



**TOWNSHIP OF DOWNE
CUMBERLAND COUNTY, NEW JERSEY**

	YES	NO	ABSTAIN	ABSENT
Bart, E.				X
Byrne, S.	X			
Jordan, L.	X			
Rothman, M.	X			
Campbell, R.	X			

Resolution Number: R-129-2019 Dated: December 9, 2019 Offered By: JORDAN Seconded By: BYRNE
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RESOLUTION OF THE TOWNSHIP OF DOWNE, COUNTY OF CUMBERLAND, NEW JERSEY, AUTHORIZING THE MAKING OF AN APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A. 40A:2-26(e) FOR FINANCING UNDER THE UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT PROGRAM FOR CONSTRUCTION OF A NEW WASTEWATER TREATMENT PLANT AND COLLECTION SYSTEM

WHEREAS, the Township of Downe, in the County of Cumberland, New Jersey (the "**Township**") has determined that there exists a need to construct a new wastewater treatment plant and sewage collection system in the bayside communities of Fortescue and Gandy's Beach within the Township to help ensure the health, safety and welfare of the inhabitants of the Township (the "**Sewer System Project**"); and

WHEREAS, the estimated cost of the Sewer System Project, including all related planning, engineering, administrative, inspection, legal and accounting fees and other soft costs and expenses, is **Fifteen Million One Hundred Forty-One Thousand Dollars (\$15,141,000)** (the "**Project Costs**"); and

WHEREAS, the Township intends to finance the Project Costs through a combination of (i) grants and permanent loan funding from the United States Department of Agriculture ("**USDA**"); (ii) a grant from the New Jersey Department of Environmental Protection ("**NJDEP**"); and (iii) a construction and permanent loan from the New Jersey Infrastructure Bank ("**NJIB**"), to be extended to the County of Cumberland, New Jersey (the "**County**") as the conduit borrower for the benefit of the Township; and

WHEREAS, the Township intends to issue a bond anticipation note to the County to pay the Project Costs in a maximum

aggregate principal amount of Fifteen Million One Hundred Forty-One Thousand Dollars (\$15,141,000) (the "**Construction Loan Note**") for the purpose of temporarily financing the construction of the Sewer System Project pending the Township's receipt of the grants and loan from USDA, the grant from NJDEP and the permanent financing loan from NJIB; and

WHEREAS, upon completion of construction of the Sewer System Project and to permanently finance said Sewer System Project and refund the Construction Loan Note, the Township will then issue its permanent bonds or obligations to (i) USDA in a maximum principal amount of \$1,518,000 (the "**USDA Bond**"), which together with the grant funding from USDA and NJDEP in the aggregate amount of \$9,502,000 and a permanent loan from NJIB to the County for the benefit of the Township in the amount of \$4,121,000 will be sufficient to satisfy the Construction Loan Note; and

WHEREAS, the USDA Bond will require a level maturity schedule over the life of such USDA Bond; and

WHEREAS, the Township requires the issuance of the USDA Bond in order to pay a portion of the Project Costs; and

WHEREAS, the Township Committee, as governing body of the Township, has determined that the limitations as to maturities or amounts of annual installments under N.J.S.A. 40A:2-26 will adversely affect the financial position of the Township in connection with the issuance of the USDA Bond; and

WHEREAS, N.J.S.A. 40A:2-26 authorizes a municipality to make written application to the Local Finance Board for its review and/or approval of a proposed non-conforming debt service schedule; and

WHEREAS, the Township Committee believes it is in the best interest of the Township and the inhabitants thereof to submit such a written request to the Local Finance Board to allow the use of a non-conforming debt service schedule in connection with the issuance of the USDA Bond.

NOW THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF DOWNE as follows:

Section 1. The use of a non-conforming debt service schedule in connection with the issuance of the USDA Bond pursuant to N.J.S.A. 40A:2-26(e) is hereby approved by the Township Committee. The application to the Local Finance Board setting forth the requested non-conforming debt service schedule

is hereby approved and the Township's Bond Counsel and Auditor, along with other representatives of the Township, are hereby authorized to prepare such application and to represent the Township in matters pertaining thereto.

Section 2. The Clerk of the Township is hereby directed to prepare and file a copy of this Resolution with the Local Finance Board as part of such application.

Section 3. The Local Finance Board is hereby respectfully requested to consider such application and to record its findings, recommendations and/or approvals as provided by the applicable New Jersey Statute.

Section 4. **THIS RESOLUTION** was adopted by the Township Committee of the Township of Downe on December 9, 2019.

ATTEST:


Nadine E. Lockley, Municipal Clerk


Robert Campbell, Mayor

C E R T I F I C A T I O N

I, **NADINE E. LOCKLEY, RMC, CMR**, Municipal Clerk of the Township of Downe, County of Cumberland, State of New Jersey do hereby certify the foregoing to be a true and accurate copy of the Resolution adopted by the Downe Township Committee of the Township of Downe, County of Cumberland, State of New Jersey, at the Regular Meeting held on December 9, 2019 at 7:00 pm at the Municipal Complex.

NADINE E. LOCKLEY, RMC, CMR
Municipal Clerk