program Report") addressing all of the matters set forth in Section 5898.22 of Chapter 29, (ii) established the Program, and (iii) authorized execution of agreements ("Assessment Contracts") with the owners of property in the County (the "Program Area") to provide for the levy of contractual assessments to finance installation of Authorized Improvements; and

WHEREAS, for the purpose of providing moneys to fund a loan to the County (the "Loan"), the proceeds of which Loan the County will use to finance the installation of Authorized Improvements on property in the County (the "Participating Parcels"), the Authority has determined to issue its Placer County Public Financing Authority Revenue Bonds (Placer mPOWER Program) (the "Bonds"); and

WHEREAS, as a condition precedent to the issuance of the Bonds by the Authority, Section 6586.5 of the California Government Code requires that the County approve the proposed issuance of the Bonds by the Authority, and that the County make certain findings with respect to such issuance of the Bonds, and Section 6586.5 further requires that such approval be given and findings be made only after a noticed public hearing thereon; and

WHEREAS, the Board of Supervisors of the County has duly held such public hearing, has made such findings and has approved the issuance of the Bonds by the Authority; and

WHEREAS, the Board of Supervisors of the County has approved the purchase by the Placer County Treasurer-Tax Collector (the "Treasurer") of the Bonds in accordance with a bond purchase agreement in the forms on file with the Secretary (the "Purchase Agreement"); and

WHEREAS, the Board has duly considered the transactions described above and wishes at this time to approve such transactions as being in the public interests of the Authority and the County;

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Placer County Public Financing Authority as follows:

Section 1. The Authority hereby finds and declares that the above recitals are true and correct.

Section 2. The Board hereby authorizes the issuance of the Bonds under and pursuant to the Act and the Indenture of Trust (the "Indenture") for the purposes described above. The Bonds shall be issued in the combined aggregate principal amount of not to exceed \$33 million.

The Board hereby approves the Indenture in substantially the form on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the Executive Director and the Treasurer of the Authority, whose execution thereof shall be conclusive evidence of approval of any such additions and changes. The Executive Director and the Treasurer, each acting alone (the "Designated Officers"), are hereby authorized and directed to execute the final form of the Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Indenture and the execution and delivery of the Bonds, as provided in the Indenture.

Section 3. The Board hereby authorizes and approves a loan (the "Loan") to be made to the County by the Authority, and the execution of the Limited Obligation Loan Agreement relating thereto (the "Loan Agreement"). The Board hereby approves the Loan Agreement in substantially the form on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the Designated Officers, whose execution thereof shall be conclusive evidence of approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Loan Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Loan Agreement. The Authorized Improvements to be financed with the proceeds of the Loan Agreement will be located within the geographical boundaries of the County.

Section 4. The Authority hereby approves the sale of the Bonds to the Placer County Treasurer-Tax Collector pursuant to the Purchase Agreement among the Authority, the County and the Placer County Treasurer-Tax Collector, in substantially the form on file with the Secretary, together with any changes therein or additions thereto approved by a Designated Officer, whose execution thereof shall be conclusive evidence of approval of any such additions and changes. The Purchase Agreement shall be executed in the name and on behalf of the Authority by a Designated Officer, each of whom is hereby authorized and directed to execute and deliver the Purchase Agreement on behalf of the Authority; *provided, however*, that the total principal amount of the Bonds shall not exceed \$33 million. The interest rate and maturity date of the Bonds shall be determined by the Placer County Treasurer-Tax Collector in her discretion.

Section 5. All actions heretofore taken by the officers and agents of the Authority with respect to

the preparation of the Indenture and the Loan Agreement, the sale and issuance of the Bonds and the execution and delivery of the Loan Agreement are hereby approved, confirmed and ratified, and the proper officers of the Authority, including the Designated Officers, are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the execution and delivery of the Loan Agreement in accordance with this Resolution, including but not limited to those certificates, agreements and other documents described in the Loan Agreement and the other documents herein approved, and any certificates, agreements or documents as may be necessary to further the purpose hereof or provide additional security for the Bonds and the Loan Agreement, but which shall not create any obligation or liability of the Authority other than with respect to the loan repayments under the Loan Agreement pledged as security for the Bonds and assets derived from the proceeds of the Bonds.

Section 6. The Board hereby authorizes the Designated Officers, in consultation with County Counsel and the County's bond counsel, to initiate and prosecute judicial validation proceedings with respect to the Indenture, the Loan Agreement, the Bonds, the Loan, the Purchase Agreement and all related matters pursuant to Code of Civil Procedure Section 860.

Section 7. This Resolution shall take effect from and after the date of approval and adoption thereof.