

BOROUGH OF RED BANK

COUNTY OF MONMOUTH

RESOLUTION NO. 09-194

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF LOAN AGREEMENTS
TO BE EXECUTED BY THE BOROUGH OF RED BANK, IN THE COUNTY OF MONMOUTH,
NEW JERSEY AND EACH OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE
TRUST AND THE STATE OF NEW JERSEY, ACTING BY AND THROUGH THE
DEPARTMENT OF ENVIRONMENTAL PROTECTION, AND FURTHER AUTHORIZING THE
EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND A CONTINUING
DISCLOSURE AGREEMENT, ALL PURSUANT TO THE 2009 NEW JERSEY
ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM**

Mr. DuPont offered the following resolution and moved its adoption:

WHEREAS, the Borough of Red Bank, in the County of Monmouth, New Jersey (the "Local Unit"), has determined that there exists a need within the Local Unit to undertake the renovations, acquisitions, installations, improvements and upgrades, as applicable, to its Chestnut Street and Tower Hill water treatment facilities including, but not limited to, the replacement of pressure filters, installation of new internal piping at Tower Hill, installation of flow regulating valves at both sites, site lighting and security equipment at both sites, improvements to chemical feed equipment and replacement of the back-up generator at Tower Hill (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Local Unit and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust 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 2009 New Jersey Environmental Infrastructure Trust Financing Program (the "Program");

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

WHEREAS, to evidence the Loans, each of the Trust and the State require the Local Unit to authorize, execute, attest and deliver the Local Unit's General Obligation Bonds, Series 2009A, to the Trust in an aggregate principal amount not to exceed \$850,000 (the "Trust Loan Bond") and General Obligation Bonds, Series 2009B, to the State in an aggregate principal amount not to exceed \$2,310,000 (the "Fund Loan Bond", and together with the Trust Loan Bond, the "Local Unit Bonds") 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; and

WHEREAS, the Trust and the State have expressed their desire to close in escrow the making of the Loans, the issuance of the Local Unit Bonds and the execution and delivery of the Loan Agreements and the Continuing Disclosure Agreement, all pursuant to the terms of an Escrow Agreement (the "Escrow Agreement") to be entered into by and among the Trust, the State, the Local Unit and the escrow agent named therein, as trustee for the holders of the Local Unit Bonds.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Local Unit as follows:

Section 1. The Trust Loan Agreement, the Fund Loan Agreement, the Continuing Disclosure Agreement and the Escrow Agreement, as applicable, (collectively, the "Financing Documents") are hereby authorized to be executed and delivered on behalf of the Local Unit by either the Mayor or the Chief Financial Officer in substantially the forms attached hereto as Exhibits A, B and C, respectively, with such changes as the Mayor or the Chief Financial Officer (each an "Authorized Officer"), in their respective sole discretion, after consultation with counsel and any advisors to the Local Unit (collectively, the "Local Unit Consultants") and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants", and together with the Local Unit Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of such Financing Documents by an Authorized Officer as determined hereunder. The Local Unit Clerk is hereby authorized to attest to the execution of the Financing Documents by an Authorized Officer of the Local Unit as determined hereunder and to affix the corporate seal of the Local Unit to such Financing Documents.

Section 2. The Authorized Officers of the Local Unit are hereby further severally authorized to (i) execute and deliver, and the Local Unit Clerk is hereby further authorized to attest to such execution and to affix the corporate seal of the Local Unit to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the Local Unit Clerk, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 3. This resolution shall take effect immediately.

Section 4. Upon the adoption hereof, the Local Unit Clerk shall forward certified copies of this resolution to Wilentz, Goldman & Spitzer, P.A., bond counsel to the Local Unit, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

Seconded by Ms. Horgan and adopted on roll call by the following vote:

	Yes	No	Abstain	Absent
Ms. Lewis	(x)	()	()	()
Mr. Ziprich	(x)	()	()	()
Mr. DuPont	(x)	()	()	()
Ms. Horgan	(x)	()	()	()
Ms. Lee	(x)	()	()	()
Mr. Murphy	(x)	()	()	()

Dated: July 27, 2009