

## RESOLUTION

### **RESOLUTION OF THE ELECTRIC AND WATER PLANT BOARD OF THE CITY OF FRANKFORT, KENTUCKY, APPROVING AN INTERLOCAL COOPERATION AGREEMENT AUTHORIZING THE FORMATION AND THE ESTABLISHMENT OF THE KENTUCKY MUNICIPAL ENERGY AGENCY**

WHEREAS, the Electric and Water Plant Board of the City of Frankfort, Kentucky (the "Board") and other municipal electric systems in the Commonwealth of Kentucky are faced with an ongoing challenge of assuring that the demand for electric power and energy to serve their residents and businesses will be met with a reasonable balance between the need for new facilities and new energy sources, the availability of supply from existing resources, the cost and efficient operation of such facilities and energy sources, and the desire and need for cleaner sources of energy and conservation in the use of energy; and

WHEREAS, municipal electric systems in the Commonwealth of Kentucky must secure reliable, cost effective, and environmentally responsible energy sources or more effective uses of energy sources to supply the demands of their residents and businesses; and

WHEREAS, mutual advantage may be obtained from the coordinated planning, permitting, acquisition, construction and operation of new and existing facilities, and from joint purchases, sales and exchanges of electric power and related sources; and

WHEREAS, additional mutual advantage may be obtained from the coordinated planning, permitting, acquiring, constructing and operating of certain joint electric power supply projects and any and all facilities, including all equipment, structures, machinery, and tangible and intangible property, real and personal, for the generation or transmission of electrical energy, including any fuel supply or source useful for such projects; and

WHEREAS, pursuant to Sections 65.210 to 65.300 of the Kentucky Revised Statutes, as amended, known as the "Interlocal Cooperation Act" (the "Act"), public agencies are authorized and empowered to join with each other to make the most efficient use of their powers by enabling them to cooperate on a basis of mutual advantage; and

WHEREAS, the Board desires to enter into an interlocal cooperation agreement with one or more public agencies for the purposes stated above;

NOW, THEREFORE, IT IS RESOLVED AS FOLLOWS:

**Section 1. Creation of Joint Public Agency.** That the formation, creation and establishment of a joint public agency pursuant to the Act, to be known as the "Kentucky Municipal Energy Agency", is hereby authorized and approved.

**Section 2. Approval of Interlocal Cooperation Agreement.** That the proposed Interlocal Cooperation Agreement (the "Agreement"), attached to the Resolution as Exhibit A, forming, creating and establishing the Kentucky Municipal Energy Agency ("KMEA"), having been prepared and tendered to this Board, is hereby approved, with such changes, insertions and omissions as the Board's General Manager shall approve, such approval to be conclusively evidenced by the execution of said documents, in order to effectuate the purposes of this Resolution; and the General Manager and Chairman are hereby authorized to execute and acknowledge same for and on behalf of the Board so that KMEA may constitute a joint public agency of which the Board is a member thereof.

**Section 3. Appointment of KMEA Representatives.** That pursuant to the terms of the Agreement, the Board hereby appoints and approves Vent Foster as its representative and director to the KMEA Board of Directors and Herbnie Bannister as its alternate representative to the KMEA Board of Directors.

**Section 4. KMEA Line of Credit.** That the Board recognizes that KMEA will need to establish credit to begin to operate and to review and initiate projects and coordinated actions for its members (the "Members") and hereby requests KMEA to establish a line of credit for its operations and initial activities in an amount not to exceed \$5,000,000 (the "Line of Credit") for the purpose of funding KMEA's operations, projects and undertakings. The Board recognizes and understands that KMEA's Members, including the Board, will be assessed proportionally, from time to time, for the repayment of said Line of Credit all in accordance with the terms of the Agreement and the actions of the KMEA Board.

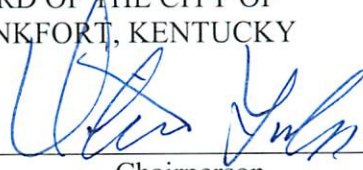
**Section 5. Board Officers Authorized to Execute Necessary Documents.** That the General Manager, Chairperson, the Secretary and other officers of the Board, be and are hereby authorized, on behalf of the Board, to execute any and all documents, and to take whatever action, necessary to implement this Resolution.

**Section 6. Effective Date.** This Resolution shall take effect from and after its passage and approval.

Adopted at a duly convened meeting of the Electric and Water Plant Board of the City of Frankfort, Kentucky on June 16, 2015.

ELECTRIC AND WATER PLANT  
BOARD OF THE CITY OF  
FRANKFORT, KENTUCKY

By



Chairperson


Attest:

  
Secretary

CERTIFICATE

I, the undersigned Secretary of the Electric and Water Plant Board of the City of Frankfort, Kentucky, certify that the foregoing is a true and correct copy of a Resolution passed at a duly convened meeting of the Board held on June 16, 2015, at which a quorum was present, and that said Resolution has not been amended, modified, revoked or repealed and is now in full force and effect, all as appears from the official records of the Board in my custody and under my control.

WITNESS my hand as Secretary of the Electric and Water Plant Board of the City of Frankfort, Kentucky this June 16, 2015.

  
Secretary