

MORRIS COUNTY IMPROVEMENT AUTHORITY

MINUTES of the Board Meeting held on December 21, 2011, 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
Christina Ramirez, Chairman
Frank Pinto, Commissioner (Arrived at 6:05 p.m.)
Glenn Roe, Commissioner
Ellen Sandman, Commissioner
Stephen B. Pearlman Esq. - Inglesino, Pearlman, Wyciskala & Taylor LLC
(Via Telephone-Conference Call)
Joe Santaiti, Gabel Associates
Richard Lopatin, Acacia Financial
Doug Bacher, NW Financial Group
Joe Garifo, Public Information Officer, County of Morris

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

Commissioner Bonanni, Chairman, asked for “roll call” for the Authority. All five Commissioners were in attendance; Mr. John Bonanni, Ms. Christina Ramirez, Mr. Glenn Roe, Ms. Ellen Sandman and Mr. Frank Pinto (arrived at 6:05 p.m.), a quorum was established.

Approval of the November 10, 2011 meeting minutes were considered, Commissioner Sandman made a motion to accept the minutes of the November 10th meeting. Commissioner Ramirez seconded the motion.

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

Agenda item 6(i) was discussed - Resolution adopting a Cash Management Plan for the Improvement Authority. Commissioner Roe stated that the Cash Management Plan remains the same as last year. Commissioner Sandman made a motion to adopt this resolution, Commissioner Roe seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution No. 11-57 “RESOLUTION ADOPTING A CASH MANAGEMENT PLAN FOR THE MORRIS COUNTY IMPROVEMENT AUTHORITY” (NO. 11-57) was adopted.

Agenda item 6(ii) was discussed – Resolution authorizing the creation of a renewable energy fund. 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. 11-58 “RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE CHAIRMAN OF THE AUTHORITY TO WITHDRAW FUNDS FROM THE RENEWABLE ENERGY ACCOUNT OF THE GENERAL FUND, IF ANY, CREATED PURSUANT TO ITS RESOLUTION 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” (NO. 11-58) was adopted.

Agenda item 6(iii) was discussed - Resolution approving the payment of bills as listed on the Schedule of Warrants. 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 "Bill List" (NO. 11-59) was adopted.

7a. Discussion: Status of Renewable Energy Program – Phase II Morris County Solar Program, Savings Summary update from Joe Santaiti, Gabel Associates, and Joe was happy to relay that the PPA price dropped from 7.5 cents to 6.67 cents which will result in an additional 20% savings over a 15 year period.

A kick-off meeting was held on December 20th with the solar developers. An e-mail will be going out to the participants of Phase II to give them an update on the project and to introduce them to the developers.

Commissioner Bonanni suggested that the participants in Phase II be invited to future Improvement Authority meetings.

7b. Outreach meeting re: Tax Levy Cap – Nothing at this time.

7c. CGLP Activity – The closing for the Refunding of 2003 Taxable transaction was held on December 20th. There were four participants, including the County; the refunding will result in an anticipated \$250,000 in savings.

7d. Payment of Bills between Meetings – Nothing at this time.

7e. Status of Other Inquiries and potential transactions – Rockaway Township and Hanover have some projects that they are interested in rolling into the CGLP.

7f. Other items –ESIP (Energy Savings Improvement Program) Meetings were scheduled with the local units, they met with Rockaway Township, Randolph BOE, Hanover, Mine Hill, Morris Hills BOE and Chester BOE. At this time they have not been able to schedule Denville BOE, Denville Township, Par-Troy, and Chatham. Positive results from Morris Hills School District and Chester BOE, both passed resolutions to participate in the program. Joe expressed the need to get more participants on board to make the project worthwhile.

8. Further Official Action – Nothing at this time.

The December 21, 2011 meeting of the Morris County Improvement Authority was adjourned at 6:30 p.m. All Commissioners were in favor to adjourn the meeting.

Respectfully submitted,

Cynthia Rueter
Recording Secretary

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

TITLE:

**RESOLUTION ADOPTING A CASH MANAGEMENT PLAN FOR THE
MORRIS COUNTY IMPROVEMENT AUTHORITY**

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, under applicable law, including N.J.S.A. 40A:5-14 of the Local Fiscal Affairs Law, the Authority must adopt a cash management plan on an annual basis relating to the deposit and investment of funds of the Authority.

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

Section 1. The Cash Management Plan in the form attached as Exhibit A hereto is hereby adopted for the 2011 fiscal year. Any provision contained in the Cash Management Plan relating to authorized investments or other items specifically controlled by applicable law or regulation shall be, without any further action of the Commissioners of the Authority, deemed amended and supplemented by any such superseding law or regulation. If the Authority does not officially act to adopt a new Cash Management Plan for the 2012 fiscal year, the 2011 fiscal year Cash Management Plan shall be in place until the earlier of any such subsequent official action or one year from the date of adoption hereof. After the adoption hereof, the Treasurer of the Authority may, prior to the next meeting of the Authority, supplement or amend the list of depositories contained within the Cash Management Plan to conform to the list utilized by the County without any further action of this Board, provided that such revised list be delivered to the Commissioners at or prior to the next meeting of the Authority.

Section 2. This resolution shall be effective immediately, unless it has been vetoed in accordance with N.J.S.A. 40:37A-50(e) of the Act.

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 January 19, 2011 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 21st day of December, 2011

By: _____

Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of January 19, 2011

By: _____

**Stephen B. Pearlman, Esq., Partner
Inglesino, Pearlman, Wyciskala & Taylor, LLC
Counsel to the Authority**

EXHIBIT A
CASH MANAGEMENT PLAN

RESOLUTION NO. 11-58

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

TITLE:**RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY
CREATING A RENEWABLE ENERGY FUND FOR AUTHORIZED RENEWABLE
ENERGY PURPOSES**

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 (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, work related to the maintenance of roof warranties, or other work required, desirable 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, on February 18, 2010 the Authority issued its \$21,600,000 aggregate principal amount of "County of Morris Guaranteed Renewable Energy Program Lease Revenue Bonds, Series 2009A [Federally Taxable]", to finance the initial tranche (the "*Initial Tranche*") of the Authority's Renewable Energy Program;

WHEREAS, on December 8, 2011 the Authority issued its \$33,100,000 aggregate principal amount of "County of Morris Guaranteed Renewable Energy Program Lease Revenue Bonds, Series 2011A [Federally Taxable]", to finance the second tranche (the "*Second Tranche*") of the Authority's Renewable Energy Program;

WHEREAS, the Series 2011 Bonds issued for the Second Tranche of the Authority's Renewable Energy Program were issued pursuant to the terms of that certain "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 one or more Certificates of an Authorized Officer of the Authority, each dated the date of issuance of the respective series of Series 2011 Bonds (the "*Second Tranche Bond Resolution*"; capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Second Tranche 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, the Second Tranche Bond Resolution created a Renewable Account within the General Fund;

WHEREAS, upon the payment of all Administrative Expenses funded from the Series 2011 Bonds, as evidenced by a Certificate of an Authorized Officer of the Authority to such effect, the amounts remaining in the Administrative Expense Account and allocable to such Series 2011 Bond proceeds, together with interest earned thereon and retained therein, if any, shall be transferred according to the direction of any such Certificate of an Authorized Officer of the Authority, to *inter alia*, the Renewable Energy Account of the General Fund;

WHEREAS, upon the payment of all Administrative Expenses funded from the Series 2011 Bonds, as evidenced by a Certificate of an Authorized Officer of the Authority to such effect, any such transfer made, pursuant to Section 5.03(3)(e) of the Second Tranche Bond Resolution, to the Renewable Energy Account of the General Fund at the written direction of an Authorized Officer of the Authority may be retained therein or applied by the Authority in its sole discretion for any corporate purpose allowable under the Act;

WHEREAS, any funds, upon withdrawal from the Renewable Energy Account of the General Fund are not subject to the pledge of the Trust Estate under the Second Tranche Bond Resolution;

WHEREAS, the Authority desires to apply such anticipated available funds toward the establishment of a Renewable Energy Fund to pay Authorized Renewable Energy Costs or for any other Authorized Renewable Energy Purpose, all as such terms are defined and described herein.

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

Section 1. The Treasurer of the Authority is hereby authorized and directed to create a segregated fund entitled the "MCIA Renewable Energy Fund" (the "Renewable Energy Fund"), free and clear of the lien of the Second Tranche Bond Resolution and any other bond resolution of the Authority, presently existing or to be created by future official action of the governing body of the Authority (collectively, the "*Bond Resolutions*") and encumbrance of the

Authority, unless pledged or otherwise specified to the contrary for an Authorized Renewable Energy Purpose (defined below). Monies in the Renewable Energy Fund shall be invested by the Treasurer of the Authority, pending disbursement, in any authorized investment under any Bond Resolution, or otherwise in accordance with the Authority's Cash Management Plan. From time to time, any of the Chair, the Assistant Chair or the Treasurer of the Authority (each an "Authorized Officer") are hereby severally authorized to withdraw funds from the Renewable Energy Fund by filing with the Treasurer of the Authority a certificate of withdrawal, executed by such Authorized Officer and countersigned by the Authority Chair (unless the Authority Chair is the Authorized Officer taking such action, in which case no additional signature shall be required), setting forth the date, amount and purpose for the withdrawal, but which certificate may only be delivered for a specific Authorized Renewable Energy Purpose. Any such Authorized Officer's determination that any such withdrawal shall be for an Authorized Renewable Energy Purpose shall be dispositive, and shall not be subject to challenge. The Treasurer of the Authority shall report to the governing body of the Authority at the following meeting any withdrawals from the Renewable Energy Fund, and the Renewable Energy Fund shall appear as a separate fund or account on the financial statements of the Authority.

Section 2. The Renewable Energy Fund shall be initially capitalized from funds available in the Renewable Energy Account of the General Fund created under the Second Tranche Bond Resolution, at such time as an Authorized Officer shall determine to fund the Renewable Energy Fund. The Authority hereby authorizes other funds, when and if available, to be deposited in the Renewable Energy Fund from time to time, including without limitation available funds under any Bond Resolution.

Section 3. Monies may be withdrawn from the Renewable Energy Fund in the manner noted in Section 1 above, for any of the following purposes (each an "Authorized Renewable Energy Purpose"), so long as any such purpose qualifies as an authorized Authority purpose under N.J.S.A. 40:37A-54 or otherwise of the Act:

(a) To pay or reimburse the cost of developing or implementing any renewable energy program of the Authority (each an "Authorized Renewable Energy Cost"), including without limitation (i) costs of professionals or other consultants, overhead of the Authority, studies, costs related to grants, or any other soft costs or costs of development related thereto, (ii) deposits, reserves, capitalized interest, debt service, guaranty fronting or repayment, or any other financing or Bond Resolution costs, expenses or purpose, and the Renewable Energy Fund may be pledged under one or more Bond Resolutions for any such purpose, and (iii) renewable energy project costs involved in implementing any renewable energy program, including equipment, land, improvements or any other real or personal property, (iv) reimbursement to the Authority or other third party for any of the foregoing, (v) matching funds for any grant or below market renewable energy program funds of any government, non-profit, private or other person as defined in the Act, and (vi) any other renewable energy program costs; and

(b) Such other purposes as the governing body of the Authority may determine in any subsequent resolution amending or supplementing these

Authorized Renewable Energy Purposes authorized hereby or in any subsequent resolution.

Section 4. All actions taken to date by the Authority, the Authorized Officers and the Authority's renewable energy consultants, including counsel, with respect to the matters set forth in or contemplated by this resolution, are hereby ratified and approved.

Section 5. 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 respective Clerks stating that the minutes of this meeting have not been vetoed by the Director of the Board of Freeholders.

Section 6. This resolution shall be effective immediately, unless it has been vetoed in accordance with N.J.S.A. 40:37A-50(e) of the Act.

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 December 21, 2011 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 21st day of December, 2011

By: _____

Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of December 21, 2011

By: _____

**Stephen B. Pearlman, Esq., Partner
Inglesino, Pearlman, Wyciskala & Taylor, LLC
Counsel to the Authority**

