

**RESOLUTION NO. 2015-13**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
APPROVING SOLAR POWER PURCHASE AGREEMENTS AND PERFORMANCE  
GUARANTEE AGREEMENTS WITH SOLARCITY CORPORATION AND MAKING  
RELATED FINDINGS REQUIRED BY GOVERNMENT CODE SECTION 4217.12**

**BE IT RESOLVED** by the Board of Directors of the Rancho Murieta Community Services District as follows:

**1. Recitals.** This Resolution is made with reference to the following background recitals:

- (a) Due to increases in energy costs, the District's expenditures for energy have increased, adding to the burden on its ratepayers and reducing the amount of funds available for other public purposes. Consequently, the District desires to develop alternate energy supply sources if feasible. The District has substantial land available to it at the District water and wastewater facilities that can be used for solar power generation systems.
- (b) Government Code sections 4217.10 to 4217.18 authorize the District to develop alternate energy supplies and to enter into solar power purchase agreements with a qualified company. Section 4217.12 requires the Board to hold a noticed public hearing and make certain written findings before entering into such an agreement.
- (c) The District has negotiated two (2) Solar Power Purchase Agreements with SolarCity Corporation, one agreement for available land at the wastewater treatment plant site and another for available land at the water treatment plant site. Under the Agreements, SolarCity would install and operate solar energy systems on the District sites and the District would commit to purchase the electrical energy generated by the systems during the agreement term. The solar power purchased from SolarCity would offset the electricity that otherwise would need to be purchased from the Sacramento Municipal Utility District. The District also has negotiated two related Performance Guarantee Agreements to secure SolarCity's performance under the Solar Power Purchase Agreements.
- (d) District staff has evaluated the Agreements and the power prices that the District would pay under the Agreements and it has compared those prices to current and anticipated future prices that it would pay to SMUD. Staff has concluded that the purchase of solar power from SolarCity would be less than the anticipated cost to the District of electrical energy that would need to be purchased from SMUD.
- (e) The Board has conducted a duly noticed public hearing as required by law.

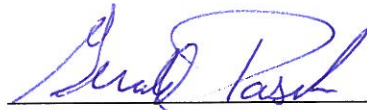
**2. Findings.** In accordance with Government Code section 4217.12, the Board finds and determines as follows:

- (a) The terms of the proposed Solar Power Purchase Agreements with SolarCity are in the best interests of the District and its ratepayers.
- (b) The anticipated price to the District for the purchase of solar power under the Solar Power Purchase Agreements will be less than the anticipated marginal cost to the District of electrical energy that would have been purchased and consumed by the District from SMUD in the absence of the agreements.
- (c) The Solar Power Purchase Agreements are power purchase contracts and not leases or rental contracts. The agreements would include the grant of a license to SolarCity to use certain District land for the term of the agreements to allow it to install, operate and maintain the solar energy systems. SolarCity would not pay any rent or license fee. The rent-free use of the land is offset by the below-market energy that will be sold to the District under the agreements.

**3. Approval of Agreements.** The Board of Directors approves the two (2) Solar Power Purchase Agreements and two (2) Performance Guarantee Agreements with SolarCity Corporation in substantially the forms as presented at this meeting and authorizes the District General Manager to finalize, approve, and sign the final agreements together with any minor additions or changes deemed necessary or advisable by the General Manager in consultation with the Board President and General Counsel.

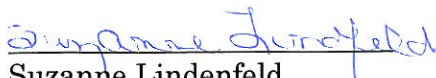
PASSED AND ADOPTED this 16th day of September 2015 by the following vote:

Ayes: Pasek, Ferraro, Pecotich  
Noes: None  
Abstain: None  
Absent: Martel



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Gerald Pasek, President of the Board  
Rancho Murieta Community Services District

Attest:



\_\_\_\_\_  
Suzanne Lindenfeld  
District Secretary