

BOROUGH OF CLAYTON, NEW JERSEY

RESOLUTION NO. 98-2014

**RESOLUTION OF THE BOROUGH COUNCIL OF THE
BOROUGH OF CLAYTON, COUNTY OF GLOUCESTER,
NEW JERSEY CONFIRMING THE DETAILS OF THE SALE
OF THE BOROUGH'S GENERAL OBLIGATION BONDS,
SERIES 2014A, AND GENERAL OBLIGATION BONDS,
SERIES 2014B, 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 2014 NEW JERSEY
ENVIRONMENTAL INFRASTRUCTURE TRUST
FINANCING PROGRAM**

BACKGROUND

WHEREAS, the Borough of Clayton, County of Gloucester, New Jersey ("Borough") has determined that there exists a need for the construction of an elevated water storage tank in and for the Borough ("2014 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 2014 New Jersey Environmental Infrastructure Trust Financing Program; and

WHEREAS, the Borough has determined to finance the acquisition, construction, renovation and installation of the 2014 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 2014A, to the Trust ("2014A Bonds"), and its General Obligation Bonds, Series 2014B, to the State ("2014B Bonds"; together with the 2014A Bonds, the "2014 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 Ordinances 2010-15 and 2013-11, each duly and finally adopted and published in accordance with the requirements of the Local Bond Law (collectively, the "Bond Ordinances"), authorized the issuance of general obligation bonds or bond anticipation notes of the Borough to finance the costs of the 2014 Project; and

WHEREAS, pursuant to a resolution adopted by the Borough Council on February 20, 2014 ("Authorizing Resolution"), the Borough authorized and approved the issuance and sale of up to \$3,390,000 of the 2014 Bonds of the Borough, consisting of the Borough's 2014A Bonds, and the Borough's 2014B Bonds, to finance the costs of the 2014 Project; and

WHEREAS, *N.J.S.A.* 40A:2-27(a)(2), allows for the sale of the 2014A Bonds and the 2014B 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 2014B 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 2014 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOROUGH COUNCIL OF THE BOROUGH OF CLAYTON, COUNTY OF GLOUCESTER, 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 2014A Bonds to the Trust and the 2014B Bonds to the State is hereby authorized, approved, ratified and confirmed. The 2014A 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 2014B Bonds shall be 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 2014 Bonds or the 2014 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 2014 Bonds or the 2014 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 8th day of May, 2014.

BOROUGH OF CLAYTON



THOMAS BIANCO, Mayor

ATTEST:



CHRISTINE NEWCOMB, Clerk

Recorded Vote

AYE

4

NO

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ABSTAIN

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ABSENT

2

The foregoing is a true copy of a resolution adopted by the Borough Council on May 8, 2014.



CHRISTINE NEWCOMB,
Borough Clerk

[SEAL]

TRUST LOAN AGREEMENT SCHEDULE A-2

**New Jersey Environmental Infrastructure Trust - Series 2014A
Clayton, Borough of (DW) 001**

Borrower Payment Date	Principal	Coupon	Interest	Total Debt Service	DEP Fee	NJEIT Fee	Annual Debt Service and Fees
5/21/2014							
8/1/2014			5,244.79	5,244.79	2,571.25	757.50	8,573.54
2/1/2015			9,440.63	9,440.63	2,571.25	757.50	
8/1/2015	20,000.00	3.000%	9,440.63	29,440.63	2,571.25	757.50	45,538.76
2/1/2016			9,140.63	9,140.63	2,571.25	757.50	
8/1/2016	20,000.00	3.000%	9,140.63	29,140.63	2,571.25	757.50	44,938.76
2/1/2017			8,840.63	8,840.63	2,571.25	757.50	
8/1/2017	20,000.00	5.000%	8,840.63	28,840.63	2,571.25	757.50	44,338.76
2/1/2018			8,340.63	8,340.63	2,571.25	757.50	
8/1/2018	20,000.00	5.000%	8,340.63	28,340.63		757.50	40,767.51
2/1/2019			7,840.63	7,840.63		757.50	
8/1/2019	20,000.00	5.000%	7,840.63	27,840.63		757.50	37,196.26
2/1/2020			7,340.63	7,340.63		757.50	
8/1/2020	20,000.00	5.000%	7,340.63	27,340.63		757.50	36,196.26
2/1/2021			6,840.63	6,840.63		757.50	
8/1/2021	25,000.00	5.000%	6,840.63	31,840.63		757.50	40,196.26
2/1/2022			6,215.63	6,215.63		757.50	
8/1/2022	25,000.00	5.000%	6,215.63	31,215.63		757.50	38,946.26
2/1/2023			5,590.63	5,590.63		757.50	
8/1/2023	25,000.00	5.000%	5,590.63	30,590.63		757.50	37,696.26
2/1/2024			4,965.63	4,965.63		757.50	
8/1/2024	25,000.00	5.000%	4,965.63	29,965.63		757.50	36,446.26
2/1/2025			4,340.63	4,340.63		757.50	
8/1/2025	30,000.00	3.000%	4,340.63	34,340.63		757.50	40,196.26
2/1/2026			3,890.63	3,890.63		757.50	
8/1/2026	30,000.00	3.000%	3,890.63	33,890.63		757.50	39,296.26
2/1/2027			3,440.63	3,440.63		757.50	
8/1/2027	30,000.00	3.000%	3,440.63	33,440.63		757.50	38,396.26
2/1/2028			2,990.63	2,990.63		757.50	
8/1/2028	30,000.00	3.000%	2,990.63	32,990.63		757.50	37,496.26
2/1/2029			2,540.63	2,540.63		757.50	
8/1/2029	30,000.00	3.000%	2,540.63	32,540.63		757.50	36,596.26
2/1/2030			2,090.63	2,090.63		757.50	
8/1/2030	30,000.00	3.000%	2,090.63	32,090.63		757.50	35,696.26
2/1/2031			1,640.63	1,640.63		757.50	
8/1/2031	35,000.00	3.000%	1,640.63	36,640.63		757.50	39,796.26
2/1/2032			1,115.63	1,115.63		757.50	
8/1/2032	35,000.00	3.125%	1,115.63	36,115.63		757.50	38,746.26
2/1/2033			568.75	568.75		757.50	
8/1/2033	35,000.00	3.250%	568.75	35,568.75		757.50	37,652.50
	505,000.00		199,594.97	704,594.97	20,570.00	29,542.50	754,707.47
Dated Date:	5/21/2014						

FUND LOAN AGREEMENT

After Trust Loan Closing and Principal Forgiveness
New Jersey Environmental Infrastructure Trust - Series 2014A
Clayton, Borough of (DW) 001

Borrower Payment Date	Semiannual Principal	Annual Principal
5/21/2014		
8/1/2014	52,296.61	52,296.61
2/1/2015	26,148.30	
8/1/2015	52,296.61	78,444.91
2/1/2016	26,148.30	
8/1/2016	52,296.61	78,444.91
2/1/2017	26,148.30	
8/1/2017	52,296.61	78,444.91
2/1/2018	26,148.30	
8/1/2018	52,296.61	78,444.91
2/1/2019	26,148.30	
8/1/2019	52,296.61	78,444.91
2/1/2020	26,148.30	
8/1/2020	52,296.61	78,444.91
2/1/2021	26,148.30	
8/1/2021	52,296.61	78,444.91
2/1/2022	26,148.30	
8/1/2022	52,296.61	78,444.91
2/1/2023	26,148.30	
8/1/2023	52,296.61	78,444.91
2/1/2024	26,148.30	
8/1/2024	52,296.61	78,444.91
2/1/2025	26,148.30	
8/1/2025	52,296.61	78,444.91
2/1/2026	26,148.30	
8/1/2026	52,296.61	78,444.91
2/1/2027	26,148.30	
8/1/2027	52,296.61	78,444.91
2/1/2028	26,148.30	
8/1/2028	52,296.61	78,444.91
2/1/2029	26,148.30	
8/1/2029	52,296.61	78,444.91
2/1/2030	26,148.30	
8/1/2030	52,296.61	78,444.91
2/1/2031	26,148.30	
8/1/2031	52,296.61	78,444.91
2/1/2032	26,148.30	
8/1/2032	52,296.61	78,444.91
2/1/2033	26,148.30	
8/1/2033	52,296.71	78,445.01
	1,542,750.00	1,542,750.00

*Assumes Principal Forgiveness of \$0
