

A RESOLUTION OF THE CITY OF ELBERTON

APPROVING THE GRANT SERVICES AGREEMENT WITH ELECTRIC CITIES OF GEORGIA, INC.; AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF SUCH AGREEMENT; AND FOR OTHER PURPOSES

WHEREAS, Electric Cities of Georgia, Inc., a Georgia nonprofit corporation organized to perform services on behalf of its Participants pursuant to the Georgia Nonprofit Code and Section 115 of the Internal Revenue Code (the "Electric Cities"), and certain Participants, including, but not limited to, the CITY OF ELBERTON (the "Grant Participant"), have entered into a Participant Services Contract, dated as of March 1, 2009 (each, a "Services Contract," and together, the "Services Contracts"); capitalized terms used herein, but not defined shall have the meaning set forth in the Services Contracts or the hereinafter defined Contract, as applicable; and

WHEREAS, the Georgia Environmental Facilities Authority ("GEFA") created certain funding opportunities under the 2009 State Energy Program and Energy Efficiency and Conservation Block Grant ("EECBG") Program, which are funded by the American Recovery and Reinvestment Act of 2009 (the "ARRA") and include the Renewable Energy Grant (the "Renewable Grant"), the Residential Energy Efficiency Grant (the "Residential Grant") and the Utility Financing Grant for Residential Energy Efficiency (the "On-Bill Financing Grant," and together with the Renewable Grant and the Residential Grant, the "Grants"); and

WHEREAS, Electric Cities prepared joint applications for certain grants, including the Grants, on behalf of certain Participants (the "Grant Participants"), including the Grant Participant, that executed and delivered a Pre-Application and Certification (the "Pre-Applications") to Electric Cities respecting such grants; and

WHEREAS, Grant Participant's Pre-Application provides that, if Grant Participant, or Electric Cities on its behalf, is awarded Grant financing and as a condition precedent to Electric Cities distributing any Grant moneys to the Grant Participant, the Grant Participant shall (a) enter into an agreement and/or supplement or amendment to the Services Contract with Electric Cities setting forth reasonable terms and conditions respecting the Grant and (b) comply with all applicable requirements, including, but not limited to, applicable provisions of the ARRA and applicable rules and regulations related to the Grants that have been, or may be, promulgated by GEFA, the United States Department of Energy or any other applicable governmental authority; and

WHEREAS, Electric Cities was successful in being awarded certain funds from GEFA under the Renewable Grant program, the Residential Grant program and the On-Bill Financing Grant program (the "Grant Programs") on behalf of the applicable Grant Participants based on the Grant award and the Pre-Applications; and

WHEREAS, as a Georgia nonprofit formed on behalf of its Participants, Electric Cities must provide for a method by which any costs and expenses that it incurs respecting the Grants or the EECBG Grants, including those under the Electric Cities GEFA Contracts and any contracts with subcontractors for the performance of the Services (as defined in the Electric Cities GEFA Contracts) or services respecting the Co-Funded Projects and the EECBG-Only Projects be born by the applicable Grant Participants to the extent not reimbursed by GEFA from Grant or EECBG Grant funds; and

WHEREAS, Electric Cities, the Grant Participant and the other Grant Participants have caused to be prepared a draft Grant Services Contract, respecting the Grants, to be completed for each Grant Participant (together, the "Contracts"), a draft of which has been prepared with specifics particular to the Grant Participant and presented at this meeting (the "Contract");

NOW, THEREFORE, be it resolved by the governing body of the Grant Participant in a meeting duly assembled, and it is hereby resolved by authority thereof, as follows:

Section 1. The Grant Participant hereby finds and determines that it is in its best interest to contract with Electric Cities under the terms of the Contract.

Section 2. The Grant Participant hereby approves and authorizes the execution, delivery and performance of the Contract, including the exhibits thereto, in substantially the form of the draft thereof presented at this meeting and filed in the Grant Participant's meeting minutes, and hereby incorporated herein by reference, subject to such changes, additions and deletions made in the discretion of the MAYOR (the "Authorized Official") of the Grant Participant, with advice of counsel. The Contract shall be executed by the Authorized Official, attested by the appropriate officer of the Grant Participant, and shall have the Grant Participant's seal affixed thereto, and shall be delivered to Electric Cities, and when so executed and delivered, shall be binding upon the Grant Participant in accordance with its terms. Execution of the Contract as authorized herein shall be conclusive evidence of the Participant's approval thereof.

Section 3. The Grant Participant hereby authorizes the Authorized Official and CITY MANAGER to take any further actions and execute and deliver any other documents necessary to carry out the purpose of this Resolution, including, but not limited to, communicating the decisions of the Grant Participant to Electric Cities with respect to any matter respecting the Contract, as amended from time to time.

Section 4. In the adoption of this Resolution, the Grant Participant hereby recognizes that this action will be relied upon by other municipalities and systems that own and operate electric distribution systems and that adopt similar resolutions in furtherance of joint action through Electric Cities respecting the Grants, and that the Grant Participant is also relying upon the adoption of such resolutions by such other municipalities and systems. The Pre-Applications, the Contracts and the Services Contracts together constitute an intergovernmental contract among the Grant Participant, Electric Cities and the other Participants under the Intergovernmental Contracts Clause of the Constitution of the State of Georgia, Article IX, Section III, Paragraph I.

Section 5. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

RESOLVED this 2ND day of AUGUST, 2010.