

RESOLUTION NO. \_\_\_\_\_

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION APPROVING A PLAN OF FINANCE FOR THE ISSUANCE OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY SOLID WASTE DISPOSAL REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION, REHABILITATION, RENOVATION, INSTALLATION, IMPROVEMENT AND/OR EQUIPPING OF LAND, BUILDINGS, FACILITIES AND/OR EQUIPMENT, INCLUDING BUT NOT LIMITED TO THE MANAGEMENT OF CAPACITY FOR THE TRANSFER AND PROCESSING OF MUNICIPAL SOLID WASTE AND ROLLING STOCK, FOR THE COLLECTION, TRANSFER AND PROCESSING OF MUNICIPAL SOLID WASTE, INCLUDING ASSOCIATED EQUIPMENT AND APPURTENANCES THERETO LOCATED WITHIN THE COUNTY AT 225 SHOREWAY ROAD, SAN CARLOS, CALIFORNIA, 94070 (COLLECTIVELY, THE "PROJECT")**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, Recology, Inc., a corporation duly organized and existing under the laws of the State of California, and/or affiliates thereof (collectively, the "Borrower"), has requested that the California Municipal Finance Authority (the "Authority") issue exempt facility bonds for qualified solid waste disposal facility projects pursuant to section 142(a)(6) of the Internal Revenue Code of 1986 (the "Code") in one or more series from time to time in an aggregate principal amount not to exceed \$61,000,000 (the "Bonds") pursuant to a plan of finance for multiple projects, which may occur over a period of multiple years, throughout the State of California; and

**WHEREAS**, as relevant to this resolution, a portion of the proceeds of such Bonds will be used for the purpose of, among other things, financing, in an amount not expected to exceed \$20,000,000, the following projects initially owned by the Borrower and located within the County of San Mateo (the “County”): the acquisition, construction, rehabilitation, renovation, installation, improvement and/or equipping of land, buildings, facilities and/or equipment, including but not limited to the management of capacity for the transfer and processing of municipal solid waste and rolling stock, for the collection, transfer and processing of municipal solid waste, including associated equipment and appurtenances thereto located within the County at 225 Shoreway Road, San Carlos, California, 94070 (collectively, the “Project”); and

**WHEREAS**, the Project will initially be owned by the Borrower; and

**WHEREAS**, the maximum stated principal amount of the Bonds to be used to finance each of the projects at different locations in California outside of the County are as follows: (i) Sonoma County, not to exceed \$50,000,000; and (ii) Solano County, not to exceed \$10,000,000; and

**WHEREAS**, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Authority must be approved by an “applicable elected representative” of the governmental unit in which the Project is situated; and

**WHEREAS**, this Board is the elected legislative body of the County and is an “applicable elected representative” for purposes of approving the issuance of the Bonds under Section 147(f) of the Code; and

**WHEREAS**, the Borrower and Authority have requested that the Board approve the issuance of the Bonds by the Authority in order to satisfy the public approval

requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the County, and Section 6586.5 of the Government Code of the State of California; and

**WHEREAS**, the Authority has advised that the Bonds may be issued pursuant to a "plan of finance" and that, for purposes of this resolution, the plan of finance consists of a general plan of the Authority and the Borrower to monitor capital markets and the capital needs of the Borrower within the County and, if market conditions warrant, issue one or more series of Bonds in an aggregate principal amount not to exceed \$61,000,000 to finance the Project within the three-year period commencing on the date of the issuance of the first series of Bonds pursuant to this resolution; and

**WHEREAS**, the Bonds may also finance and/or refinance projects of the Borrower located outside of the County but any such projects outside of the County would be required to be approved by the applicable elected representatives of the governmental units in which such projects are situated, pursuant to Section 147(f) of the Code; and

**WHEREAS**, there has been published, at least seven days prior to the date hereof, in a newspaper of general circulation within the County, a notice that a public hearing regarding the Bonds would be held on the date therein; and

**WHEREAS**, pursuant to Section 147(f) of the Code and Section 6586.5 of the Government Code of the State of California, the Board has, following notice duly given, held a public hearing regarding the Project and the plan of finance for the issuance of

the Bonds, and now desires to approve the Project and the plan of finance for the issuance of the Bonds by the Authority; and

**WHEREAS**, it is in the public interest and for significant public benefit that the Board approve the issuance of the Bonds by the Authority for the aforesaid purposes.

**NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN MATEO AS FOLLOWS:**

Section 1. The foregoing recitals are true and correct.

Section 2. The Board hereby approves the plan of finance for the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.

Section 3. The approval by the County of the plan of finance is neither an approval of the underlying credit issues of the proposed Project nor an approval of the financial structure of the Bonds. Neither the County, its officers, officials nor any department thereof shall have any responsibility or liability whatsoever with respect to the Bonds or the Project.

Section 4. The issuance of the Bonds shall be subject to approval of the Authority of all financing documents relating thereto to which the Authority is a party. The Bonds shall not constitute a debt or obligation of the County, and the County shall have no

responsibility or liability whatsoever with respect to repayment or administration of the Bonds.

Section 5. The adoption of this resolution shall not obligate the County or any department thereof to (i) provide any financing with respect to the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary with respect to the Project; (iii) make any contribution or advance any funds whatsoever to the Authority or the Borrower; or (iv) take any further action with respect to the Authority or its membership therein.

Section 6. This resolution shall take effect immediately upon its adoption.

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