



RESOLUTION 2016-42

RESOLUTION OF THE BOARD OF SUPERVISORS OF TOWNSHIP OF NEWTOWN, DELAWARE COUNTY, PENNSYLVANIA

WHEREAS, The Township of Newtown is located in Delaware County, Pennsylvania (the "Township"); and

WHEREAS, the Township constitutes a "governmental unit" as such term is defined under Pennsylvania's Guaranteed Energy Savings Act (62 Pa C.S. §3751 *et seq.*) (the "**Act**"); and

WHEREAS, the Delaware Valley Regional Planning Commission ("**DVRPC**") has established a Regional Streetlight Procurement Program (the "**Program**") to facilitate the implementation of "energy conservation measures" ("**ECMs**") as such term is defined under the Act; and

WHEREAS, the Township, in its capacity as a governmental unit, has participated in the Program solicitation process to implement energy conservation measures contemplated by the Program; and

WHEREAS, pursuant to its Resolution 2016-22 dated April 11, 2016, the Township selected Johnson Controls, Inc. ("**JCI**") as its contractor to design, engineer, procure, construct, install and commission the ECMs (the "**Construction Work**") and entered into a Guaranteed Savings Agreement ("**GSA**") with JCI, a copy of which is attached as Exhibit A hereto; and

WHEREAS, pursuant to its Resolution 2016-41 dated October 24, 2016, the Township accepted and approved the final investment grade energy use and savings analysis, including accompanying schedules (the "**Investment Grade Audit Report**") for the Township that specifies the ECMs to be undertaken pursuant to the Guaranteed Savings Agreement (such ECMs, together, the "**Project**") and delivered to JCI notice of acceptance of the Investment Grade Audit Report; and

WHEREAS, as part of the Program, and as contemplated by the GSA, in order to finance the Construction Price as such term is defined in the GSA, the Township intends to enter into a financing lease (the "**Lease Agreement**") under which it will borrow from the Pennsylvania Economic Development Authority (the "**Issuer**") proceeds from the sale of the Issuer's municipal bonds (the "**Bonds**"), issued pursuant to a Trust Indenture (the "**Indenture**") between the Issuer and a financial institution approved by the Issuer (the "**Trustee**"), which proceeds will be deposited into an account for the [Borough] established under the Indenture; and

WHEREAS, JCI has agreed that for each "**Savings Year**," as such annual period is defined in the GSA, the amount of guaranteed energy savings ("**Guaranteed Savings**") will be in an amount sufficient to pay all installment payments (the "**Lease Payments**") under the Lease Agreement in accordance with the payment schedule set forth therein (the "**Lease Payment Schedule**"); and

WHEREAS, as a condition of the financing under the Lease Agreement, and in satisfaction of the terms of the GSA, the Township is required to enter into a program agreement with the Foundation for Renewable Energy and Environment ("**FREE**") and JCI (the "**Program Agreement**").

NOW, THEREFORE, BE IT RESOLVED that Township of Newtown Board of Supervisors hereby approves the Lease Agreement, such agreement to be in substantially the same form of the draft attached as Exhibit B hereto, with such changes and modifications therein as the Township authorized person or designee (an “**Authorized Person**”) deems necessary and approves, to be conclusively established by the Authorized Person’s execution of such agreement; and it is

FURTHER RESOLVED that the Township of Newtown Board of Supervisors hereby approves the Township Manager, Stephen M. Nease, to be the authorized person to execute all of the documents relating to the documents referred to within this resolution; and it is

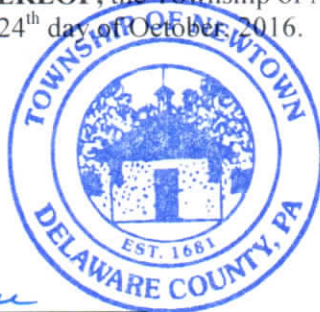
FURTHER RESOLVED that the Township of Newtown Board of Supervisors hereby approves the borrowing by the Township in an amount not to exceed \$192,777 the Total Financed Amount as defined in the Investment Grade Audit Report approved by the Township to fulfill its obligations under the Guaranteed Savings Agreement and its obligations under the Lease Agreement; and it is

FURTHER RESOLVED that the Township of Newtown Board of Supervisors approves the Program Agreement, such agreement to be in substantially the same form of the draft attached as Exhibit C hereto, with such changes and modifications therein as the Township’s Authorized Person deems necessary and approves, to be conclusively established by the Authorized Person’s execution of such agreement; and it is

FURTHER RESOLVED that the Township of Newtown Board of Supervisors hereby authorizes and directs one or more of its Authorized Persons to take all such further actions and to execute and deliver all such instruments and other documents as such Authorized Persons may consider necessary or appropriate to enable the Township to carry out the intent and purposes of the foregoing resolutions and the transactions contemplated thereby.

IN WITNESS WHEREOF, the Township of Newtown Board of Supervisors has adopted and enacted this Resolution this 24th day of October, 2016.

ATTEST:



By: Stephen M Nease
Name: Stephen M. Nease
Title: Township Manager

By: [Signature]
Name: John A. Nawn
Title: Chairman, Board of Supervisors