

RESOLUTION NO. 2008-1

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE FAIRFAX  
FINANCING AUTHORITY APPROVING BY-LAWS AND A CONFLICT  
OF INTEREST CODE, AND SETTING TIME AND PLACE FOR  
REGULAR MEETINGS OF THE BOARD**

WHEREAS, the Fairfax Financing Authority (the "Authority") has been formed under a Joint Exercise of Powers Agreement dated as of August 6, 2008, between the Town of Fairfax and the California Municipal Finance Authority; and

WHEREAS, it is appropriate at this time for the Board of Directors of the Authority to adopt Bylaws governing the operation of the Authority, to adopt a Conflict of Interest Code and to set the time and place for an annual meeting of the Board of Directors;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fairfax Financing Authority as follows:

**Section 1. Adoption of By-Laws.** The by-laws attached hereto as Appendix A (the "By-Laws") are adopted as the By-Laws of the Authority.

**Section 2. Adoption of Conflict of Interest Code.** As provided in Section 5 of the By-Laws, the Conflict of Interest Code of the Town (with respect to the members of the Town Council, on file with the Secretary and incorporated by reference as if fully set forth herein), is hereby adopted as the Conflict of Interest Code of the Authority.

**Section 3. Annual Audit.** The Board hereby determines that an audit shall be caused to be performed by the Treasurer and Controller of the Authority as required by Section 6505 of the Government Code of the State of California. Such audit shall be filed with the Secretary of the Authority.

**Section 4. Time and Place of Regular Meetings.** The regular meetings of the Board shall be held at the Women's Club, 46 Park Rd., Fairfax, California 94930, or such other place as this Board may designate from time to time. A regular meeting of the Board shall be held annually at 7:00 p.m. on the first meeting in June at which a regular meeting of the Town Council of the Town is held. Notwithstanding the foregoing, however, no annual meeting need be held by the Board if the Chair determines that there is no business to be considered by the Board at such meeting.

**Section 5. Effective Date.** This Resolution shall take effect immediately upon its passage and adoption.

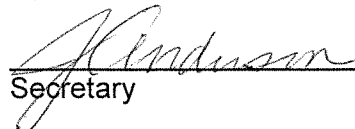
PASSED AND ADOPTED by the Board of Directors of the Fairfax Financing Authority at a regular meeting thereof held on the 6th day of August, 2008.

AYES: Bragman, Brandborg, Maggiore, Tremaine, Weinsoff

NOES: None

  
Chairman

Attest:

  
Secretary

**APPENDIX A**  
**BY-LAWS**  
**OF THE**  
**FAIRFAX FINANCING AUTHORITY**

**ARTICLE I - THE AUTHORITY**

Section 1. Name. The official name of the Authority shall be the "Fairfax Financing Authority". The Authority was created pursuant to the Joint Exercise of Powers Agreement, dated as of August 6, 2008 (the "Agreement"), between the Town of Fairfax (the "Town") and the California Municipal Finance Authority (the "CMFA").

Section 2. Authority Board Members. The Authority shall be administered by a governing Board of Directors (the "Board") whose members shall be, at all times, the Town Council of the Town. The term of office as a member of the Board shall terminate when such member of the Board shall cease to be a member of the Town Council of the Town, and the successor to such member of the Town Council of the Town shall become a member of the Board.

Section 3. Office. The business office of the Authority shall be the Fairfax Town Hall at 142 Bolinas Road, Fairfax, California 94930 or at such other place as may be designated by the Board.

Section 4. Compensation. Board members may receive their actual and necessary expenses, including traveling expenses incurred in the discharge of their duties, but only when authorized by the Authority and if there are unencumbered funds available for such purpose.

Section 5. Conflicts of Interest. The Authority shall adopt the Conflict of Interest Code of the Town as its Conflicts of Interest Code.

## ARTICLE II – OFFICERS

Section 6. Officers. The Officers of the Authority shall be the Chair, Vice Chair, Executive Director, Secretary, and Treasurer and Controller.

Section 7. Chair. The Chair of the Authority shall be the member who is the Mayor of the Town. The term of office shall be the same as the term of the Mayor of the Town. The Mayor shall preside at all meetings of the Authority, and shall submit such information and recommendations to the Board as he or she may consider proper concerning the business, policies and affairs of the Authority.

Section 8. Vice Chair. The Vice Chair shall be the member who is the Vice Mayor of the Town. The term of office shall be the same as the term of the Mayor of the Town. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed on the Chair, until such time as a new Chair is selected or appointed.

Section 9. Executive Director. The Executive Director shall be the person who is the Town Manager of the Town. The Executive Director of the Authority shall be responsible for execution and supervision of the affairs of the Authority. Except as otherwise authorized by resolution of the Board, the Executive Director or the Executive Director's designee shall sign all contracts, deeds and other instruments executed by the Authority.

Section 10. Secretary. The Secretary shall be the person who is the Clerk of the Town Council of the Town and shall serve at the pleasure of the Authority. The Secretary shall keep the records of the Authority, shall act as Secretary at the meetings of the Authority and record all votes, and shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to the office.

Section 11. Treasurer. The Town Manager of the Town is hereby designated as Treasurer of the Authority. Subject to the applicable provisions of any trust agreement,

indenture or resolution providing for a trustee or other fiscal agent, the Treasurer is designated as the depository of the Authority to have custody of all the money of the Authority, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the California Government Code.

Section 12. Controller. The Town Manager of the Town is hereby designated as Controller of the Authority, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the California Government Code. The Controller shall draw checks or warrants to pay demands against the Authority when the demands have been approved by the Authority.

Section 13. Confirmation of Officers. Confirmation of officers shall be the first order of business at the first meeting of the Authority, regular or special, held in each calendar year.

Section 14. Authority to Bind Authority. No member, officer, agent or employee of the Authority, without prior specific or general authority by a vote of the Board, shall have any power or authority to bind the Authority by any contract, to pledge its credit, or to render it liable for any purpose in any amount.

### **ARTICLE III - EMPLOYEES AND AGENTS**

Section 15. Appointment of Employees and Agents. The Authority may from time to time request from the Town or CMFA the services of such personnel, counsel or agents, permanent or temporary, as may be necessary to carry out the business and affairs of the Authority.

The Board may in addition employ temporary professional and technical personnel on such terms and at such rates of compensation as the Board may determine, for the performance of Authority business and affairs, provided that adequate sources of funds are identified for the payment of such temporary professional and technical services.

## ARTICLE IV – MEETINGS

Section 16. Regular Meetings. Regular meetings shall be held at the business office of the Authority, or at such other place as the Chair may designate, on dates and at a time as fixed by Resolution of the Authority. If at any time any regular meeting falls on a legal holiday, such regular meeting shall be held on the next business day at the same time. At least 72 hours before a regular meeting, an agenda containing a brief general description of each item of business to be transacted or discussed shall be posted at a location freely accessible to members of the public. The agenda shall specify the time and location of the regular meeting. No action shall be taken on any item not appearing on the posted agenda except as permitted by law.

Section 17. Special Meetings. A special meeting may be called at any time by the Chair or upon the request of two of the members of the Board by delivering written notice to each member and to each person or entity entitled by law to receive such notices. Notices to the Board shall be sufficient if delivered to the Secretary. Notices to other persons or entities entitled by law to receive notices must be delivered personally or by mail and must be received at least 24 hours before the time of such meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted and shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public. No other business shall be considered at such meetings by the Board. Such written notice may be dispensed with as to any Board member who at or prior to the time the meeting convenes files with the Secretary of the Authority a written waiver of notice. Such waiver may be given by telegram or telecopy. Such written notice may also be dispensed with as to any member who is actually present at the time it convenes.

Section 18. Closed Sessions. Nothing contained in these bylaws shall be construed to prevent the Board from holding closed sessions during a regular or special meeting concerning any matter permitted by law to be considered in a closed session.

Section 19. Public Hearings. All public hearings held by the Board shall be held during regular or special meetings of the Board.

Section 20. Adjourning Meetings and Continuing Public Hearings to Other Times or Places. The Board may adjourn any meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all Board members are absent from any regular meeting or adjourned regular meeting the Secretary or Acting Secretary of the Authority may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

Any public hearing being held, or any hearing noticed or ordered to be held at any meeting may by order or notice of continuance be continued or recontinued to any subsequent meeting in the same manner and to the same extent set forth herein for the adjournment of the meetings; provided, that if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing a copy of the order or notice of continuance shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

Section 21. Meetings to be Open and Public. All meetings of the Board to take action or to deliberate concerning Authority business and its conduct shall be open and public. All persons shall be permitted to attend any such meetings except as otherwise provided or permitted by law and Section 18 of these bylaws.

Section 22. Quorum. A majority of the members of the Board shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other official purposes, except that less than a quorum may adjourn from time to time until a quorum is obtained.

Section 23. Order of Business. At the regular meetings of the Authority, the following shall be the general order of business:

1. Roll Call
2. Approval of Minutes
3. Reports
4. Unfinished Business
5. New Business
6. Matters Not Appearing on the Agenda
7. Adjournment

Section 24. Parliamentary Procedure. The rules of parliamentary procedure set forth in Robert's Rules of Order shall govern all meetings of the Authority, except as otherwise herein provided.

#### **ARTICLE V – AMENDMENTS**

Section 25. Amendments to By-Laws. These by-laws may be amended by the Board at any regular or special meeting by majority vote, provided that a description of the proposed amendment to any particular section is included in the notice of such meeting.

Adopted: August 6, 2008

RESOLUTION NO. 2008-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FAIRFAX FINANCING AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF 2008 GENERAL OBLIGATION REVENUE BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,500,000, TO FINANCE CONSTRUCTION OF PUBLIC CAPITAL IMPROVEMENTS AND PURCHASE OF GENERAL OBLIGATION REFUNDING BONDS FROM THE TOWN OF FAIRFAX, AND APPROVING RELATED DOCUMENTS AND ACTIONS**

WHEREAS, more than two-thirds of the qualified voters in the Town of Fairfax (the "Town"), voting at a municipal election on November 2, 1999, approved the issuance of up to \$6,830,000 of general obligation bonds to finance the acquisition and construction of capital improvements to various streets and storm drains within the Town and to the Town's community facilities within the Town, and the Town caused to be issued three series the general obligation bonds pursuant to such authorization, including its General Obligation Bonds, Series 2000, issued in an initial principal of \$2,065,000 (the "2000 Bonds"); and

WHEREAS, the Town Council of the Town has authorized the issuance of its Town of Fairfax 2008 General Obligation Refunding Bonds in the aggregate principal amount of not to exceed \$2,500,000 (the "Town Refunding Bonds") for the purpose of refunding all or a portion of the outstanding 2000 Bonds and thereby realizing financial savings to the property tax payers of the Town; and

WHEREAS, the Fairfax Financing Authority (the "Authority") is authorized under its organizational documents and under the provisions of the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Bond Law"), to issue its bonds for the purpose of acquiring local obligations issued by local agencies in the State of California, including the acquisition of the Town Refunding Bonds, and for the purpose of financing the acquisition and construction of public capital improvements; and

WHEREAS, the Board of Directors of the Authority wishes at this time to approve the sale of its revenue bonds under the Bond Law for the purpose of purchasing the Town Refunding Bonds from the Town and for the purpose of financing the construction of public capital improvements in the Town;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fairfax Financing Authority as follows:

**Section 1. Approval of Indenture of Trust.** The Bonds shall be issued under an Indenture of Trust dated as of September 1, 2008, between the Authority and U.S. Bank National Association or other appropriate entity, as trustee, which the Board of Directors hereby approves in substantially the form on file with the Secretary together with any changes therein or additions thereto deemed advisable by the Executive Director or Treasurer of the Authority (each, an "Authorized Officer"), each acting alone, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. The Authorized Officers, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Indenture of Trust



with such changes, additions or deletions as may be approved by such Authorized Officer and Authority Counsel, such approvals to be conclusively evidenced by the execution and delivery thereof.

**Section 2. Purchase of Town Refunding Bonds.** The Board of Directors hereby authorizes the expenditure of a portion of the proceeds of the Bonds to purchase the Town Refunding Bonds from the Town. To that end, the Board or Directors hereby approves the Town Bond Purchase Agreement between the Authority and the Town in substantially the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by an Authorized Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. Each Authorized Officer, each acting alone, is hereby authorized and directed for and in the name and on behalf of the Authority to execute, and each Authorized Officer is hereby authorized and directed to attest, the final form of the Bond Purchase Agreement.

**Section 3. Sale of Bonds.** The Board of Directors hereby authorizes the sale of the Bonds to Wulff, Hansen & Co., San Francisco, California, as underwriter (the "Underwriter") under the Bond Purchase Contract in substantially the form on file with the Secretary together with any changes therein or additions thereto deemed advisable by an Authorized Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby delegates to any Authorized Officer the authority to accept an offer from the Underwriter to purchase the Bonds and to execute the Bond Purchase Contract for and in the name and on behalf of the Authority. The amount of Underwriter's discount may not exceed \$45,000 and the true interest rate on the Bonds may not exceed the legal limit.

**Section 4. Official Statement.** The Board of Directors hereby approves the Preliminary Official Statement describing the Bonds in the form on file with the Secretary. An Authorized Officer is hereby authorized to approve any additions to or changes in such Preliminary Official Statement, to deem the resulting Preliminary Official Statement nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to execute an appropriate certificate stating such Authorized Officer's determination that the Preliminary Official Statement has been deemed nearly final within the meaning of such Rule. Distribution of the Preliminary Official Statement by the Underwriter is hereby approved. Any Authorized Officer is hereby authorized and directed to approve any changes in or additions to the Final Official Statement, and the execution thereof by an Authorized Officer shall be conclusive evidence of approval of any such changes and additions. The Board of Directors hereby authorizes the distribution of the Final Official Statement by the Underwriter. The Final Official Statement may be executed in the name and on behalf of the Authority by an Authorized Officer.

**Section 5. Official Actions.** Each Authorized Officer, each acting alone, is authorized and directed in the name and on behalf of the Authority to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this Resolution any officer of the Authority is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable.


**Section 6. Bank Qualified Designation.** The Bonds are hereby designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. The Board of Directors of the Authority hereby finds and determines that the aggregate face amount of all tax exempt obligations (other than private activity bonds) issued by the Town (and all subordinate entities thereof) during calendar year 2008 is not expected to exceed \$10,000,000.

**Section 7. Effective Date.** This Resolution shall take effect immediately upon its passage and adoption.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Fairfax Financing Authority at a meeting thereof held on August 6, 2008, by the following vote:

AYES:           Bragman, Brandborg, Maggiore, Tremaine, Weinsoff  
NOES:           None  
ABSENT:       None

I HEREBY CERTIFY that the foregoing resolution was duly and regularly passed and adopted by the governing board of the Fairfax Financing Authority at a meeting thereof held on the 6<sup>th</sup> day of August, 2008.

  
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Secretary  
Fairfax Financing Authority