

**RESOLUTION APPROVING THE ISSUANCE OF
GRANT ANTICIPATION NOTES
FOR THE COSTS OF CERTAIN
AIRPORT IMPROVEMENT PROJECTS**

CITY OF BURLINGTON

In the year Two Thousand Eleven.....
Resolved by the Board of Finance of the City of Burlington, as follows:

That WHEREAS, the City of Burlington (the “City”) owns and operates the Burlington International Airport (the “Airport”);

WHEREAS, the City anticipates the receipt of federal grants from the Federal Aviation Administration (“FAA”) for certain airport improvement projects (the “Grants”);

WHEREAS, the City will implement the airport improvement projects pending the receipt of the Grants and will receive reimbursement from the FAA;

WHEREAS, the City, pursuant to 24 V.S.A. §1773(c), may undertake temporary loans in anticipation of the receipt of grants-in aid;

WHEREAS, on June 13, 2011 the City Council adopted a resolution approving: (i) a proposal by Northfield Savings Bank (the “Bank”) to provide a \$5,000,000 Grant Anticipation Line of Credit (the “Loan”); and (ii) the issuance of grant anticipation notes, secured by the Grants, in one or more series, in an aggregate principal amount not to exceed \$5,000,000, in each case subject to the approval of the Board of Finance; and

WHEREAS, there has been presented to the Board of Finance: (i) a Loan and Security Agreement (the “Loan and Security Agreement”); (ii) a form of the Notes; (iii) an Assignment of Grants Agreements; and (iv) the assignment of the accounts established under the Loan and Security Agreement in connection with receipt of the Grants (all of the foregoing, collectively, the “Loan Documents”).

NOW THEREFORE, BE IT RESOLVED, by the Board of Finance of the City of Burlington, Vermont, as follows:

The Board of Finance hereby approves the Loan Documents.

The City shall issue grant anticipation notes, secured by the Grants, in one or more series, in an aggregate principal amount not to exceed \$5,000,000 (the “Notes”) for the object and purpose of financing the costs of the Airport Improvement Projects that are the subject of the Grants. The Notes shall be secured by a pledge of the Grants as payment therefor, shall be issued to the Bank and shall mature less than 1 year from the date of issuance. The Notes may further be payable on a subordinate basis, from net revenues of the Airport, to the extent legally permissible under the Bond Resolution (as defined below). The advances under the Notes may be made on a draw-down line of credit basis.

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The Notes shall be payable from the Grants, a pledge of the Grants, and a subordinate pledge of the net revenues of the Airport, to the extent permissible under the Airport General Bond Resolution adopted May 6, 1997 (as supplemented and amended to date) (the “Bond Resolution”).

The Mayor and Chief Administrative Officer are, and each of them is, hereby authorized and empowered to execute and deliver: (i) the Notes on behalf of the City, in such form and with such terms as they deem necessary and in the City’s best interest; (ii) the Loan Documents, with such changes as they deem necessary and in the City’s best interest, and such other documents and instruments as may be requested by the Bank in connection with the Loan; and (iii) all other documents and instruments necessary or convenient in connection with the Loan, the issuance of the Notes and/or the receipt of the Grants.

BE IT FURTHER RESOLVED that the authority granted to the Chief Administrative Officer hereunder may be performed by the Assistant Chief Administrative Officer or the Interim Chief Administrative Officer of the City.