

RESOLUTION NO. 2012-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MARIN ENERGY AUTHORITY APPROVING THE EXECUTION AND DELIVERY OF A CREDIT AGREEMENT BY AND BETWEEN THE MARIN ENERGY AUTHORITY AND RIVER CITY BANK, AND THE ISSUANCE OF A PROMISSORY NOTE IN CONNECTION THEREWITH

WHEREAS, the Marin Energy Authority ("MEA") is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.); and

WHEREAS, MEA members include the following Marin communities: the County of Marin, the City of Belvedere, the Town of Corte Madera, the Town of Fairfax, the City of Larkspur, the City of Mill Valley, the City of Novato, the Town of San Anselmo, the City of San Rafael, the City of Sausalito, the Town of Ross, and the Town of Tiburon; and

WHEREAS, pursuant to the Authorizing Acts, the Board of Directors (the "Board") of the Marin Energy Authority, being the governing body of MEA, wishes to authorize MEA to borrow an amount not to exceed \$3,000,000 pursuant to a Credit Agreement (the "Credit Agreement") by and between MEA, as borrower, and River City Bank, as lender (the "Lender") and to issue a promissory note evidencing such borrowing (the "Note"); and

WHEREAS, the forms of Credit Agreement and Note are attached hereto as Exhibit A and are by this reference incorporated herein as if set out in whole; and

WHEREAS, pursuant to the Credit Agreement and Note, amounts borrowed thereunder will mature on October 31, 2017 and bear interest at a fixed rate of the 5-year Federal Home Loan Bank (FHLB) Fixed Rate Credit Advance rate as of October 31, 2012 plus a spread of 3.25%, with a floor rate of 4.0% per annum so long as no default or tardiness of payment occurs; and

WHEREAS, MEA has not taken any action to cause interest paid by MEA under the Credit Agreement and Note to be exempt from federal income taxation; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the actions to be taken hereunder have happened and have been performed in regular and due time, form and manner as required by law;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Marin Energy Authority:

1. The above recitals, and each of them, are true and correct. The Board hereby determines that interest paid by MEA under the Credit Agreement and Note will not be exempt from federal income taxation.

2. The Board, under authority of the Authorizing Acts, hereby authorizes the borrowing by MEA from Lender of up to \$3,000,000 for a term of not more than 68 months, subject to monthly amortization and interest payments, at an interest rate of the 5-year Federal Home Loan Bank (FHLB) Fixed Rate Credit Advance rate as of October 31, 2012 plus a spread of 3.25%, with a floor rate of 4.0% per annum upon the terms and conditions of the Credit Agreement and Note. Amounts borrowed thereunder shall be applied to finance working capital.

3. The Credit Agreement and the form of Note attached thereto, in substantially the forms presented to this meeting and on file with the Secretary of MEA, are incorporated herein by this reference to the same extent as if set out in whole and are hereby approved. The Executive Officer of MEA and the Chair of the Board (the "Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of MEA, to execute and deliver the Credit Agreement in substantially said form, with such additions thereto or changes therein as may be approved by such officers upon consultation with counsel to MEA. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Credit Agreement.

4. The Authorized Officers are hereby authorized and directed, for and in the name and on behalf of MEA, to execute and deliver the Note by their manual or facsimile signatures in substantially the form presented to this meeting and on file with the Secretary of MEA, with such additions thereto or changes therein, including without limitation filling in the blanks therein, as may be approved by such officers upon consultation with counsel to MEA. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Note.

5. The Authorized Officers and all other officers of MEA are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to effectuate the purposes of this Resolution without further approval of the Board, and any such actions previously taken by such officers are hereby ratified and confirmed.

6. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED at a regular meeting of the Marin Energy Authority Board of Directors on this 2nd day of February 2012, by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
City of Belvedere	✓			
Town of Corte Madera				✓
Town of Fairfax				✓
City of Larkspur	✓			
County of Marin	✓			
City of Mill Valley	✓			
City of Novato	✓			
Town of San Anselmo	✓			
City of San Rafael	✓			
City of Sausalito				✓
Town of Ross	✓			
Town of Tiburon	✓			



CHAIR, MARIN ENERGY AUTHORITY BOARD



SECRETARY, MARIN ENERGY AUTHORITY BOARD