

## MORRIS COUNTY IMPROVEMENT AUTHORITY

MINUTES of the Board Meeting held on May 24, 2011, at 6:00 p.m.,  
Knox Conference Room #525, Morris County  
Administration and Records Building, Morristown, New Jersey

At 6:00 p.m., John Bonanni, Chairman to the Morris County Improvement Authority called the meeting to order. The following persons were in attendance:

John Bonanni, Chairman  
Frank T. Pinto, Commissioner  
Glenn Roe, Commissioner  
Ellen Sandman, Commissioner (Arrived at 6:10)  
Stephen B. Pearlman, Esq. - Inglesino, Pearlman, Wyciskala & Taylor LLC  
Doug Bacher, NW Financial Group  
Heather Litzebauer, NW Financial Group  
Jennifer Edwards, Acacia Financial  
Brittany Whelan, Acacia Financial  
Richard Preiss, Gabel Associates  
Joseph Santaiti, Gabel Associates  
Cadence Bowen, Gabel Associates  
Isaac Gabel-Frank, Gabel Associates  
Gerry Genna, Birdsall Group

Commissioner Bonanni asked for the reading of the public statement in accordance with the Open Public Meetings Act which was then read by recording secretary Cynthia Rueter.

Commissioner Bonanni asked for “roll call” for the Authority. Four out of five Commissioners were in attendance, Ms. Ellen Sandman (arrived at 6:10 p.m.), Mr. John Bonanni, Mr. Glenn Roe and Mr. Frank Pinto a quorum was established.

Approval of the April 19, 2011 minutes was considered, Commissioner Pinto made a motion to accept the minutes of the April 19<sup>th</sup> meeting. Commissioner Roe seconded the motion; all others were in favor to accept the minutes of April 19<sup>th</sup>.

The public portion of the meeting was opened. – No comment at this time.

Agenda item 6(i) was discussed – Resolution reviewing the Annual Audit of the Authority. Commissioner Roe made a motion to adopt this resolution. Commissioner Pinto seconded the motion. Roll was called. The resolution was approved by Commissioners Roe, Pinto and Bonanni. Commissioner Sandman arrived after the vote. The motion carried and Resolution No. 11-19 “RESOLUTION REVIEWING ANNUAL AUDIT OF THE AUTHORITY” (NO. 11-19) was adopted.

Agenda item 6(ii) was discussed – Resolution authorizing the preparation and submission of an application to the Local Finance Board for the Morris County Communications project as well as the Rockaway Borough project. Commissioner Roe made a motion to adopt this resolution, Commissioner Pinto seconded the motion. Roll was called. The resolution was approved by Commissioners Roe, Pinto and Bonanni. Commissioner Sandman arrived after the vote. The motion carried and Resolution No. 11-20 “RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE PREPARATION AND SUBMISSION OF AN APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO LOCAL AUTHORITIES FISCAL CONTROL LAW AND OTHER APPLICABLE LAW AND SEEKING CERTAIN OFFICIAL ACTIONS OF THE COUNTY OF MORRIS, ALL IN CONNECTION WITH THE AUTHORITY’S COUNTY OF MORRIS

GUARANTEED POOLED PROGRAM BONDS AND NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000” (NO. 11-20) was adopted.

Agenda item 6(iii) was discussed - Resolution approving the payment of bills as listed on the Schedule of Warrants as well as adding a bill to the list for \$450.00 to US Bank for Trustee Fees for the Renewable Energy Program. Commissioner Roe made a motion to adopt this resolution as amended; Commissioner Pinto seconded the motion as amended. Roll was called. The resolution was approved unanimously. The motion carried and Resolution No. 11-21 “Bill List” (NO. 11-21) was adopted.

7a. Discussion: Status of Renewable Energy Program –Rich Preiss, VP, Gabel Associates advised that there are twelve (12) sites being considered for the next phase of the solar project. Steve Pearlman, Esq., Counsel to the Improvement Authority stated that the State of NJ is limiting the funding for the second phase of the solar project to \$50,000,000.

7b. Outreach meeting re: Tax Levy Cap – Nothing at this time.

7c. CGLP Activity –Two out of County locations are interested in using the Improvement Authority. They are: Little Egg Harbor (Ocean County) Fire Districts #1 and #3- Transaction is approximately \$1,875,000 and the Town of Newton which is considering a \$3,000,000 transaction. A meeting with the Morris County Board of Chosen Freeholders will be set up to discuss the benefit to Morris County.

7d. Payment of Bills between Meetings – Nothing at this time

7e. Status of Other Inquiries and potential transactions – Interfaith Food Pantry construction of building on County owned property at Greystone, this will be a \$6-700,000 project. Funding will be through a combination of donations and financing. Several options considered for the financing of this project.

7e. Other items – Joe Santaiti, VP, Gabel Associates provided an update on the ESIP (Energy Savings Improvement Program). Two (2) outreach meetings were held in January and February. There were 31 forms received from interested local units. He is in the process of combining the local units with economically feasible projects.

The May 24, 2011 meeting of the Morris County Improvement Authority was adjourned at 7:30 p.m. All Commissioners were in favor to adjourn the meeting.

Respectfully submitted,

Cynthia Rueter  
Recording Secretary

**RESOLUTION NO. 11-19**

**RESOLUTION OF THE BOARD OF COMMISSIONERS  
MORRIS COUNTY IMPROVEMENT AUTHORITY**

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TITLE:

**RESOLUTION REVIEWING ANNUAL AUDIT OF THE AUTHORITY**

**WHEREAS**, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made; and

**WHEREAS**, the annual audit report for the fiscal year ended December 31, 2010 has been completed and filed with the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:5A-15; and

**WHEREAS**, N.J.S.A. 40A:5A-17 requires the governing body of each Authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board; and

**WHEREAS**, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled "General Comments" and "Recommendations" in accordance with N.J.S.A. 40A:5A-17.

**NOW THEREFORE BE IT RESOLVED** that the governing body of the Morris County Improvement Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended December 31, 2010, and specifically has reviewed the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

**BE IT FURTHER RESOLVED** that the Treasurer of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

**MOVED/SECONDED:**

Resolution moved by Commissioner \_\_\_\_\_.

Resolution seconded by Commissioner \_\_\_\_\_.

<b>Commissioner</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>	<b>Absent</b>
Bonanni				
Ramirez				
Roe				
Sandman				
Pinto				

***ATTESTATION:***

**This Resolution was acted upon at the Regular Meeting of the Authority held on May 24, 2011 at the Authority’s principal corporate office in Morristown, New Jersey.**

**Attested to this 24th day of May, 2011**

**By: \_\_\_\_\_  
Secretary of the Authority**

***FORM and LEGALITY:***

**This Resolution is approved as to form and legality as of May 24, 2011**

**By: \_\_\_\_\_  
Stephen B. Pearlman, Esq., Partner  
Inglesino, Pearlman, Wyciskala & Taylor, LLC  
Counsel to the Authority**

LOCAL AUTHORITIES  
GROUP AFFIDAVIT FORM

PRESCRIBED BY  
THE NEW JERSEY LOCAL FINANCE BOARD

AUDIT REVIEW CERTIFICATE

We, the members of the governing body of the Morris County Improvement Authority, being of full age and being duly sworn according to law, upon our oath depose and say:

1. We are duly appointed members of the Morris County Improvement Authority.
2. We certify, pursuant to N.J.S.A. 40A:5A-17, that we have each reviewed the annual audit report for the fiscal year ended December 31, 2010 and specifically the sections of the audit report entitled "General Comments" and "Recommendations".

(Print)

(Signature)

\_\_\_\_\_  
Frank Pinto

\_\_\_\_\_  
Christina Ramirez

\_\_\_\_\_  
Glenn Roe

\_\_\_\_\_  
Ellen Sandman

\_\_\_\_\_  
John Bonanni

Sworn and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Notary Public, State of New Jersey

**RESOLUTION OF THE BOARD OF COMMISSIONERS  
MORRIS COUNTY IMPROVEMENT AUTHORITY**

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***TITLE:***

**RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY  
AUTHORIZING THE PREPARATION AND SUBMISSION OF AN  
APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO LOCAL  
AUTHORITIES FISCAL CONTROL LAW AND OTHER APPLICABLE LAW  
AND SEEKING CERTAIN OFFICIAL ACTIONS OF THE COUNTY OF  
MORRIS, ALL IN CONNECTION WITH THE AUTHORITY'S COUNTY OF  
MORRIS GUARANTEED POOLED PROGRAM BONDS AND NOTES IN AN  
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000**

**WHEREAS**, The Morris County Improvement Authority (including any successors and assigns, the "Authority") has been duly created by resolution no. 42 entitled "Resolution of the Board of Chosen Freeholders of Morris County, New Jersey creating the Morris County Improvement Authority" duly adopted by the Board of Chosen Freeholders (the "Board of Freeholders") of the County of Morris (the "County") in the State of New Jersey (the "State") on April 10, 2002 as a public body corporate and politic of the State pursuant to and in accordance with the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act") and other applicable law;

**WHEREAS**, the Authority is authorized by law, to purchase, lease or otherwise acquire public facilities for the benefit of certain local governmental units located within and including the County;

**WHEREAS**, the Authority is authorized by law to finance public facilities through the acquisition of debt, including without limitation (i) the general obligation bonds in an aggregate principal amount of approximately \$6,000,000 (the "Borough of Rockaway Bond") of the Borough of Rockaway, in the County of Morris, New Jersey (the "Borough of Rockaway" and together with the County, the "Local Units") and (ii) bonds of the Authority;

**WHEREAS**, pursuant to the terms hereof and of the Act, the Authority intends to finance the acquisition and installation of certain capital equipment and the acquisition, construction, renovation and installation of certain property and infrastructure improvements (collectively, the "County Project") as set forth on Exhibit A to the Property and Infrastructure Lease Purchase Agreement (including a Ground Lease if

necessary) to be entered into between the Authority and the County as a Local Unit in connection herewith (collectively, the "Lease Agreement"), through the issuance of the Authority's "Lease Revenue Bonds, Series 2011A" (the "Initial Lease Revenue Bonds"), the Authority's "Lease Revenue Notes, Series 2011A" (the "Initial Lease Revenue Notes") the Authority's "Lease Revenue Bonds, Series 2012" (the "Series 2012 Lease Revenue Bonds") and any additional bonds or notes in an amount which together with the Initial Lease Revenue Bonds, Initial Lease Revenue Notes and the Series 2012 Lease Revenue Bonds does not exceed \$30,000,000 (the "Additional Lease Revenue Bonds" and together with the Initial Lease Revenue Bonds, the Initial Lease Revenue Notes, and the Series 2012 Lease Revenue Bonds, the "Authority Lease Revenue Bonds");

**WHEREAS**, the Authority Lease Revenue Bonds and the Borough of Rockaway Bonds shall be collectively referred to as the "Privately Placed Bonds";

**WHEREAS**, the Borough of Rockaway has (i) heretofore issued bond anticipation notes for various projects as set forth in the several bond ordinances (the "Borough of Rockaway Prior Notes") and now desires to refund the Borough of Rockaway Prior Notes and (ii) finally adopted two new bond ordinances for additional projects (collectively the "Borough of Rockaway Project" and together with the County Project, the "Projects") all as set forth on Exhibit A to an agreement (the "Loan Agreement" and together with the Lease Agreement, the "Project Agreements") by and between the Borough of Rockaway;

**WHEREAS**, the Authority Lease Revenue Bonds will be issued pursuant to the terms of the Authority's bond resolution entitled "RESOLUTION AUTHORIZING THE ISSUANCE OF LEASE REVENUE BONDS OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY" (the "Lease Revenue Bond Resolution"), the Act and other applicable law;

**WHEREAS**, the Borough of Rockaway Bonds will be issued pursuant to the several bond ordinances of the Borough of Rockaway and resolution of the Borough of Rockaway (the "Borough of Rockaway Bond Resolution") and other applicable law;

**WHEREAS**, pursuant to the terms of the Lease Agreement, the Authority contemplates taking nominal title to the County Project for the term set forth therein, then leasing the County Project to the County for the term set forth therein, at which time the Authority will convey all of its right, title and interest in and to the County Project to the County for nominal consideration;

**WHEREAS**, the principal of, and interest on the Authority Lease Revenue Bonds shall be paid from certain rental payments made by the County in accordance with the terms of the Lease Agreement and as otherwise set forth herein;

**WHEREAS**, pursuant to the terms of the Loan Agreement, the Borough of Rockaway acquires or retains, as the case may be, all right, title and interest to the Borough of Rockaway Project, and the Authority acquires no interest therein except as may be expressly set forth in the Loan Agreement;

**WHEREAS**, the principal of, and interest on the Borough of Rockaway Bonds shall be paid from general obligation payments of the Borough of Rockaway;

**WHEREAS**, the Authority shall deposit the proceeds of the Authority Lease Revenue Bonds issued under the Lease Revenue Bond Resolution with a trustee to be designated under the Lease Revenue Bond Resolution (the "Lease Revenue Trustee") to pay the cost of: (i) the acquisition, construction, renovation or installation of the County Project; (ii) certain accrued interest to the extent set forth in the Lease Revenue Bond Resolution; (iii) certain costs of issuance to be identified in the Lease Revenue Bond Resolution; (iv) capitalized interest on the Authority Lease Revenue Bonds, if any and (v) such other items as shall be set forth in the Lease Revenue Bond Resolution;

**WHEREAS**, simultaneously with the issuance of the Authority Lease Revenue Bonds, the Authority shall deposit a portion of the proceeds of the Borough of Rockaway Bonds issued under the Borough of Rockaway Bond Resolution with the Trustee, as an equity contribution, to pay the cost of: (i) certain accrued interest attributable to the Borough of Rockaway Bonds to the extent set forth in the Lease Revenue Bond Resolution; (ii) certain costs of issuance attributable to the Borough of Rockaway Bonds to be identified in the Lease Revenue Bond Resolution; (iii) capitalized interest on the Borough of Rockaway Bonds, if any and (iv) such other items as shall be set forth in the Lease Revenue Bond Resolution;

**WHEREAS**, (i) the Initial Lease Revenue Bonds and the Borough of Rockaway Bonds will be purchased with the proceeds from the Authority's "County of Morris Guaranteed Pooled Program Bonds, Series 2011" (the "Initial Pooled Program Bonds", (ii) the Initial Lease Revenue Notes will be purchased with the proceeds from the Authority's "County of Morris Guaranteed Pooled Program Notes, Series 2011" (the "Initial Pooled Program Notes") and (iii) the Series 2012 Lease Revenue Bonds will be purchased with the proceeds from the Authority's "County of Morris Guaranteed Pooled Program Bonds, Series 2012" (the "Series 2012 Pooled Program Bonds" and together with the Initial Pooled Program Bonds and the Initial Pooled Program Notes, the "Pooled Program Bonds") to be issued under the Authority bond resolution entitled "RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF MORRIS GUARANTEED POOLED PROGRAM BONDS, SERIES 2011 OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY" (the "Pooled Program Bond Resolution" and together with the Lease Revenue Bond Resolution, the "Bond Resolutions");

**WHEREAS**, the Pooled Program Bonds and the Authority Lease Revenue Bonds shall be collectively referred to as, the "Bonds";

**WHEREAS**, any notes issued as Series 2011 Bonds may be refunded through the issuance of one or more series of notes or bonds, so long as (i) the principal amount of such notes or bonds, each issued and Outstanding in the aggregate at any one time under and as defined in the hereinafter defined Bond Resolution, does not exceed \$30,000,000 and (ii) the interest rates thereon do not exceed the maximum interest rates set forth in the Local Finance Board Application;

**WHEREAS**, the issuance of the Pooled Program Bonds for the purpose of acquiring the Privately Placed Bonds to finance the Projects shall collectively be referred to as the "Project");

**WHEREAS**, the principal of, redemption premium, if any, and interest on the Pooled Program Bonds shall be secured by the pledge of the Trust Estate as defined in the Pooled Program Bond Resolution by the Authority to the Trustee named therein (the "Pooled Trustee" and together with the Lease Revenue Trustee, the "Trustees"), which Trust Estate shall include, among other things, the Lease Agreement, the Loan Agreement, the principal of, redemption premium, if any, and interest on the Borough of Rockaway Bond, the payment on which shall be made by the Borough of Rockaway in accordance with the Local Bond Law or other law as applicable, and which shall be made from the levy of *ad valorem* taxes upon all the taxable property within the jurisdiction of the Borough of Rockaway, without limitation as to rate or amount, and which Borough of Rockaway Bond shall be assigned by the Authority to the Pooled Trustee as further security for the payment of the Initial Pooled Program Bonds in accordance with the terms of the Pooled Program Bond Resolution and the Loan Agreement and the principal of, redemption premium, if any, and interest on the Authority Lease Revenue Bonds and which Authority Lease Revenue Bonds shall be assigned by the Authority to the Pooled Trustee as further security for the payment of the Initial Pooled Program Bonds, the Initial Pooled Program Notes and the Series 2012 Pooled Program Bonds in accordance with the terms of the Pooled Program Bond Resolution and the Lease Agreement, which payments under the Lease Agreement shall be made from the levy of *ad valorem* taxes upon all the taxable property within the jurisdiction of the County, without limitation as to rate or amount;

**WHEREAS**, payment of the principal of (including mandatory sinking fund installments, if any) and interest on the Pooled Program Bonds, to be issued in one or more series as bond and notes (including the Initial Pooled Program Bonds, the Initial Pooled Program Notes and the Series 2012 Pooled Program Bonds), shall be fully, unconditionally and irrevocably guaranteed in an aggregate principal amount not to exceed \$30,000,000 in accordance with (i) the terms of a guaranty ordinance of the County to be finally adopted by the Board of Freeholders, (ii) by a guaranty certificate to be executed by an authorized officer of the County on the face of each Pooled Program Bond and (iii) as may be required by any rating agency, underwriter, Pooled Program Bond purchaser or other entity that will allow the Authority to sell the Pooled Program Bonds at the lowest possible cost to the Local Units, an agreement setting forth the County's obligation to make any such guaranty payments in accordance with and within the parameters set forth in this ordinance (collectively, the "County Guaranty"), all pursuant to Section 37 ("Section 37") of the Act (N.J.S.A. 40:37A-80) and other applicable law, which payments shall also be included as part of the Trust Estate applicable to the Pooled Program Bonds pledged by the Authority to the Trustees under the Bond Resolutions;

**WHEREAS**, in accordance with the terms of the Lease Revenue Bond Resolution, the Pooled Program Bond Resolution, the County Guaranty, the Lease Agreement and the Loan Agreement, the Trustee shall not notify the County of the

possible need for payments from the County under the County Guaranty to pay all of a portion of the principal of and interest on the Pooled Program Bonds when due until the respective payment dates for the Local Units under their Privately Placed Bonds, Lease Agreement and Loan Agreement shall have passed and the Local Units shall have failed to make their required payments thereunder in full;

**WHEREAS**, pursuant to the terms of the Lease Agreement and the Loan Agreement, those Local Units constituting "materially obligated persons" within the meaning and for the purposes set forth in Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities and Exchange Act of 1934, as amended, will be required to enter into those certain "Local Unit Continuing Disclosure Agreements" to be dated as of the first day of the month of issuance of the Privately Placed Bonds (as the same may be amended and supplemented from time to time in accordance with their respective terms, the "Local Unit Continuing Disclosure Agreements") with the Authority and the Trustee, as dissemination agent (the "Dissemination Agent") in order to satisfy the secondary market disclosure requirements of Rule 15c2-12;

**WHEREAS**, pursuant to the terms of the Pooled Program Bond Resolution, as a "materially obligated person" within the meaning and for the purposes set forth in Rule 15c2-12, the County will be required to enter into that certain "County Continuing Disclosure Agreement" to be dated as of the first day of the month of issuance of the Series 2011 Bonds (as the same may be amended and supplemented from time to time in accordance with its terms, the "County Continuing Disclosure Agreement") with the Dissemination Agent in order to satisfy the secondary market disclosure requirements of Rule 15c2-12;

**WHEREAS**, pursuant to the terms of the Pooled Program Bond Resolution, the Authority (i) shall not be considered a "materially obligated person" within the meaning and for the purposes set forth in Rule 15c2-12 and (ii) shall be required to provide certain material events notices in accordance with Rule 15c2-12, and accordingly, the Authority (a) may be required to enter into a separate continuing disclosure agreement, or alternatively, may need to execute the Local Unit Continuing Disclosure Agreements and/or the County Continuing Disclosure Agreement, and (b) shall be required to provide such material events notices under the terms of the Local Unit Continuing Disclosure Agreements and the County Continuing Disclosure Agreement, all in order to satisfy the secondary market disclosure requirements of Rule 15c2-12 (the "Authority Continuing Disclosure Agreement" and together with the Local Unit Continuing Disclosure Agreements and the County Continuing Disclosure Agreement, the "Continuing Disclosure Agreements");

**WHEREAS**, in order to market and sell the Bonds in one or more series, the Authority will have to (i) make an application (the "Local Finance Board Application") to, and seek, obtain, and officially recognize the findings from the Local Finance Board (the "Local Finance Board") in the Department of Local Government Services of the State Department of Community Affairs, all in accordance with N.J.S.A. 40A:5A-6, 7 and 8 of the Local Authorities Fiscal Control Law and in connection with the Authority

Lease Revenue Bonds and the Pooled Program Bonds, which Local Finance Board Application, hearing and process shall to the extent permitted by applicable law, incorporate the requests for approval by the Local Finance Board of certain matters related to the Borough of Rockaway Bonds, (ii) authorize the distribution of a preliminary official statement "deemed final" within the meaning and for the purposes of Rule 15c2-12 describing the terms of the Pooled Program Bonds, the Project and the other transactions contemplated hereby (the "Preliminary Official Statement"), (iii) enter into one or more bond purchase agreements with one or more underwriters (the "Underwriter") selected by the Authority in accordance with its policy for the selection of underwriters as established by Authority resolution no 02-10 adopted July 24, 2002 and entitled "RESOLUTION ADOPTING A POLICY FOR THE SELECTION OF UNDERWRITERS AND OTHER ANCILLARY SERVICE PROVIDERS IN CONNECTION WITH THE SALE OF SECURITIES" (the "Underwriter Selection Policy") and a fair and open process for the sale of all of the Pooled Program Bonds (the "Bond Purchase Agreement"), (iv) execute and deliver a final Official Statement incorporating the terms of the sale of the Pooled Program Bonds and certain other information into the Preliminary Official Statement (the "Official Statement"), (v) obtain the required resolutions and ordinances of the Local Units necessary in order to authorize the Projects and the financing of the Projects through the Project (the "Local Unit Official Action"), (vi) cause the Local Units to make certain representations, warranties and covenants concerning the Projects, the Privately Placed Bonds and the other transactions contemplated hereby prior to their respective execution and delivery of the Lease Agreement and Loan Agreement, but no later than the execution and delivery of the Bond Purchase Agreement (the "Local Unit Letter of Representations") and (vii) cause the Local Units to make certain representations, warranties and covenants concerning the applicable Projects and Privately Placed Bonds, the use of the funds attributable to the Projects and the transactions contemplated hereby prior to their respective execution and delivery of the Lease Agreement and Loan Agreement, but no later than the execution and delivery of the Bond Purchase Agreement, all in connection with preserving the exclusion of the interest of the Bonds from the gross income of the holders thereof for federal income tax purposes (the "Local Unit Tax Letter of Representations" and together with the Preliminary Official Statement, the Bond Purchase Agreement, the Official Statement and the Local Unit Letter of Representations, the "Sale Documents");

**WHEREAS**, the Authority shall have no obligation with respect to the Project other than the financing thereof; accordingly, the payment of the Privately Placed Bonds shall remain the sole responsibility of the respective Local Units;

**WHEREAS**, to the extent that the Authority determines it is in the best interest of the Authority and the Borough of Rockaway and in order to achieve the greatest economies of scale, the Authority is hereby authorized to issue the Bonds in one or more series to accommodate separate purchases of the Authority Lease Revenue Bonds and the Borough of Rockaway Bonds at different times and in so doing make such changes, including all documentation in connection therewith, all as deemed necessary, convenient or desirable by any such Authorized Officer, in consultation with the Consultants including such modifications thereto as counsel and financial advisor to the Authority and the Borough of Rockaway may advise, such Authorized Officer's

execution and delivery thereof of all financing documents in connection with the combined or separate issuance shall be dispositive of any such changes thereto; and

**WHEREAS**, in accordance with Section 13 ("Section 13") of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Bonds, the Authority will have made a detailed report of the Project to the Board of Freeholders, which report will include, without limitation, descriptions of the Pooled Program Bond Resolution, the Lease Revenue Bond Resolution, the Bonds, the form of the Lease Agreement, the form of the Ground Lease Agreement, the form of the Loan Agreement, the master forms of the Continuing Disclosure Agreements, and if necessary, desirable or convenient as determined by the Authority and the County, such other applicable agreements that may include one or more of the Local Finance Board Application or any Sale Documents (collectively, the "Financing Documents"); and

**WHEREAS**, the Authority believes: (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, wealth, convenience or betterment of the inhabitants of the County; (iii) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (iv) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the County and will not create an undue financial burden to be placed upon the Authority or the County.

**NOW THEREFORE BE IT RESOLVED** by the Board of Commissioners of the Authority as follows:

**Section 1.** The Chairperson and the Treasurer of the Authority (including their designees, each an "Authorized Officer") are each hereby severally authorized to prepare and submit the Local Finance Board Application for the purpose of financing the Project through the issuance of the Bonds. The Authorized Officer shall act in consultation with the Authority's counsel, Inglesino, Pearlman, Wyciskala & Taylor, LLC, hereby confirmed to act as bond counsel to the Authority for this financing and Acacia Financial Group, hereby confirmed to act as financial advisor to the Authority for this financing (collectively, the "Consultants"), in the preparation and submission of the Local Finance Board Application. All actions taken to date by such parties in connection with the Local Finance Board Application are hereby ratified and approved. All of such parties are hereby authorized and directed to represent the Authority in matters pertaining thereto, including without limitation, the hearing to be held by the Local Finance Board relating to the Financing Documents, and the Project financed thereby required by N.J.S.A. 40A:5A-6.

**Section 2.** The Authorized Officers are each hereby severally authorized and directed to deliver or cause to be delivered to the governing body of the County a detailed report describing the applicable Financing Documents and the Project financed thereby, all in accordance with Section 13.

**Section 3.** Each Authorized Officer is hereby further authorized and directed to take all actions deemed necessary, convenient or desirable by any such Authorized Officer, in consultation with the Consultant, to obtain the resolutions of the governing

body of the County contemplated by Section 13 relating to the Financing Documents and the Project financed thereby.

**Section 4.** Each Authorized Officer is hereby further authorized and directed to take all actions deemed necessary, convenient or desirable by any such Authorized Officer, in consultation with the Consultants, to obtain the County Guaranty to be given by the County pursuant to Section 37.

**Section 5.** The Secretary of the Authority is hereby directed to prepare and cause counsel to the Authority to file a copy of this resolution with the Local Finance Board as part of the Local Finance Board Application.

**Section 6.** The Local Finance Board is hereby respectfully requested to consider the Local Finance Board Application and to record its findings and recommendations as provided by N.J.S.A. 40A:5A-7 of the Local Authorities Fiscal Control Law, and as applicable, the approvals required on behalf of the Local Unit under the Public School Bond Law.

**Section 7.** To the extent the Bonds are issued in any year other than 2011 or 2012, as the case may be, references herein to “2011” or “2012”, respectively, may without any further action be changed to the year of issuance of such Bonds.

**Section 8.** The Authority hereby severally authorizes its Authorized Officers and Consultant to assist the Borough of Rockaway in any action to be taken by the Borough of Rockaway with the Local Finance Board under any applicable law, as any such actions may be related to or coordinated with the Local Finance Board Application and the transactions contemplated hereby, including without limitation the submission to the Local Finance Board on behalf of the Borough of Rockaway, the hearing in connection therewith and the actions of the Local Finance Board relating thereto, all relating to the Bonds.

**Section 9.** All actions of the Authorized Officers and the Consultants taken prior to the date of adoption hereof in connection with the Bonds, the Project or any of the foregoing transactions contemplated by this resolution are hereby ratified and approved.

[remainder of this page left intentionally blank]

**Section 10.** This resolution shall take effect immediately. Notwithstanding the prior sentence, in accordance with N.J.S.A. 40:37A-50, the Secretary of the Authority is hereby authorized and directed to submit to each member of the Board of Freeholders, by the end of the fifth business day following this meeting, a copy of the minutes of this meeting. The Secretary is hereby further authorized and directed to obtain from the Clerk of the Board of Freeholders a certification from the Clerk stating that the minutes of this meeting have not been vetoed by the Director of the Board of Freeholders.

***MOVED/SECONDED:***

**Resolution moved by Commissioner \_\_\_\_\_.**

**Resolution seconded by Commissioner \_\_\_\_\_.**

***VOTE:***

<b>Commissioner</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>	<b>Absent</b>
Pinto				
Ramirez				
Roe				
Sandman				
Bonanni				

***ATTESTATION:***

This Resolution was acted upon at the Regular Meeting of the Authority held on May 24, 2011 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 24<sup>th</sup> day of May, 2011

**By:** \_\_\_\_\_

**Secretary of the Authority**

***FORM and LEGALITY:***

This Resolution is approved as to form and legality as of May 24, 2011

**By:** \_\_\_\_\_

**Stephen B. Pearlman, Esq.,  
Counsel to the Authority**