

TOWNSHIP COMMITTEE SPECIAL MEETING – MARCH 8, 2011

Mayor McMillan called the meeting to order at 9:00 a.m. and requested the Clerk to call the roll. The following members were present: J. Randy Bishop, Mary Beth Jahn and Mayor Kevin B. McMillan. Absent: Dr. Michael Brantley, Eric J. Houghtaling,

Also present at the dais were Richard J. Cuttrel, Municipal Clerk; Philip D. Huhn, Township Administrator; and Michael J. Bascom, Chief Financial Officer.

Mayor McMillan announced that the notice requirements of R.S. 10:4-18 have been satisfied by the publication of the required advertisement in the Asbury Park Press and The Coaster on March 8, 2011, posting the notice on the Board in the Municipal Complex, and filing a copy of said notice with the Municipal Clerk.

PUBLIC COMMENTS

The Mayor asked for public comments. There were no comments from the public.

DELEGATE AUTHORITY TO DETERMINE THE FORM AND OTHER DETAILS OF NOT TO EXCEED \$950,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011 OF THE TOWNSHIP OF NEPTUNE, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY AND TO APPROVE A BOND PURCHASE AGREEMENT WHICH PROVIDES FOR THE SALE OF SUCH BONDS TO THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY PURSUANT TO THE 2010/2011 GOVERNMENTAL LOAN REFUNDING PROGRAM

Mr. Bishop offered the following resolution, moved and seconded by Ms. Jahn, that it be adopted:

WHEREAS, pursuant to the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"), the Township of Neptune, in the County of Monmouth, State of New Jersey (the "Township"), had previously issued General Obligation Bonds, Series 2001 (the "2001 Bonds") to the Monmouth County Improvement Authority (the "MCIA") in connection with the Township's participation in the 2001 Pooled Governmental Loan Program, which 2001 Bonds were issued to (i) memorialize the Township's applicable loan through the 2001 MCIA Loan Program, and (ii) permanently finance the costs of various Township projects; and

WHEREAS, \$848,000 aggregate principal amount of such 2001 Bonds are currently outstanding and can be defeased or are subject to redemption prior to their stated maturity (the "Refunded Bonds"); and

WHEREAS, the MCIA and the Township have determined that refunding bonds can be issued to refund such Refunded Bonds, which, under current market conditions, can generate a debt service savings to the Township due to the low long-term interest rate environment; and

WHEREAS, the Township has determined that it is in the best interests of the Township to refund all of the Refunded Bonds; and

WHEREAS, the Township has determined to provide for the refunding of the Refunded Bonds through its issuance of General Obligation Refunding Bonds in the aggregate principal amount of not to exceed \$950,000 to the MCIA (the "Refunding"), as provided in the refunding bond ordinance of the Township entitled, "REFUNDING BOND ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,250,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS BY THE TOWNSHIP OF NEPTUNE, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, TO THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY (THE "MCIA") FOR THE PURPOSE OF REFUNDING CERTAIN BONDS HERETOFORE ISSUED BY THE TOWNSHIP TO THE MCIA", such refunding bond ordinance being finally adopted by the Township Committee on October 25, 2010 (the "Ordinance"); and

WHEREAS, to accomplish the Refunding, the MCIA requires the Township to authorize, execute, attest and deliver the Township's not to exceed \$950,000 General Obligation Refunding Bonds, Series 2011 (the "Bonds"), in accordance with the provisions hereof and pursuant to the terms of the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law") and other applicable law; and

WHEREAS, such Bonds shall be comprised of one series, and any portion of such Bonds attributable to the Township's Sewer Utility shall, in accordance with the Local Bond Law, be deductible from gross debt when such Sewer Utility is self-liquidating; and

WHEREAS, section 27(a)(2) and section 59 of the Local Bond Law allow for the sale of the Bonds to the MCIA without any public offering, all under the terms and conditions set forth herein and in a Bond Purchase Agreement by and between the Township and the MCIA and dated as of the date hereof.

NOW THEREFORE, BE IT RESOLVED BY A TWO-THIRDS VOTE OF THE FULL MEMBERSHIP OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF NEPTUNE, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, as follows:

Section 1. The Township Committee hereby delegates to the Chief Financial Officer or Administrator of the Township, in accordance with the provisions of N.J.S.A. 40A:2-27(a)(2) and N.J.S.A. 40A:2-59, the power to sell and award the Township's not to exceed \$950,000 General Obligation Refunding Bonds, Series 2011 (collectively, the "Bonds") to the MCIA in accordance with the provisions hereof and in accordance with the terms of a Bond Purchase Agreement by and between the Township and the MCIA (the "Bond Purchase Agreement"), the form of which Bond Purchase Agreement is attached hereto as Exhibit B and is hereby approved, along with such changes to any information set forth therein as Bond Counsel to the Township (as defined herein) shall advise. The Bonds have been referred to and described in the Ordinance finally adopted at a duly called and held meeting of the Township Committee and published as required by law. The Bonds are being issued for the purpose of (i) refunding the principal amount of the Refunded Bonds, including the payment of interest accrued thereon to the date fixed for redemption or prepayment, if applicable, and the redemption or prepayment price thereof, if applicable, and (ii) paying the costs of issuance relating to the Bonds, including printing, advertising, accounting, financial and legal services, rating agency fees, underwriter's discount, and MCIA costs of issuance, which may include any of the foregoing.

Section 2. The Chief Financial Officer of the Township (the "Chief Financial Officer") is hereby authorized and directed to determine, in accordance with the Local Bond Law and pursuant to the terms and conditions established by the MCIA and the terms and conditions hereof and set forth in the Bond Purchase Agreement, the following items with respect to the Bonds, except those terms and conditions which are set forth in the Bond Purchase Agreement:

- (a) The aggregate principal amount of the Bonds to be issued, provided that the total amount of Bonds issued shall not exceed the aggregate principal amount of \$950,000;
- (b) The name and designation of the Bonds;
- (c) The maturity and principal installments of the Bonds;
- (d) The date of the Bonds;
- (e) The interest rates of the Bonds;
- (f) The purchase price of the Bonds;
- (g) The direction for the application and investment of the proceeds of the Bonds, if applicable; and
- (h) The terms and conditions under which the Bonds shall be subject to redemption prior to their stated maturities.

Section 3. Any determination made by the Chief Financial Officer pursuant to the terms hereof shall be conclusively evidenced by the execution and attestation of the Bonds by the parties authorized under Section 4(c) hereof.

Section 4. The Township Committee hereby determines that certain terms of the Bonds shall be as follows:

- (a) The Bonds shall be issued in a single denomination and shall be numbered GOR-1;
- (b) The Bonds shall be issued in fully registered form and shall be payable to the registered owners thereof as to both principal and interest in lawful money of the United States of America; and

- (c) The Bonds shall be executed by the manual or facsimile signatures of the Mayor of the Township (the "Mayor") and the Chief Financial Officer under official seal or facsimile thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Clerk of the Township (the "Township Clerk").

Section 5. The Bonds shall be substantially in the form set forth in Exhibit A attached hereto with such additions, deletions and omissions as may be necessary for the Township to comply with the requirements of the MCIA's 2010/2011 Governmental Loan Refunding Program (the "Program"), upon the advice of Bond Counsel to the Township (as defined herein);

Section 6. The law firm of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Township ("Bond Counsel"), the Township Attorney and the Township Auditor are each hereby authorized and directed to perform all actions necessary to consummate the issuance of the Bonds and the Refunding for which the Bonds are issued, including but not limited to, drafting and arranging for the printing and execution of the Bonds and all applicable documentation necessary to memorialize and consummate the issuance of the Bonds and the undertaking of the Refunding, preparing all necessary financial information and conducting all necessary studies, searches and analysis in connection with the issuance of the Bonds and the undertaking of the Refunding. The Mayor, the Chief Financial Officer and the Township Clerk are each hereby authorized and directed to execute and deliver any certificates necessary or desirable in connection with the financial and other information.

Section 7. The Mayor, the Chief Financial Officer, the Township Clerk and any other Township representative, are each hereby authorized and directed to (i) execute any certificates or documents necessary or desirable in connection with the sale of the Bonds, including the Bond Purchase Agreement, or the undertaking of the Refunding and each is hereby further authorized and directed to deliver same to the MCIA upon delivery of the Bonds and the receipt of payment therefor or in accordance with the Program and (ii) perform such other actions as they deem necessary, desirable or convenient, in consultation with Bond Counsel to the Township, in relation to the execution and delivery thereof.

Section 8. Upon the adoption hereof, the Township Clerk shall forward certified copies of this resolution: (a) via facsimile, to (i) Marion Masnick of the MCIA at facsimile number 732-409-4821, and (ii) John M. Cantalupo, Esq., of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Township, at facsimile number 732-726-6573; and (b) via certified first class mail, to (i) Marion Masnick of the MCIA at The Monmouth County Improvement Authority, Hall of Records, Main Street, Freehold, New Jersey 07728, and (ii) John M. Cantalupo, Esq., of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Township at 90 Woodbridge Center Drive, Woodbridge, New Jersey 07095.

Section 9. This resolution shall take effect immediately.

The resolution was adopted on the following vote: Bishop, aye; Brantley, absent; Houghtaling, absent; Jahn, aye; and McMillan, aye.

Mr. Bishop offered a motion, seconded by Ms. Jahn, to adjourn. All were in favor.

Richard J. Cuttrell,
Municipal Clerk