

**RESOLUTION NO. \_\_\_\_\_  
OF THE BOARD OF DIRECTORS OF  
NEVADA COUNTY SANITATION DISTRICT NO. 1**

**RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION AND  
DELIVERY OF AN EASEMENT AND SUBLEASE WITH RESPECT TO THE  
FINANCING OF CERTAIN SOLAR POWER GENERATING EQUIPMENT  
AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS  
NECESSARY TO THE CONSUMMATION OF SUCH FINANCING**

WHEREAS, Nevada County Sanitation District No. 1 (the “*Sanitation District*”) owns and operates certain facilities and property for the collection, treatment and disposal of wastewater at its Lake of the Pines Treatment Plant (the “*Treatment Plant*”); and

WHEREAS, the Sanitation District wishes to have installed at the Treatment Plant a solar system and photovoltaic power generating system and related improvements (collectively, the “*Treatment Plant Solar Equipment*”) in order to reduce the energy charges associated with the operation of the Treatment Plant; and

WHEREAS, the County of Nevada wishes to install solar systems and photovoltaic power generating systems and related improvements at certain of its public buildings and other facilities (collectively, together with the Treatment Plant Solar Equipment, the “*NCREBs Solar Equipment*”) and, in connection with the financing thereof, has applied for and received from the Internal Revenue Service a New Clean Renewable Energy Bond volume cap; and

WHEREAS, the County proposes to finance the NCREBs Solar Equipment through a lease-leaseback arrangement with the County and the Nevada County Finance Authority (the “*Authority*”); and

WHEREAS, including the financing of the Treatment Plant Solar Equipment in the County’s financing of the remainder of the NCREBs Solar Equipment will reduce the financing costs that will be incurred by the Sanitation District; and

WHEREAS, in order to include the financing of the Treatment Plant Solar Equipment in the County’s financing of the remainder of the NCREBs Solar Equipment it is necessary and appropriate for the Sanitation District to grant to the County an easement over the Treatment Plant site pursuant to which the County will have the right to install the Treatment Plant Solar Equipment for the benefit of the Sanitation District (the “*Easement*”) and for the Sanitation District to enter into an Equipment Sublease/Purchase Agreement pursuant to which the County will agree to install the Treatment Plant Solar Equipment and, having agreed to lease it back from the Authority, sublease it to the Sanitation District (the “*Sublease Agreement*”); and

WHEREAS, there have been presented to this Board of Directors forms of the Easement and the Sublease Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Nevada County Sanitation District No. 1 as follows:

1. Defined Terms. Capitalized terms that are used, but not otherwise defined, in the remainder of this Resolution shall have the respective meanings ascribed to them in the recitals of this Resolution.
2. Appointment of Authorized District Representatives. The Chairman of this Board of Directors, any other member of this Board of Directors, the District Administrator of the Sanitation District and any designee of any of the foregoing (each individually, an “*Authorized District Representative*,” and collectively the “*Authorized District Representatives*”) are each hereby designated to act as authorized representatives of the Sanitation District for purposes of each of the documents approved by this Resolution.

3. Approval and Authorization of Financing Agreements. The form, terms and provisions of the Easement and Sublease Agreement are hereby approved in substantially the forms presented at this meeting; and each of the Authorized District Representatives, acting alone, is hereby authorized and directed to accept, execute and deliver said documents to the County (together with all exhibits and schedules to each of them) for and on behalf of the District with such insertions, omissions and changes as shall be approved by such Authorized District Representative, the execution and delivery of such document being conclusive evidence of such approval.
4. Other Actions Authorized. The officers and employees of the District shall take all action necessary or reasonably required by the County to carry out, give effect to and consummate the transactions contemplated hereby and by the Easement and Sublease Agreement thereby and to take all action necessary in conformity therewith, including, without limitation, the recordation of thereof and the execution and delivery of any closing and other documents required to be delivered in connection with either of the Easement or the Sublease Agreement.
5. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.
6. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.