

## RESOLUTION 09-142

### RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF MERCHANTVILLE, COUNTY OF CAMDEN, NEW JERSEY CONFIRMING THE DETAILS OF THE SALE OF THE BOROUGH'S GENERAL OBLIGATION BONDS, SERIES 2009A, AND GENERAL OBLIGATION BONDS, SERIES 2009B, TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY, ACTING BY AND THROUGH THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION PURSUANT TO THE 2009 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM

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#### BACKGROUND

**WHEREAS**, the Borough of Merchantville, County of Camden, New Jersey ("Borough") has determined there exists a need within the Borough for the rehabilitation of existing gravity sanitary sewer lines and manholes within the Borough's Sanitary Sewer System including, but not limited to, the cure in place pipe lining of gravity sewer lines and in-place repair of gravity sewer manholes ("2009 Project") as described in that certain Loan Agreement ("Trust Loan Agreement") to be entered into between the Borough and the New Jersey Environmental Infrastructure Trust ("Trust") and that certain Loan Agreement ("Fund Loan Agreement"; together with the Trust Loan Agreement, the "Loan Agreements") to be entered into between the Borough and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection ("State"), all pursuant to the 2009 New Jersey Environmental Infrastructure Trust Financing Program; and

**WHEREAS**, the Borough has determined to finance the acquisition, construction, renovation and installation of the 2009 Project with the proceeds of a loan to be made by each of the Trust ("Trust Loan") and the State ("Fund Loan"; together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively; and

**WHEREAS**, to evidence the Loans, each of the Trust and the State require the Borough to authorize, execute and deliver its General Obligation Bonds, Series 2009A, to the Trust ("2009A Bonds"), and its General Obligation Bonds, Series 2009B, to the State ("2009B Bonds"; together with the 2009A Bonds, the "2009 Bonds"), pursuant to the terms of applicable law and pursuant to the terms of the Loan Agreements; and

**WHEREAS**, pursuant to the Local Bond Law, constituting Chapter 169 of the Laws of the State of New Jersey the Borough Council of the Borough has, pursuant to Bond Ordinance No. 2008-12, duly and finally adopted and published in accordance with the requirements of the Local Bond Law ("Bond Ordinance"), authorized the issuance of general obligation bonds or bond anticipation notes of the Borough to finance the costs of the 2009 Project; and

**WHEREAS**, pursuant to a resolution adopted by the Borough Council on September 14, 2009 ("Authorizing Resolution"), the Borough authorized and approved the issuance and sale of up to \$1,845,000 of the 2009 Bonds of the Borough, consisting of the Borough's 2009A Bonds, and the Borough's 2009B Bonds, to finance the costs of the 2009 Project; and

**WHEREAS**, *N.J.S.A.* 40A:2-27(a)(2), allows for the sale of the 2009A Bonds and the 2009B Bonds to the Trust and the State, respectively, without any public offering, and *N.J.S.A.* 58:11B-9(a) allows for the sale of the 2009B Bonds to the Trust, without any public offering, all under the terms and conditions set forth herein; and

**WHEREAS**, the Trust has sold its bonds to fund the Trust Loan, thereby enabling the Borough to confirm the exact aggregate principal amount of and debt service schedule for each series of the 2009 Bonds.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOROUGH COUNCIL OF THE BOROUGH OF MERCHANTVILLE, COUNTY OF CAMDEN, NEW JERSEY, PURSUANT TO THE LOCAL BOND LAW (NOT LESS THAN TWO-THIRDS OF ALL THE MEMBERS THEREOF AFFIRMATIVELY CONCURRING), AS FOLLOWS:**

**Section 1.** The sale of the 2009A Bonds to the Trust and the 2009B Bonds to the State is hereby authorized, approved, ratified and confirmed. The 2009A Bonds shall be released from escrow in accordance with the terms of the escrow agreement between the Trust, the State, the escrow agent and the Borough ("Escrow Agreement") and thereby issued in accordance with the principal amount, interest rates and maturity schedule set forth on Schedule "A" attached hereto and made a part hereof. The 2009B Bonds shall be released from escrow in accordance with the terms of the Escrow Agreement and thereby issued in accordance with the principal amount and maturity schedule set forth on Schedule "B" attached hereto and made a part hereof.

**Section 2.** All actions heretofore taken and documents prepared or executed by or on behalf of the Borough by the Mayor, Chief Financial Officer, Borough Clerk, other Borough officials or by the Borough's professional advisors, in connection with the issuance and sale of the 2009 Bonds or the 2009 Project are hereby ratified, confirmed, approved and adopted.

**Section 3.** The Mayor, Chief Financial Officer or Borough Clerk are each hereby authorized to determine all matters and execute all documents and instruments in connection with the 2009 Bonds or the 2009 Project not determined or otherwise directed to be executed by the Local Bond Law, the Bond Ordinance, or by this or any subsequent resolution, and the signature of

the Mayor, Chief Financial Officer or Borough Clerk on such documents or instruments shall be conclusive as to such determinations.

**Section 4.** All resolutions, or parts thereof, inconsistent herewith or with the Authorizing Resolution, are hereby rescinded and repealed to the extent of any such inconsistency.

**Section 5.** This resolution shall take effect immediately upon adoption this 23<sup>rd</sup> day of November, 2009.

Recorded Vote

AYE

NO

ABSTAIN

ABSENT

APPROVED:

ATTEST:

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FRANK M. NORTH  
MAYOR

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DENISE L. BROUSE  
BOROUGH CLERK

November 23, 2009

The foregoing is a true copy of a resolution adopted by the Borough Council on November 23, 2009.

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**DENISE BROUSE, Borough Clerk**

[SEAL]

**Schedule "A"**

Description of 2009A Bonds

**Schedule "B"**

Description of 2009B Bonds