

RESOLUTION #2018-65

SUPPLEMENTAL BOND RESOLUTION OF THE MANTUA TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AUTHORIZING, APPROVING AND CONFIRMING THE ISSUANCE AND SALE OF THE AUTHORITY'S REVENUE BONDS, IN ONE OR MORE SERIES, TO THE NEW JERSEY INFRASTRUCTURE BANK AND THE STATE OF NEW JERSEY, ACTING BY AND THROUGH THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION PURSUANT TO THE STATE FISCAL YEAR 2019 NEW JERSEY WATER BANK FINANCING PROGRAM

**Parker McCay P.A.
Mount Laurel, New Jersey
Bond Counsel**

BACKGROUND

WHEREAS, The Mantua Township Municipal Utilities Authority ("Authority") was created by virtue of an ordinance of the Township of Mantua ("Township") adopted on April 10, 1973, pursuant to and in accordance with the provisions of Chapter 183 of the Laws of the State of New Jersey of 1957, and the acts amendatory and supplemental thereto ("Act"); and

WHEREAS, the Authority is the owner and operator of sewerage facilities serving the residents of the Township ("System"); and

WHEREAS, the Authority is empowered to acquire, construct, maintain, operate and use projects related to its System and to issue bonds of the Authority to finance and refinance such projects relating to said System; and

WHEREAS, the Authority has heretofore issued its Revenue Bonds (1988 Series) under and pursuant to a bond resolution adopted by the Authority on May 23, 1988, as amended by the 1988 Amending Resolution adopted on June 15, 1988, as heretofore amended and supplemented (as so amended and supplemented, the "General Bond Resolution"); and

WHEREAS, the Authority has determined there exists a need within its service area to undertake various capital improvements to its System, including: (i) repairs to the stand pipe located on Block 146.08, Lot 13.01 of Candlewood Drive in the Township and improvements to related booster station electrical and mechanical systems; and (ii) construction of a new Well 2A at the site of the existing Well 2, each as more particularly described in the report prepared therefore by the Authority's Consulting Engineer, on file and available for inspection in the office of the Authority, inclusive of the fundings of deposits to all reserves and the costs associated therewith (collectively, the "2018 Project"), as further defined in that certain Loan Agreement ("IBank Loan Agreement") to be entered into between the Authority and the New Jersey Infrastructure Bank ("IBank") and that certain Loan Agreement ("Fund Loan Agreement"; together with the IBank Loan Agreement, the "Loan Agreements") to be entered into between the Authority and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection ("State"), all pursuant to the State Fiscal Year 2019 New Jersey Water Bank Financing Program ("Program"); and

WHEREAS, the Authority has determined to finance a portion of the acquisition, construction, renovation or installation of the 2018 Project with the proceeds of a loan to be made by each of the IBank ("IBank Loan") and the State ("Fund Loan"; together with the IBank Loan, the "Loans") pursuant to the IBank Loan Agreement and the Fund Loan Agreement, respectively; and

WHEREAS, to evidence the Loans, each of the IBank and the State require the Authority to authorize, execute and deliver its Revenue Bonds, 2018A Series to the IBank ("2018A Bonds") and its Revenue Bonds, 2018B Series to the State ("2018B Bonds"; together with the 2018A Bonds, the "2018 Bonds"), pursuant to the terms of applicable law and pursuant to the terms of the Loan Agreements and the Escrow Agreement dated September 26, 2018

("Escrow Agreement") by and among the I-Bank, the State, the Authority, the escrow agent named therein and The Bank of New York, as trustee for the holders of the 2018 Bonds; and

WHEREAS, on August 20, 2018, the Authority adopted a bond resolution ("2018 Bond Resolution") authorizing, *inter alia*, the issuance of the 2018 Bonds in the aggregate principal amount of up to \$2,800,000, consisting of the 2018A Bonds and the 2018B Bonds; and

WHEREAS, applicable law allows for the sale of the 2018A Bonds to the I-Bank and 2018B Bonds to the State, without any public offering, all under the terms and conditions set forth herein; and

WHEREAS, in accordance with the terms of the Escrow Agreement, the I-Bank has sold its bonds to fund the I-Bank Loan, thereby enabling the Authority to confirm the exact aggregate principal amount of and debt service schedule for the 2018 Bonds; and

WHEREAS, to complete the sale of the 2018 Bonds it is necessary for the Authority to adopt this supplemental bond resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE MANTUA TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AND MEMBERS THEREOF AS FOLLOWS:

Section 1. Short Title. This supplemental bond resolution may hereafter be cited by the Authority, and is hereafter referred to, as the "2018 Supplemental Resolution".

Section 2. Other Defined Terms. Capitalized terms, not otherwise defined herein, shall have the meanings ascribed thereto in the 2018 Bond Resolution, unless the context clearly requires otherwise.

Section 3. Interpretations. As the context shall clearly require, words importing persons include persons, firms, associations (whether incorporated or not incorporated), corporations and other organizations of persons. Words importing the singular number include the plural number and vice versa, and words importing the masculine include the feminine.

Section 4. Authorization for Adoption of 2018 Supplemental Resolution. This 2018 Supplemental Resolution is authorized pursuant to and adopted in accordance with the Act, and Article III and Article VIII of the General Bond Resolution.

Section 5. Approval of 2018 Project. The Authority hereby approves of the 2018 Project and the completion thereof.

Section 6. Issuance and Sale of the 2018 Bonds. The sale of the 2018A Bonds to the I-Bank and the 2018B Bonds to the State are hereby authorized, approved, ratified and confirmed. The 2018A Bonds shall be released from escrow in accordance with the terms of the Escrow Agreement and thereby issued in accordance with the principal loan amount, interest rates and maturity schedule set forth on Schedule "A" attached hereto and made a part hereof. The 2018B Bonds shall be released from escrow in accordance with the terms of the Escrow Agreement and

thereby issued in accordance with the maturity schedule set forth on Schedule "B" attached hereto and made a part hereof.

Section 7. Severability of Invalid Provisions. If any one or more of the provisions, in this 2018 Supplemental Resolution on the part of the Authority to be performed should be finally determined to be contrary to law, such provision or provisions, covenant or covenants, agreement or agreements, shall be deemed severable from the remaining provisions, covenants and agreements, and shall in no way affect the validity of the other provisions hereof or of any of the 2018 Bonds.

Section 8. Ratification of Actions Taken; Further Actions Authorized. All actions heretofore taken and documents prepared or executed by or on behalf of the Authority and its Members, other Authority Officers and by the Authority's professional advisors, in connection with the issuance and sale of the 2018 Bonds are hereby ratified, confirmed, approved and adopted. Such members and officials are hereby jointly and severally authorized and directed to determine all matters and execute all documents and instruments in connection with the issuance and sale of the 2018 Bonds not determined or otherwise directed to be executed by applicable law or by this 2018 Supplemental Resolution, and the signatures of any Member of the Authority, the Executive Director, Chairman, Vice-Chairman, Chief Financial Officer, Secretary or Assistant Secretary on any such documents or instruments shall be conclusive as to such determinations.

Section 9. Incidental Actions Authorized All authorized officers of the Authority are hereby authorized to execute and deliver all such documents and to take all such actions as may be necessary or desirable to effectuate the purposes of this 2018 Supplemental Resolution and the 2018 Bond Resolution. Whenever a designated officer has been authorized or directed to act in the place and instead of the officer so designated, in the event of the latter's inability or unavailability to so act, such designated officer shall be deemed to be authorized to perform such act.

Section 10. Inconsistent Resolutions Rescinded. All resolutions, or parts thereof, inconsistent herewith are hereby repealed and rescinded to the extent of any such inconsistency.

Section 11. Effective Date. This 2018 Supplemental Resolution shall take effect immediately upon adoption this 20th day of November, 2018.

Section 12. Certified Copies. Upon the adoption hereof, the Secretary or Assistant Secretary of the Authority shall forward certified copies of the 2018 Supplemental Resolution to Parker McCay P.A., Bond Counsel to the Authority, and Richard T. Nolan, Esquire, McCarter & English, LLP, Bond Counsel to the I-Bank.

DULY ADOPTED at the Regular Meeting of the Mantua Township Municipal Utilities Authority held on November 20, 2018.

**The Mantua Township
Municipal Utilities Authority**

By: 
Thomas D. Gregg, Chairman

ATTEST: 
Tim Sheehan, Secretary

Governing Body	Recorded Vote		Resolution 2018-65		Confirming Bond Issue
	Aye	Nay	Abstain	Absent	
<u>Member</u>					
Gregg	✓				
Burkett	✓				
Sheehan	✓				
Dilisciandro	✓				
Voltaggio					✓
Bruner			✓		
Parks	✓				

Schedule "A"

Description of the 2018A Bonds

I-BANK LOAN AGREEMENT SCHEDULE A-2

**New Jersey Infrastructure Bank - Series 2018A-2
Mantua Township Municipal Utilities Authority -002/003**

Borrower Payment Date	Principal	Coupon	Interest	Total Debt Service	DEP Fee	NJIB Fee	Annual Debt Service and Fees
11/29/2018							
8/1/2019			21,571.11	21,571.11	26,991.00	990.00	49,552.11
2/1/2020			14,275.00	14,275.00		990.00	
8/1/2020	25,000.00	5.000%	14,275.00	39,275.00		990.00	55,530.00
2/1/2021			13,650.00	13,650.00		990.00	
8/1/2021	25,000.00	5.000%	13,650.00	38,650.00		990.00	54,280.00
2/1/2022			13,025.00	13,025.00		990.00	
8/1/2022	25,000.00	5.000%	13,025.00	38,025.00		990.00	53,030.00
2/1/2023			12,400.00	12,400.00		990.00	
8/1/2023	25,000.00	5.000%	12,400.00	37,400.00		990.00	51,780.00
2/1/2024			11,775.00	11,775.00		990.00	
8/1/2024	25,000.00	5.000%	11,775.00	36,775.00		990.00	50,530.00
2/1/2025			11,150.00	11,150.00		990.00	
8/1/2025	30,000.00	5.000%	11,150.00	41,150.00		990.00	54,280.00
2/1/2026			10,400.00	10,400.00		990.00	
8/1/2026	30,000.00	5.000%	10,400.00	40,400.00		990.00	52,780.00
2/1/2027			9,650.00	9,650.00		990.00	
8/1/2027	30,000.00	5.000%	9,650.00	39,650.00		990.00	51,280.00
2/1/2028			8,900.00	8,900.00		990.00	
8/1/2028	35,000.00	4.000%	8,900.00	43,900.00		990.00	54,780.00
2/1/2029			8,200.00	8,200.00		990.00	
8/1/2029	35,000.00	4.000%	8,200.00	43,200.00		990.00	53,380.00
2/1/2030			7,500.00	7,500.00		990.00	
8/1/2030	35,000.00	4.000%	7,500.00	42,500.00		990.00	51,980.00
2/1/2031			6,800.00	6,800.00		990.00	
8/1/2031	35,000.00	4.000%	6,800.00	41,800.00		990.00	50,580.00
2/1/2032			6,100.00	6,100.00		990.00	
8/1/2032	40,000.00	4.000%	6,100.00	46,100.00		990.00	54,180.00
2/1/2033			5,300.00	5,300.00		990.00	
8/1/2033	40,000.00	4.000%	5,300.00	45,300.00		990.00	52,580.00
2/1/2034			4,500.00	4,500.00		990.00	
8/1/2034	40,000.00	4.000%	4,500.00	44,500.00		990.00	50,980.00
2/1/2035			3,700.00	3,700.00		990.00	
8/1/2035	45,000.00	4.000%	3,700.00	48,700.00		990.00	54,380.00
2/1/2036			2,800.00	2,800.00		990.00	
8/1/2036	45,000.00	4.000%	2,800.00	47,800.00		990.00	52,580.00
2/1/2037			1,900.00	1,900.00		990.00	
8/1/2037	45,000.00	4.000%	1,900.00	46,900.00		990.00	50,780.00
2/1/2038			1,000.00	1,000.00		990.00	
8/1/2038	50,000.00	4.000%	1,000.00	51,000.00		990.00	53,980.00
	660,000.00		327,621.11	987,621.11	26,991.00	38,610.00	1,053,222.11

Dated Date: 11/29/2018

Schedule "B"

Description of the 2018B Bonds

FUND LOAN AGREEMENT

**After I-Bank Loan Closing and Principal Forgiveness
New Jersey Infrastructure Bank - Series 2018A-2
Mantua Township Municipal Utilities Authority -002/003**

Borrower Payment Date	Semiannual Principal	Annual Principal
11/29/2018		
8/1/2019	68,621.32	68,621.32
2/1/2020	34,310.66	
8/1/2020	68,621.32	102,931.98
2/1/2021	34,310.66	
8/1/2021	68,621.32	102,931.98
2/1/2022	34,310.66	
8/1/2022	68,621.32	102,931.98
2/1/2023	34,310.66	
8/1/2023	68,621.32	102,931.98
2/1/2024	34,310.66	
8/1/2024	68,621.32	102,931.98
2/1/2025	34,310.66	
8/1/2025	68,621.32	102,931.98
2/1/2026	34,310.66	
8/1/2026	68,621.32	102,931.98
2/1/2027	34,310.66	
8/1/2027	68,621.32	102,931.98
2/1/2028	34,310.66	
8/1/2028	68,621.32	102,931.98
2/1/2029	34,310.66	
8/1/2029	68,621.32	102,931.98
2/1/2030	34,310.66	
8/1/2030	68,621.32	102,931.98
2/1/2031	34,310.66	
8/1/2031	68,621.32	102,931.98
2/1/2032	34,310.66	
8/1/2032	68,621.32	102,931.98
2/1/2033	34,310.66	
8/1/2033	68,621.32	102,931.98
2/1/2034	34,310.66	
8/1/2034	68,621.32	102,931.98
2/1/2035	34,310.66	
8/1/2035	68,621.32	102,931.98
2/1/2036	34,310.66	
8/1/2036	68,621.32	102,931.98
2/1/2037	34,310.66	
8/1/2037	68,621.32	102,931.98
2/1/2038	34,310.66	
8/1/2038	68,621.38	102,932.04
	2,024,329.00	2,024,329.00

*Assumes Principal Forgiveness of \$0