

**TOWNSHIP OF OCEAN SEWERAGE AUTHORITY**  
**REGULAR MEETING**  
**December 2, 2014**

1. Meeting called to Order
2. Pledge of Allegiance
3. Roll Call - Bernhardt, Galvin, Stubbs, Theodora, Villapiano
4. Let the minutes show that this meeting is being held in accordance with the requirements of the Open Public Meetings Act of 1975 and that adequate notice has been duly posted where required and mailed to its service communities on February 6, 2014 and emailed to the Asbury Park Press and The Coaster on February 7, 2014. The minutes of this meeting will be available after Board approval at a subsequent meeting.

**WORK SESSION**

5. Executive Director's Report
6. Auditor's Report
7. Resolution 14-87: Authorizing adoption of Township of Ocean Sewerage Authority budget for 2015
8. Attorney's Report
9. Engineer's Report
10. Plant Superintendent's Report
11. Review of resolutions on agenda

**BUSINESS SESSION**

12. Approval of minutes of November 6, 2014 regular meeting
13. Motion to receive and file Plant Superintendent's Report
14. Communications
15. Review of Bill List
  - a. Member comments
  - b. Public comment
16. [Resolution 14-88](#): Payment of bills
17. [Resolution 14-89](#): Transfer
18. [Resolution 14-90](#): Authorizing the appointment of Jennifer Crumley as Lab Manager, effective December 1, 2014

19. [Resolution 14-91](#): Authorizing appointment of Kerry Morgan as Bond Counsel
20. [Resolution 14-92](#): Authorizing appointment of Conner Strong & Buckelew as risk management consultant for the year 2014
21. [Resolution 14-93](#): Capital Budget Amendment
22. [Resolution 14-94](#): Authorizing payment in the amount of \$31,948.00 to Electro Maintenance, Inc. for Pump Station Communications project
23. Resolution 14-84A: Authorizing transfer of connection fee payments from Poplar Village to Heritage Village
24. [Resolution 14-95](#): Authorizing Executive Director to sign Treatment Works Application for Heritage Village project
25. Resolution 14-79: Authorizing award of contract to Van Cleef Engineering Associates to locate the Authority's force mains in the amount of \$25,512
26. [Resolution 14-96](#): Authorizing participation in the Municipalities Continuing Disclosure Cooperation Initiative of the Division of Enforcement of the U.S. Securities and Exchange Commission
27. [Resolution 14-97](#): Authorizing application to the Local Finance Board pursuant to N.J.S.A. 58:11b-9(a) and N.J.S.A. 40A:5a-6 and authorizing the preparation and submission of an interim financial addendum form and a financial addendum form in connection therewith
28. [Resolution 14-98](#): Declaring the Authority's official intent to reimburse expenditures for project costs from the proceeds of debt obligations in connection with its participation in the in the fiscal year 2015 New Jersey Environmental Infrastructure Trust Financing Program
29. Member Comments
30. Public Comment
31. Closed Session
32. Adjournment

**TOWNSHIP OF OCEAN SEWERAGE AUTHORITY  
2015 ADOPTED BUDGET RESOLUTION  
FISCAL YEAR: JANUARY 1, 2015 TO DECEMBER 31, 2015**

**WHEREAS**, the Annual Budget and Capital Budget for the Township of Ocean Sewerage Authority for the fiscal year beginning January 1, 2015 and ending December 31, 2015 has been presented to the governing body of the Township of Ocean Sewerage Authority at its open public meeting of December 2, 2014; and

**WHEREAS**, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

**WHEREAS**, the Annual Budget, as introduced, reflects Total Revenues of \$7,245,000, Total Appropriations, including any Accumulated Deficit, of \$6,723,001 and Total Unreserved Net Assets utilized of \$0.00; and

**WHEREAS**, the Capital Budget, as introduced, reflects Total Capital Appropriations of \$8,723,000 and Total Unreserved Net Assets planned to be utilized as funding thereof of \$543,000.00.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Body of the Township of Ocean Sewerage Authority at an open public meeting held on December 2, 2014 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Township of Ocean Sewerage Authority for the fiscal year beginning January 1, 2015 and ending December 31, 2015 is hereby adopted and shall constitute appropriations for the purposes stated; and

**BE IT FURTHER RESOLVED** that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Kelly						
Stubbs						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

\_\_\_\_\_  
RALPH E. STUBBS, Secretary

**RESOLUTION 14 - 88**

**BILL LIST**

**BE IT RESOLVED** by the Township of Ocean Sewerage Authority, in the County of Monmouth, New Jersey (not less than three (3) members affirmatively concurring) as follows:

1. All bills or claims as reviewed and approved by the Executive Director and as set forth in this Resolution are hereby approved for payment.

2. The authorized signers of checks are hereby authorized and directed to sign checks in the payment of bills and claims which are hereby approved.

The computer print-out of the list of bills will be on file in the Purchasing Agent's Office.

CURRENT FUND	\$ 174,227.25
REVIEW and INSPECTION	767.22
EIT and CONSTRUCTION	32,319.25
RENEW and REPLACEMENT	
<b>TOTAL BILLS PAYABLE</b>	<b>\$ 207,313.72</b>

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

\_\_\_\_\_  
RALPH E. STUBBS, Secretary

**14 - 89**  
**TRANSFER**

**WHEREAS**, the Township of Ocean Sewerage Authority adopted its annual budget for 2014 and has set aside funds to be spent in connection with certain budget appropriations; and

**WHEREAS**, the Township of Ocean Sewerage Authority has determined there is a need for additional funds in certain budget appropriations.

**NOW, THEREFORE, BE IT RESOLVED** by the Township of Ocean Sewerage Authority, that the following transfers be approved:

TO:

Administration	Administration Salaries 4-01-50-500-102	\$ 1,500.00
	Education & Training Courses 4-01-50-500-309	\$ 1,500.00
	Dues and Subscriptions 4-01-50-500-311	\$ 100.00
	Engineering 4-01-50-500-313	\$ 15,000.00
	Office - other expenses 4-01-50-500-321	\$ 3,000.00
Treatment Plant	Uniforms and Lockers 4-01-60-600-201	\$ 2,000.00
	One Call Service 4-01-60-600-202	\$ 500.00
	General Repairs & Supplies 4-01-60-600-204	\$ 10,000.00
	Other Chemicals 4-01-60-600-306	\$ 2,000.00
	Repairs - Contractors 4-01-60-600-351	\$ 6,000.00
	Maintenance Contract Equip 4-01-60-600-361	\$ 13,000.00
	Grit 4-01-60-600-365	\$ 1,500.00
Treatment Plant	Gasoline	

(continued)	4-01-60-600-401	\$ 700.00
	Truck Repairs	
	4-01-60-600-402	\$ 1,000.00
	Other for Trucks	
	4-01-60-600-403	\$ 200.00
	Lab Testing	
	4-01-60-600-503	\$ 2,800.00
Collections	Collection Overtime	
	4-01-61-601-102	\$ 3,000.00
	Repairs - Contractors	
	4-01-61-601-351	\$ 30,000.00
Capital Budget	Outfall Repairs	
	4-01-80-800-822	\$325,000.00

FROM:

Administration	Office Salaries	
	4-01-50-500-103	\$ 10,400.00
	Insurance General	
	4-01-50-500-318	\$ 8,100.00
	Township of Ocean Interlocal	
	4-01-50-500-401	\$ 2,600.00
	OPEB Retiree Benefits	
	4-01-50-500	\$200,000.00
Treatment Plant	Permit Fees	
	4-01-60-600-360	\$ 17,900.00
	Bioxide Plant	
	4-01-60-600-370	\$ 19,000.00
	Lab Supplies	
	4-01-600-502	\$ 2,300.00
	Lab Equipment	
	4-01-60-600-503	\$ 500.00
Collections	Collection Salaries	
	4-01-61-601-101	\$ 10,000.00
	Collection Controls	
	4-01-61-601-302	\$ 23,000.00

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Capital Budget	Gravity Thickener 4-01-80-800-811	\$115,000.00
	Grinder Cartridge 4-01-80-800-820	\$ 10,000.00

**AND BE IT FURTHER RESOLVED** that two (2) certified copies of this Resolution be forwarded to the Director, Division of Local Government Services.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

\_\_\_\_\_  
RALPH E. STUBBS, Secretary

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**AUTHORIZING THE APPOINTMENT OF JENNIFER CRUMLEY AS LAB MANAGER, EFFECTIVE DECEMBER 1, 2014**

**WHEREAS,** Jennifer Crumley was hired to work in the Authority’s lab effective November 18, 2014, and

**WHEREAS,** Jennifer Crumley has taken the courses required to qualify as a lab manager pursuant to New Jersey DEP lab standards; and

**WHEREAS,** Jennifer Crumley has completed one year of service to the Authority working in the lab, thereby satisfying another New Jersey DEP lab standard; and

**WHEREAS,** Jennifer Crumley has performed lab work during the last year in a satisfactory or more than satisfactory manner.

**NOW, THEREFORE, BE IT RESOLVED** that the Township of Ocean Sewerage Authority hereby appoints Jennifer Crumley as Lab Manager, effective December 1, 2014, at an annual stipend of \$2,000 to be pro-rated for 2014.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

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RALPH E. STUBBS, Secretary

**AUTHORIZING APPOINTMENT OF KERRY MORGAN  
AS BOND COUNSEL**

**WHEREAS**, the Township of Ocean Sewerage Authority issued an RFP for bond counsel services to assist the Authority with its application in the amount of \$4,550,000 with the New Jersey Environmental Infrastructure Trust Fund; and

**WHEREAS**, the Authority appointed Drew Stauffer as bond counsel on February 5, 2013; and

**WHEREAS**, due to a conflict of interest, the Authority terminated the appointment of Drew Stauffer on May 7, 2014 and appointed Kerry Morgan as bond counsel; and

**WHEREAS**, no activity regarding funding has taken place on the NJEIT project; and

**WHEREAS**, the Authority has made application to the New Jersey Environmental Infrastructure Trust Fund for funding in the amount of \$3,630,000; and

**WHEREAS**, the Authority is of the opinion that the appointment of the same bond counsel for both NJEIT issues is beneficial to the Authority and its ratepayers; and

**WHEREAS**, the services to be performed are “professional services” as defined in the Local Public Contracts Law, N.J.S.A. 40A:11-2(6) and therefore are exempted from the Local Public Contracts Law requirements for competitive bidding pursuant to N.J.S.A. 40A:11-5(1)(a(i); and

**WHEREAS**, the Authority’s Executive Director has certified that funds are available for this contract.

**NOW, THEREFORE, BE IT RESOLVED** by the Township of Ocean Sewerage Authority as follows:

1. Kerry Morgan, Esq. is hereby appointed as Bond Counsel for the Authority in accordance with the attached proposed contract for the period November 1, 2014 to October 31, 2015.

2. This contract is awarded without competitive bidding as a professional service under the provisions of the Local Public Contracts Law because the services involved are of such a qualitative nature and are not readily susceptible or subject to competitive bidding and further, that the above named firm has been determined to have expertise in this area and, in the opinion of the Authority Members, this firm can best provide the appropriate legal services required.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Reorganization Meeting held on December 2, 2014.

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RALPH E. STUBBS, Secretary

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**AUTHORIZING APPOINTMENT OF CONNER STRONG  
& BUCKELEW AS RISK MANAGEMENT CONSULTANT  
FOR THE YEAR 2015**

**WHEREAS**, the Township of Ocean Sewerage Authority is a member of the New Jersey Utility Authority Joint Insurance Fund (“Fund”); and

**WHEREAS**, the bylaws of the Fund require the Authority to obtain a Risk Management Consultant to perform various professional services required by the Fund and the Authority; and

**WHEREAS**, the judgmental nature of the Risk Management Consultant’s duties render comparative bidding impractical; and

**WHEREAS**, Conner Strong & Buckelew has submitted a proposal for risk management services to the Authority; and

**WHEREAS**, Conner Strong & Buckelew, through its representative Michael C. Avalone, has provided the Authority with quality risk management consulting services; and

**WHEREAS**, the Authority’s Executive Director has determined and certified in writing that the value of the services as risk management consultant will not exceed \$17,500; and

**WHEREAS**, the term of this contract is for one (1) year from January 1, 2015 to December 31, 2015; and

**WHEREAS**, the services to be performed are “professional services” as defined in the Local Public Contracts Law, N.J.S.A. 40A:11-2(6) and therefore are excepted from the Local Public Contracts Law requirements for competitive bidding pursuant to N.J.S.A. 40A:11-5(1)(a)(i); and

**WHEREAS**, the Authority’s Executive Director has certified that funds are available for this contract.

**NOW, THEREFORE, BE IT RESOLVED** by the Township of Ocean Sewerage Authority as follows:

1. Conner Strong & Buckelew is hereby appointed as Risk Management Consultant for the Authority in accordance with the attached proposed contract for the period January 1, 2015 to December 31, 2015.

2. This contract is awarded without competitive bidding as a professional service under the provisions of the Local Public Contracts Law because the services involved are of such a qualitative nature and are not readily susceptible or subject to competitive bidding and further, that the above named firm has been determined to have expertise in this area and, in the opinion of the Authority Members, this firm can best provide the appropriate risk management services required.

3. A notice of this action shall be published according to law.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

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RALPH E. STUBBS, Secretary

**AUTHORIZING AMENDMENT TO 2014 CAPITAL BUDGET**

**WHEREAS**, the Township of Ocean Sewerage Authority adopted its Capital Budget for the year ending December 31, 2014 on December 3, 2013; and

**WHEREAS**, N.J.A.C. 5:31-2.8 provides that all amendments to the 2014 Capital Budget shall be approved and adopted by resolution of the Authority, passed by not less than a majority of the full membership.

**NOW, THEREFORE, BE IT RESOLVED** that the 2014 Capital Budget is restated as follows for Fiscal Year January 1, 2014 to December 31, 2014:

**ORIGINAL 2014 CAPITAL BUDGET**

<u>PROJECTS</u>	<u>ESTIMATED TOTAL COST</u>	<u>FUNDING SOURCE</u>
A. Vehicles	\$ 20,000.00	Other Sources
B. Pump Station Bypass Connections	\$ 20,000.00	Other Sources
C. Perimeter Fence	\$ 20,000.00	Other Sources
D. Seal and Plug Electrical Manholes in Plant	\$ 15,000.00	Other Sources
E. Hydrant for Wash Down Pad	\$ 5,500.00	Other Sources
F. Outfall Pipe Repairs	\$ 190,000.00	Other Sources
G. Portable Flow Velocity Logger	\$ 3,500.00	Other Sources
H. Spare Grinder Cartridge	\$ 21,000.00	Other Sources
I. Jet Vac Hose and Accessories	\$ 5,000.00	Other Sources
J. Gravity Thickener	\$ 300,000.00	Other Sources
K. Odor Control Maintenance	\$ 30,000.00	Other Sources
L. Administration Building Upgrades	\$ 25,000.00	Other Sources
M. 2014 NJEIT Collection System	\$ 4,500,000.00	Debt Authorization

**RESTATED 2014 CAPITAL BUDGET**

<u>PROJECTS</u>	<u>ESTIMATED TOTAL COST</u>	<u>FUNDING SOURCE</u>
A. Vehicles	\$ 20,000.00	Other Sources
B. Pump Station Bypass Connections	\$ 20,000.00	Other Sources
C. Perimeter Fence	\$ 20,000.00	Other Sources
D. Seal and Plug Electrical Manholes in Plant	\$ 15,000.00	Other Sources
E. Hydrant for Wash Down Pad	\$ 5,500.00	Other Sources
F. Outfall Pipe Repairs	\$ 515,000.00	Other Sources
G. Portable Flow Velocity Logger	\$ 3,500.00	Other Sources
H. Spare Grinder Cartridge	\$ 11,000.00	Other Sources
I. Jet Vac Hose and Accessories	\$ 5,000.00	Other Sources
J. Gravity Thickener	\$ 185,000.00	Other Sources
K. Odor Control Maintenance	\$ 30,000.00	Other Sources
L. Administration Building Upgrades	\$ 25,000.00	Other Sources
M. 2014 NJEIT Collection System	\$ 4,500,000.00	Debt Authorization

**AND BE IT FUTHER RESOLVED** that two (2) copies of this Resolution be filed with the Director of the Division of Local Government Services.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

\_\_\_\_\_  
RALPH E. STUBBS, Secretary

**AUTHORIZING PAYMENT IN THE AMOUNT OF \$ 31,948.00 TO ELECTRO MAINTENANCE INC. FOR PUMP STATION COMMUNICATIONS PROJECT**

**WHEREAS**, the Township of Ocean Sewerage Authority awarded a contract to Electro Maintenance Inc (“EMI”) in the amount of \$324,865.00 for the Pump Station Communication Project (the “Contract”); and

**WHEREAS**, the Authority authorized an amendment to the Contract in the amount of \$7,100.00 for the installation of an antenna at the Interlaken Pump Station; and

**WHEREAS**, EMI has performed certain work and procured certain material which is stored on site for the work; and

**WHEREAS**, EMI has submitted a request for payment in the amount of \$32,600.00; and

**WHEREAS**, the Authority staff have reviewed the work completed and the material stored on site and recommend payment in the amount of \$32,600.00, less retainage, to Electro Maintenance Inc.

**NOW, THEREFORE, BE IT RESOLVED** that the Township of Ocean Sewerage Authority authorizes payment in the amount of \$31,948.00 to Electro Maintenance Inc. for the Pump Station Communications Project.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

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RALPH E. STUBBS, Secretary

**AUTHORIZING EXECUTIVE DIRECTOR TO SIGN TREATMENT WORKS APPLICATION FOR HERITAGE VILLAGE PROJECT**

**WHEREAS**, the Township has partnered with Community Investment Strategies to build the low-income senior units at a new development known as Heritage Village; and

**WHEREAS**, Heritage Village will be built on Block 3, Lots 16.03 and 1604 on the Official Tax Map of the Ocean Township; and

**WHEREAS**, a Treatment Works Application is required for the project as a result of the anticipated flow from Heritage Village.

**NOW, THEREFORE, BE IT RESOLVED** that William E. Schmeling, the Authority’s Executive Director, be and he is hereby authorized to sign a Treatment Works Application for the Heritage Village project together with all appropriate endorsements for specific permits.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

\_\_\_\_\_  
RALPH E. STUBBS, Secretary

**AUTHORIZING PARTICIPATION IN THE MUNICIPALITIES  
CONTINUING DISCLOSURE COOPERATION INITIATIVE OF  
THE DIVISION OF ENFORCEMENT OF THE U.S.  
SECURITIES AND EXCHANGE COMMISSION**

**WHEREAS**, the Township of Ocean Sewerage Authority (the “Authority”) has entered into a continuing disclosure agreement in connection with certain of its prior bond or note issuances (the “Prior Issues”), agreeing to file certain financial information and operating data and/or certain enumerated event notices with the former nationally recognized municipal securities information repositories or the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the provisions of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the “Rule”); and

**WHEREAS**, the Authority has made certain representations regarding its continuing disclosures in bond and note offering documents in connection with its Prior Issues; and

**WHEREAS**, in response to widespread concerns that many municipal issuers have not been complying with their obligations to file continuing disclosure documents under the Rule, and furthermore have made false representations and/or misstatements concerning compliance in bond and note offering documents, the Division of Enforcement (the “Division”) of the U.S. Securities and Exchange Commission (the “Commission”) has set forth its Municipalities Continuing Disclosure Cooperation Initiative (the “MCDC Initiative”), attached hereto as *Exhibit A*, whereby the Commission will recommend favorable settlement terms to municipal issuers involved in the offer or sale of municipal securities, as well as underwriters of such offerings, if they self report to the Division possible violations involving materially inaccurate statements in bond and note offering documents relating to prior compliance with continuing disclosure obligations pursuant to the Rule; and

**WHEREAS**, pursuant to Local Finance Notice 2014-9, attached hereto as Exhibit B, the Director of the Local Finance Board, Division of Local Government Services of the Department of Community Affairs of the State of New Jersey, has recommended the undertaking of a Review, as hereinafter defined, by all municipal issuers and participation in the MCDC Initiative, where appropriate, as determined by the facts of each Review (the “LFB Recommendation”).

**NOW, THEREFORE, BE IT RESOLVED** that the Authority, through its Executive Director or through the engagement of a third-party disclosure-dissemination agent, is hereby directed to conduct a continuing disclosure review of its prior continuing disclosure undertakings (the “Review”), and the Authority hereby ratifies any such previously conducted Review; such Review shall include, but is not limited to, a historical review of the Authority’s continuing disclosure obligations and filings in connection with its Prior Issues that are presently outstanding and which are no longer

outstanding but, as of the date five (5) years prior to the date of submission of the Questionnaire, as hereinafter defined, were outstanding; and the undertaking, at any time, of any applicable remedial filings with the MSRB deemed necessary for compliance with its continuing disclosure obligations; and

**BE IT FURTHER RESOLVED** that the Authority, through its Executive Director, is hereby authorized to participate in the MCDC Initiative, and the Authority hereby ratifies any such previous action in its participation, if in the discretion of the Executive Director after consultation with Authority officials, it is determined that the Authority may have made materially inaccurate statements in its bond and note offering documents relating to prior compliance with continuing disclosure obligations pursuant to the Rule in connection with its Prior Issues issued during the period beginning five (5) years prior to the date of submission of the Questionnaire; and

**BE IT FURTHER RESOLVED** that the Authority’s Executive Director is hereby authorized to execute and deliver any and all documents and instruments, and the Authority hereby ratifies any such execution or delivery of documents, including the Municipalities Continuing Disclosure Cooperation Initiative Questionnaire for Self-Reporting Entities contained in the MCDC Initiative (the “Questionnaire”), and to do and cause to be done any and all acts and things necessary or proper for participating in the MCDC Initiative and all related transactions, including the Review, contemplated by this Resolution.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

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RALPH E. STUBBS, Secretary

**AUTHORIZING APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A. 58:11b-9(a) AND N.J.S.A. 40A:5a-6 AND AUTHORIZING THE PREPARATION AND SUBMISSION OF AN INTERIM FINANCIAL ADDENDUM FORM AND A FINANCIAL ADDENDUM FORM IN CONNECTION THEREWITH**

**WHEREAS**, the Township of Ocean Sewerage Authority (the “Authority”) has submitted applications to the New Jersey Department of Environmental Protection “(NJDEP”) and the New Jersey Environmental Infrastructure Trust (“NJEIT”) to participate in the NJEIT Fiscal Year 2015 Financing Program and expects to submit both Interim Financial Addendum Forms and Financial Addendum Forms in connection therewith; and

**WHEREAS**, the Authority desires to make application to the Local Finance Board for approval of the its interim notes to the NJEIT, and bonds to the NJDEP and NJEIT pursuant to N.J.S.A. 58-11B-9(a) and pursuant to N.J.S.A. 40A:5A-6, as described therein; and

**WHEREAS**, the Authority believes that

- (a) it is in the public interest to accomplish such purpose;
- (b) said purpose or improvements are for health, welfare, convenience or betterment of the inhabitants of the Township of Ocean (the “Township”) and its service communities;
- (c) the amounts to be expended for said purpose or improvements are not unreasonable or exorbitant; and
- (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the Township and its service communities and will not create an undue financial burden to be placed upon the Township and its service communities.

**NOW, THEREFORE, BE IT RESOLVED** that the Township of Ocean Sewerage Authority hereby authorizes the Executive Director to prepare and submit an Interim Financial Addendum Form and Financial Addendum Form Application to the NJEIT and the NJDEP; and

**BE IT FURTHER RESOLVED** that the application to the Local Finance Board is hereby approved, and the Authority’s Executive Director, Bond Counsel and Auditor, along with other representatives of the Authority are hereby authorized to prepare such

application, to file such application with the Local Finance Board and to represent the Authority in matters pertaining thereto; and

**BE IT FURTHER RESOLVED** that the Executive Director is hereby directed to prepare and file a copy of the proposed resolution with the Local Finance Board as part of such application; and

**BE IT FURTHER RESOLVED** that the Local Finance Board is hereby respectfully requested to consider such application and to record its findings, recommendations and approvals as provided by the applicable New Jersey Statute.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

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RALPH E. STUBBS, Secretary

**DECLARING THE AUTHORITY'S OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM THE PROCEEDS OF DEBT OBLIGATIONS IN CONNECTION WITH ITS PARTICIPATION IN THE FISCAL YEAR 2015 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM**

**WHEREAS**, the Township of Ocean Sewerage Authority (the "Authority") intends to acquire, construct, renovate and install the environmental infrastructure projects more fully described in Exhibit A attached hereto (the "Projects"); and

**WHEREAS**, the Authority intends to finance the Projects with debt obligations of the Authority (the "Project Debt Obligations") but may pay for certain costs of the Projects (the "Project Costs") prior to the issuance of the Project Debt Obligations with funds of the Borrower that are not borrowed funds; and

**WHEREAS**, the Authority reasonably anticipates that obligations, the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), will be issued by the New Jersey Environmental Infrastructure Trust (the "Issuer") to finance the Project on a long-term basis by making a loan to the Authority with the proceeds of the Issuer's obligations (the "Project Notes" and the "Project Bonds"); and

**WHEREAS**, the Authority desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs paid prior to the issuance of the Project Debt Obligations as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141 through 150, inclusive, of the Code.

**NOW, THEREFORE, BE IT RESOLVED** that the Township of Ocean Sewerage Authority reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with proceeds of its Project Debt Obligations; and

**BE IT FURTHER RESOLVED** that this Resolution is intended to be and hereby is a declaration of the Authority's official intent to reimburse the expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Authority, in accordance with Treasury Regulations §1.150-2; and

**BE IT FURTHER RESOLVED** that the maximum principal amount of the Project Debt Obligations expected to be issued to finance the Projects is \$8,180,000; and

**BE IT FURTHER RESOLVED** that the Project Costs to be reimbursed with the proceeds of the Project Debt Obligations will be “capital expenditures” in accordance with the meaning of Section 150 of the Code; and

**BE IF FURTHER RESOLVED** that no reimbursement allocation will employ an “abusive arbitrage device” under Treasury Regulation §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions of Sections 142 through 147, inclusive, of the Code; the proceeds of the Project Bonds used to reimburse the Borrower for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of “replacement proceeds”, including “sinking funds”, “pledged funds” or funds subject to a “negative pledge”, as such terms are defined in Treasury Regulation §1.148-1, of the Project Debt Obligations or another issue of debt obligations of the Authority, other than amounts deposited into a “bona fide debt service fund”, as defined in Treasury Regulations §1.148-1; and

**BE IT FURTHER RESOLVED** that all reimbursement allocations will occur not later than eighteen (18) months after the later of (i) the date the expenditure from a source other than the Project Debt Obligations is paid, or (ii) the date the Project is “placed in service”, within the meaning of Treasury Regulation §1.150-2, or abandoned, but in no event more than three (3) years after the expenditure is paid.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 2, 2014.

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RALPH E. STUBBS, Secretary

## EXHIBIT A

### **PROJECT 1: Logan Road and Route 35 Sanitary Sewer, and Roseld Avenue Sanitary Sewer**

The proposed improvement is to install a new sanitary sewer pipe across Route 35 to remove the sharp bend from the manhole and have manholes moved from the travel lane of Route 35. The proposed improvement is to extend the existing Wickapecko pump station force main so it discharges to the gravity sewer system along Roseld Avenue downstream of the shallow manholes.

### **PROJECT 2: Interlaken Pump Station Reconstruction**

The proposed improvement is to reconstruct the existing Interlaken Pump Station and raise it above flood elevation. The Pump Station is located on Main Street in Interlaken adjacent to Deal Lake between the Borough of Allenhurst and the City of Asbury Park. The Pump Station handles approximately one-third (1/3) of the Authority's daily flow.