

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
LAGUNA COUNTY SANITATION DISTRICT**

IN THE MATTER OF APPROVING THE ) RESOLUTION NO. 2011-  
EXECUTION AND DELIVERY OF AN )  
INSTALLMENT SALE AGREEMENT WITH )  
THE COUNTY OF SANTA BARBARA )  
AND A CONTRACT OF PURCHASE WITH )  
WELLS FARGO BANK, NATIONAL )  
ASSOCIATION; AND AUTHORIZING )  
CERTAIN OTHER ACTIONS IN )  
CONNECTION WITH THE FINANCING OF )  
A PHOTOVOLTAIC SOLAR ENERGY )  
PROJECT )  
\_\_\_\_\_ )

**WHEREAS**, the Laguna County Sanitation District (the “District”) has determined that it furthers the public purpose to finance the acquisition of a photovoltaic solar energy project (the “Project”); and

**WHEREAS**, the County of Santa Barbara (the “County”) and District will enter into an Installment Sale Agreement (the "Installment Sale Agreement") pursuant to which the County will agree to sell the Project to the District; and

**WHEREAS**, the County will transfer the Installment Sale Agreement to Wells Fargo Bank, National Association (the “Bank”), pursuant to a Contract of Purchase (the "Contract of Purchase") between the County and the Bank; and

**WHEREAS**, a summary of terms and conditions related to the financing, dated April 4, 2011 (the “Term Sheet”) has been provided to the County and District by the Bank; and

**WHEREAS**, there have been presented to this meeting proposed forms of the Installment Sale Agreement and Contract of Purchase; and

**WHEREAS**, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided;

**NOW THEREFORE**, the Board of Directors of the District (the "Board") hereby finds, determines, declares and resolves, as follows:

Section 1. The foregoing recitals are true and correct and this Board so finds and determines.

Section 2. The Term Sheet is hereby ratified and approved, and is incorporated herein by reference.

Section 3. The proposed form of Installment Sale Agreement by and between the County and District, presented to this meeting and on file with the Clerk of the Board, is hereby approved. The Chair and the Vice Chair of the Board (the “Authorized Officers”) are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the District to execute, acknowledge and deliver the Installment Sale Agreement in substantially said form, with such changes therein as such officer may require or approve with the consent of County Counsel of the County (“District Counsel”), such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, the principal installments of the installment payments shall not exceed \$4,170,000, the term shall not exceed 15 years and the interest rate shall not exceed the interest rate established as set forth in the Term Sheet. In the event any provisions in the Term Sheet are inconsistent with the Installment Sale Agreement, the provisions in the Installment Sale Agreement shall prevail.

Section 4. The proposed form of Contract of Purchase by and between the County and the Bank, presented to this meeting and on file with the Clerk of the Board, is hereby approved. The Authorized Officers are, and each of them acting alone is hereby authorized and directed, for and in the name and on behalf of the District to approve the Contract of Purchase in substantially said form, with such changes therein as such officer may require or approve with the consent of District Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The officers, directors and agents of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates which they deem necessary or advisable in order to consummate the financing and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 6. This Resolution shall take effect from and after its adoption.

**PASSED AND ADOPTED** by the Board of Directors of the Laguna County Sanitation District, State of California, on May 17, 2011, by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Joni Gray  
Chair of the Board of Directors

[SEAL]

**ATTEST:**

Chandra L. Wallar,  
Clerk of the Board of Directors

**APPROVED AS TO ACCOUNTING  
FORM:**

Robert W. Geis, C.P.A.,  
Auditor-Controller

By \_\_\_\_\_

By \_\_\_\_\_

**APPROVED AS TO FORM:**

Dennis Marshall,  
County Counsel

By \_\_\_\_\_

Michael R. Ledbetter, Deputy,  
Counsel for District