

RESOLUTION NO. 10-19

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST SUPPLEMENTING AND AMENDING THE "WASTEWATER TREATMENT INSURED BOND RESOLUTION, SERIES 1993" IN CONNECTION WITH THE DISSOLUTION OF THE DELRAN SEWERAGE AUTHORITY

WHEREAS, the New Jersey Environmental Infrastructure Trust (formerly known as the New Jersey Wastewater Treatment Trust) (the "Trust"), a public body corporate and politic under the laws of the State of New Jersey (the "State"), is organized and existing pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same has been, and in the future may be, amended and supplemented from time to time (the "Act"); and

WHEREAS, pursuant to Sections 5(m) and 9(a) of the Act, the Trust is authorized (i) to make and contract to make loans (the "Trust Loans") to certain borrowers (the "Borrowers") to finance a portion of the cost of environmental infrastructure projects (the "Projects") and (ii) to acquire and contract to acquire notes, bonds or other obligations issued or to be issued by the Borrowers to evidence and secure the Trust Loans, all in accordance with the provisions of the Act; and

WHEREAS, pursuant to Section 6(a) of the Act, the Trust may from time to time issue bonds, notes or other obligations in any principal amount as in the judgment of the Trust shall be necessary to provide sufficient funds for any of its corporate purposes, all in accordance with the provisions of the Act; and

WHEREAS, pursuant to Section 6(c) of the Act, bonds, notes or other obligations of the Trust shall be authorized by a resolution of the Trust; and

WHEREAS, the Trust adopted its "Wastewater Treatment Insured Bond Resolution, Series 1993" on October 21, 1993 (the "Original Bond Resolution"), authorizing the issuance of its \$64,285,000 original aggregate principal amount of "Wastewater Treatment Insured Bonds, Series 1993" (the "Series 1993 Bonds"), for the purpose of funding certain Trust Loans to those Borrowers set forth in Schedule I attached to the Original Bond Resolution, including, without limitation, a Trust Loan to the Delran Sewerage Authority (the "Authority"), made, pursuant to the terms of the Authority Trust Loan Agreement (as hereinafter defined), in the original aggregate principal amount of \$1,485,000 (the "Authority Trust Loan"), for the purpose of financing a portion of the cost of the Authority's Project (the "Authority Project"), as more fully described in the Authority Trust Loan Agreement; and

WHEREAS, in connection with the funding of the Authority Trust Loan, the Trust entered into that certain "Loan Agreement" dated as of November 1, 1993 (the "Authority Trust Loan Agreement"), by and between the Trust and the Authority; and

WHEREAS, the Authority has issued its revenue bond (the "Authority Borrower Bond") to the Trust to evidence and secure the repayment obligation of the Authority with respect to the Authority Trust Loan; and

WHEREAS, on May 7, 2003, the Trust issued its "Wastewater Treatment Insured Refunding Bonds, Series 2003 (1993 Financing Program)" (the "Series 2003 Refunding Bonds"; the Series 1993 Bonds and the Series 2003 Refunding Bonds shall be referred to collectively herein as the "Bonds"), in the original aggregate principal amount of \$39,655,000, pursuant to the terms and provisions of the Original Bond Resolution, as supplemented by a resolution of the Trust adopted on March 27, 2003 and entitled "Supplemental Bond Resolution Authorizing the Issuance of Wastewater Treatment Insured Refunding Bonds, Series 2003 (1993 Financing Program) of the New Jersey Environmental Infrastructure Trust" (the "Supplemental Bond Resolution"; the Original Bond Resolution as supplemented by the Supplemental Bond Resolution shall be referred to herein as the "Bond Resolution"), for the purpose of refunding a portion of the Series 1993 Bonds; and

WHEREAS, the Township of Delran (the "Township") has determined, pursuant to the provisions of Section 20 of the Local Authorities Fiscal Control Law, constituting Chapter 313 of the Pamphlet Laws of 1983 of the State (codified at N.J.S.A. 40A:5A-1 *et seq.*), and the acts amendatory thereof and supplemental thereto, to dissolve the Authority (the "Dissolution"); and

WHEREAS, the Township, as part of the Dissolution, has determined to assume responsibility for (i) the payment of all creditors and obligees of the Authority, (ii) all services provided by the Authority and deemed necessary for the health, safety and welfare of the recipients of such services, and (iii) the payment of the bonds or notes of the Authority previously issued and outstanding, including, without limitation, the Authority Borrower Bond; and

WHEREAS, in connection with the actions described in clause (iii) of the immediately preceding recital, the Township will issue its general obligation bond (the "Township Borrower Bond") to the Trust, in exchange for the Authority Borrower Bond, to evidence and secure the Authority Trust Loan; and

WHEREAS, the Bond Resolution may be supplemented, pursuant to the provisions of Section 11.02 thereof, to make any modification or amendment thereto that will not have a material adverse effect on the interests of the holders of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST (the "Board"), as follows:

Section 1. The Bond Resolution is hereby amended, pursuant to the provisions of Section 11.02 of the Bond Resolution, to modify all references therein to "Delran Sewerage Authority", including, without limitation, those references found in the schedules attached thereto, to mean "Township of Delran".

Section 2. The Board hereby authorizes and directs the Chairman, the Vice Chairman, the Executive Director or the Acting Executive Director of the Trust, each acting as an authorized officer on behalf of the Trust (each an "Authorized Officer"), to obtain from (i) U.S. Bank National Association (successor to First Fidelity Bank, National Association), as trustee (the "Trustee") and (ii) Ambac Assurance Corporation, as bond insurer (the "Insurer"),

pursuant to the terms of the Bond Resolution, a written instrument consenting to the amendment set forth in Section 1 hereof, which consent is required pursuant to the provisions of Section 11.02 of the Bond Resolution.

Section 3. Pursuant to the provisions of Section 11.02 of the Bond Resolution, the Board hereby authorizes and directs the Authorized Officer to file with the Trustee a copy of this resolution (the "Supplemental Resolution") certified as to its authenticity by the Authorized Officer.

Section 4. Pursuant to the provisions of Section 11.04(2) of the Bond Resolution, the Board hereby authorizes and directs the Authorized Officer to obtain the written opinion of Bond Counsel (as defined in the Bond Resolution), which opinion shall (i) state that this Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Bond Resolution, is authorized or permitted by the Bond Resolution, and is valid and binding upon the Trust in accordance with its terms, and (ii) be provided to the Trustee and the Insurer, by the Authorized Officer and, pursuant to the provisions of Section 11.04(3) of the Bond Resolution, the Trustee and, if required, the Insurer shall be fully protected in relying thereon.

Section 5. The Board hereby authorizes and directs (i) the Authorized Officer to execute a certificate of assignment (the "Assignment Certificate") attached to the Township Borrower Bond, (ii) the Secretary of the Trust or the Assistant Secretary of the Trust to attest to the signature of the Authorized Officer on the Assignment Certificate and to apply the seal of the Trust thereto, and (iii) the Authorized Officer to deliver the Township Borrower Bond to the Trustee, as assignee, in exchange for the Authority Borrower Bond.

Section 6. This Supplemental Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B(i)), but not prior to (i) the receipt of the written consents of the Trustee and the Insurer described in Section 2 hereof, (ii) the filing with the Trustee of the certified copy described in Section 3 hereof, and (iii) the filing with the Trustee and the Insurer of the opinion of Bond Counsel described in Section 4 hereof.

Adopted Date: April 8, 2010
Motion Made By: Mr. Gardner
Motion Seconded By: Ms. Rendeiro
Ayes: 7
Nays: 0
Abstentions: 0