

**RESOLUTION
OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL
[Energy Park Utility Company]**

WHEREAS, The Port Authority of the City of Saint Paul (the "Port Authority") has previously adopted its Resolution Nos. 4366, 4374, 4376 and 4390 to authorize: (a) the issuance of its Revenue Bonds (Energy Park Utility Company Project) (the "Bonds") in the aggregate principal amount of approximately \$8,500,000, to finance the conversion of the Energy Park Utility system from a two-pipe to a four-pipe system, and to pay other related costs of the financing (the "Project"); (b) the application for such state bonding allocation as might be necessary for the issuance of such Bonds; (c) the use Energy Park Utility System reserves to finance costs of the Project, with reimbursement to be made from proceeds of the Bonds; (d) the amendment of such certain customer contracts as necessary in connection with the construction and operations of the Project; and (e) the structuring of the proposed financing to use the financing mechanism generally used by Ever-Green Energy, the manager of the Project, as a way to reduce borrowing costs;

WHEREAS, Port Authority management has been working with representatives of Ever-Green Energy and Piper Jaffray to determine the most efficient and cost effective way to finance the Project, and at this point do not know whether it would be better to issue the Bonds as variable rate bonds using the Ever-Green Energy financing mechanism, or as fixed-rate bonds secured solely by the Project, with Ever-Green Energy continuing its role solely as manager of the Project, but would like Board approval to continue and finalize such discussions to provide for the issuance of the Bond using whatever mechanism is deemed to be most cost effective and appropriate to the resources available;

WHEREAS, It has also been recommended that the Port Authority approvals be updated to reflect the current status of other discussions, including the proposals that: (a) customer contracts currently in place with respect to the Energy Park Utility Company be amended, both by the first amendment previously approved by the Port Authority and by the second amendment in substantially the form attached hereto as Exhibit A; and (b) Schedule A to the customer contracts reflecting rates and charges be amended as set forth on Exhibit B hereto (collectively the "Proposed Amendments");

WHEREAS, In addition to other approvals needed for the issuance of the Bonds, Laws of Minnesota 1976, Chapter 234, provides that any issue of revenue bonds authorized by the Port Authority shall be issued only with the consent of the City Council of the City of Saint Paul, by resolution adopted in accordance with law, and approval of the issuance of the proposed Bonds by the City Council may also be required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, To meet the requirements of both state and federal law, the Port Authority has conducted the public hearing required by Section 147(f) of the Code, and requested that the City Council give its approval to the issuance of the proposed Bonds by the Port Authority, subject to final approval of the details of said Bonds by the Port Authority;

WHEREAS, The proposals set forth in this Resolution have been reviewed and approved by the Port Authority Credit Committee, which has recommended approval of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Port Authority of the City of Saint Paul as follows:

1. The findings and approvals of the Port Authority in its Resolutions Nos. 4366, 4374, 4376 and 4390 are hereby ratified and affirmed in their entirety as modified by this Resolution, and the Proposed Amendments are hereby approved.

2. For the purpose of financing the Project, and paying certain costs of issuance and other expenses in connection with the issuance of the Bonds, the Port Authority hereby authorizes the issuance, sale and delivery of the Bonds in such principal amount, bearing interest at such rate, maturing and subject to redemption prior to maturity, all as determined by the President and Chief Financial Officer of the Port Authority, and acceptable to the purchaser of the Bonds, provided that:

- the final principal amount of the Bonds shall not exceed \$8,500,000;
- the interest rate on the Bonds, whether or not issued with an initial variable interest rate, shall never exceed 12% per annum.

3. Neither the Bonds, nor the interest thereon, shall constitute an indebtedness of the Port Authority or the City of Saint Paul (the "City") within the meaning of any constitutional or statutory debt limitation; nor shall they constitute or give rise to a pecuniary liability of the City or the Port Authority or a charge against their general taxing powers and neither the full faith and credit nor the general taxing powers of the City or the Port Authority is pledged to the payment of the Bonds or interest thereon. Instead, the Bonds are to be limited obligations of the Port Authority which are payable solely from revenues derived from customers of the Project under the customer contracts, and pledged to the payment of the Bonds. The Bonds shall further be secured by a first mortgage lien on portions of the Project owned by the Port Authority, and by a lease of portions of the Project to Ever-Green Energy, as necessary to facilitate the proposed financing. In the event that the Bond are issued using the Ever-Green Energy financing mechanism, it is anticipated that the Bonds will also be secured by a letter of credit issued by U.S. Bank.

4. In connection with the proposed issuance of the Bonds, the President and Chief Financial Officer of the Port Authority are hereby authorized to negotiate and provide such documents as are determined by the President and Chief Financial Officer of the Port Authority to be necessary or desirable to effect the purposes of this Resolution, including the Proposed Amendments, (collectively the "Documents"). The Chair and Secretary of the Port Authority, or such other officer as may be appropriate in the absence of either the Chair or Secretary, are hereby authorized to execute the Bonds, in the form submitted by the President and Chief Financial Officer, and the President of the Port Authority is hereby authorized to execute all other Documents and certificates which in the opinion of Port Authority management and Bond Counsel are necessary or desirable to effect the transaction herein described with respect to the Bonds. The execution of any instrument by the appropriate officer or officers of the Port Authority herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof. The execution of any documents necessary for the transaction herein with respect to the Bonds described by individuals who were at the time of execution thereof the authorized officers of the Port Authority shall bind the Port Authority, notwithstanding that such individuals or any of them has ceased to hold such office or offices

prior to the authentication and delivery of the Bonds. Copies of all of the documents necessary to the transaction described herein with respect to the Bonds shall be delivered, filed and recorded as appropriate.

5. The President and other officers of the Port Authority are authorized and directed to prepare and furnish to Bond Counsel certified copies of proceedings and records of the Port Authority relating to the issuance of the Bonds and other transactions herein contemplated, and such other affidavits and certificates as may be required to show the facts relating to the legality of the Bonds and the other transactions herein contemplated as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Port Authority as to the truth of all statements contained therein.

6. The authority to approve, execute and deliver future amendments to Documents entered into by the Port Authority in connection with the issuance of the Bonds and the other transactions herein contemplated is hereby delegated to the President of the Port Authority, provided that: (a) such amendments do not require the consent of the holders of the Bonds, or, if required, such consent of the required percentage of the holders of the Bonds has been obtained with respect to such amendment; (b) such amendments do not materially adversely affect the interests of the Port Authority as the issuer of the Bonds; (c) such amendments do not contravene or violate any policy of the Port Authority; and (d) such amendments are acceptable in form and substance to Bond Counsel. The execution of any instrument by the President of the Port Authority shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof.

7. No covenant, stipulation, obligation or agreement contained herein or in the Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the Board of Commissioners of the Port Authority, or any officer, agent or employee of the Port Authority in that persons individual capacity, and neither the Board of Commissioners nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

8. Port Authority management is hereby authorized to make such requests as are necessary of the City to obtain the City's approval of the issuance of the Bonds, as needed, and to obtain the City's approval of the Proposed Amendments. It is understood that City consent may also need to include a subordination of City debt to the Bonds, if the Bonds are issued using the Ever-Green Energy financing mechanism.

Adopted: March 27, 2012

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By 
Its Vice Chair

ATTEST:

By 
Its Secretary