

BOROUGH OF RED BANK
COUNTY OF MONMOUTH

RESOLUTION NO. 22-250

RESOLUTION PROVIDING FOR THE COMBINATION OF CERTAIN ISSUES OF WATER AND SEWER UTILITY BONDS, SERIES 2022 OF THE BOROUGH OF RED BANK, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY INTO AN ISSUE OF BONDS AGGREGATING NOT TO EXCEED \$2,950,000 IN PRINCIPAL AMOUNT

WHEREAS, the Borough of Red Bank (the "Local Unit"), in the County of Monmouth, State of New Jersey, has determined that there exists a need within the Local Unit to finance or refinance the acquisition, construction, renovation or installation of the Project (the "Project") as defined in each of (i) that certain Loan Agreement (the "I-Bank Loan Agreement") to be entered into by and between the Local Unit and the New Jersey Infrastructure Bank (the "I-Bank") and (ii) that certain Loan Agreement (the "Fund Loan Agreement", and together with the I-Bank Loan Agreement, the "Loan Agreements") to be entered into by and between the Local Unit and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the State Fiscal Year 2023 New Jersey Water Bank Environmental Infrastructure Financing Program (the "Program");

WHEREAS, the Local Unit has determined to finance or refinance the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be made by each of the I-Bank (the "I-Bank Loan") and the State (the "Fund Loan", and together with the I-Bank Loan, the "Loans") pursuant to the I-Bank Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence and secure the Loans, each of the I-Bank and the State require the Local Unit to authorize, execute, attest and deliver the Local Unit's Water and Sewer Utility Bonds, Series 2022, to the I-Bank (the "I-Bank Loan Bond") and Water and Sewer Utility Bonds, Series 2022, to the State (the "Fund Loan Bond", and together with the I-Bank Loan Bond, the "Local Unit Bonds") in an aggregate principal amount not to exceed \$2,950,000, pursuant to the terms of the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the Revised Statutes of the State of New Jersey (the "Local Bond Law"), other applicable law and the Loan Agreements;

WHEREAS, Section 27(a)(2) of the Local Bond Law allows for the sale of the I-Bank Loan Bond and the Fund Loan Bond to the I-Bank and the State, respectively, without any public offering, and N.J.S.A. 58:11B-9(a) allows for the sale of the I-Bank Loan Bond to the I-Bank and the State, respectively, without any public offering, all pursuant to the terms and conditions set forth herein; and

WHEREAS, it is necessary to issue the Local Unit Bonds pursuant to bond ordinance number 2018-34, finally adopted by the Local Unit on November 18, 2018, and bond ordinance number 2021-02, finally adopted by the Local Unit on January 27, 2021, which were both duly approved by the Mayor and published as required by law (collectively, the "Bond Ordinances"), in the aggregate principal amount of not to exceed \$2,950,000 and it is deemed advisable and in the best interests of the Local Unit to combine the Bond Ordinances into an issue of bonds in the aggregate principal amount of not to exceed \$2,950,000, pursuant to the provisions of the Local Bond Law, N.J.S.A. § 40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"), which Local Unit Bonds may be issued in one or more series;

NOW THEREFORE, BE IT RESOLVED BY THE BOROUGH OF RED BANK, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY as follows:

Section 1. Pursuant to the provisions of N.J.S.A. § 40A:2-26(f), the Bond Ordinances of the Local Unit heretofore adopted and described in Section 2 hereof shall be combined into an issue of Local Unit Bonds in the aggregate principal amount of not to exceed \$2,950,000, which Local Unit Bonds may be issued in one or more series.

Section 2. The principal amount of Local Unit Bonds authorized by each bond ordinance to be combined into an issue of Local Unit Bonds as above provided, the bond ordinances authorizing the Local Unit Bonds described by reference to the ordinance number, description and date of final adoption, amount of issue and average period of usefulness determined in each of the bond ordinances are, respectively, as follows:

Ordinance Number	Description and Date of Final Adoption	Amount	Useful Life
2018-34	Providing for various improvements to the water/sewer utility, finally adopted 11/18/18	\$1,450,000	20 years
2021-02	Providing for various improvements to the water/sewer utility, finally adopted 01/27/21	\$1,500,000	20 years
		TOTAL \$2,950,000	

Section 3. The following matters are hereby determined with respect to the combined issue of Local Unit Bonds:

- (a) The average period of usefulness, computed on the basis of the respective amounts of Local Unit Bonds presently authorized to be issued pursuant to each of the bond ordinances and the respective periods or average periods of usefulness therein determined, is not more than twenty (20) years.
- (b) The Local Unit Bonds of the combined issue shall mature within the average period of usefulness hereinabove determined and permitted under the Local Bond Law.
- (c) The Local Unit Bonds of the combined issue shall be sold and issued in accordance with the provisions of the Local Bond Law that are applicable to the sale and issuance of Local Unit Bonds authorized by a single bond ordinance and, accordingly, may be sold with other issues of bonds.

Section 4. The following additional matters are hereby determined, declared, recited and stated:

- (a) None of the Local Unit Bonds described in Section 2 hereof have been sold or issued heretofore, and the Bond Ordinances described in Section 2 have not been rescinded heretofore and now remain in full force and effect as authorizations for the respective amounts of Local Unit bonds set opposite the descriptions of the Bond Ordinances set forth in Section 2 hereof.
- (b) The several purposes or improvements authorized by the respective Bond Ordinances described in Section 2 hereof are purposes for which the Local Unit Bonds may be issued lawfully pursuant to the Local Bond Law and, so long as the purposes are self-liquidating pursuant to the provisions of N.J.S.A. § 40A:2-44(c) and 40A:2-45, are purposes for which a deduction may be taken in annual or supplemental debt statements of the Local Unit.

Section 5. This resolution shall take effect immediately.

	MOVED	SECONDED	AYES	NAYS	ABSTAIN	ABSENT	<div>I hereby certify that the above Resolution was adopted by the Borough Council of the Borough of Red Bank, In the County of Monmouth at a Meeting held on October 12, 2022.</div> <div><i>Laura Reinertsen</i></div> <div>Laura Reinertsen, Borough Clerk</div>
Councilwoman Mirandi			x				
Councilwoman Sturdivant			x				
Councilwoman Triggiano			x				
Councilman Ballard			x				
Councilman Zipprich	x		x				
Councilwoman Horgan		x	x				
Mayor Menna							
ON CONSENT AGENDA	Yes	x	No				