

CITY OF WOODBURY, NEW JERSEY

RESOLUTION 17-87

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODBURY, COUNTY OF GLOUCESTER, NEW JERSEY AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$14,800,000 OF GENERAL OBLIGATION BONDS, SERIES 2017, OF THE CITY OF WOODBURY; MAKING CERTAIN COVENANTS TO MAINTAIN THE EXEMPTION OF THE INTEREST ON SAID BONDS FROM FEDERAL INCOME TAXATION; AND AUTHORIZING SUCH FURTHER ACTIONS AND MAKING SUCH DETERMINATIONS AS MAY BE NECESSARY OR APPROPRIATE TO EFFECTUATE THE ISSUANCE AND SALE OF THE BONDS

BACKGROUND

WHEREAS, pursuant to the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"), the City Council of the City of Woodbury, County of Gloucester, New Jersey ("City"), has, pursuant to bond ordinances 2181-13; 2194-13; 2203-14, 2125-10, 2146-11, as amended by 2169-12; 2163-12, as amended by 2188-13; 2228-15; 2233-15; 2249-16; 2101-09; 2130-11; 2164-12, as amended by 2172-12; 2182-13; 2204-14; 1917-01; 2222-14; 2229-15 and 2248-16, each duly and finally adopted and published in accordance with the requirements of the Local Bond Law (collectively, the "Bond Ordinances"), authorized the issuance of general obligation bonds or bond anticipation notes of the City to finance the costs of certain capital improvements, as set forth in and authorized by the Bond Ordinances, all as more particularly described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, on December 14, 2016, the City issued its bond anticipation notes of 2016, Series A, in the principal amount of \$12,800,000 ("Prior Notes"), to temporarily finance a portion

of the costs of the improvements authorized by bond ordinances 2181-13; 2194-13; 2203-14; 2125-10; 2146-11, as amended by 2169-12; 2163-12, as amended by 2188-13; 2228-15; 2233-15; 2249-16; 2130-11; 2164-12, as amended by 2172-12; 2182-13; 2204-14; 1917-01; 2222-14; 2229-15; and 2248-16 ("Prior Improvements"); and

WHEREAS, the Prior Notes mature on June 30, 2017; and

WHEREAS, the City has not yet issued any obligations to finance the costs of certain improvements authorized by bond ordinances 2101-09 and 2248-16 ("New Improvements"); and

WHEREAS, it is the desire of the City to issue its general obligation bonds in the aggregate principal amount of up to \$14,800,000, as further described in Exhibit "A", the proceeds of which, together with other available funds, will be used to: (i) repay the principal of the Prior Notes at maturity; (ii) permanently finance the costs of the New Improvements for which obligations have been authorized, but not issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the bonds (collectively, the "Project"); and

WHEREAS, pursuant to the Local Bond Law and the Bond Ordinances, it is the intent of the City Council hereby to authorize, approve and direct the issuance and sale of such bonds, to ratify and confirm certain actions heretofore taken by or on behalf of the City, and to make certain related determinations and authorizations in connection with such issuance and sale.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODBURY, COUNTY OF GLOUCESTER, NEW JERSEY, PURSUANT TO THE LOCAL BOND LAW, AS FOLLOWS:

Section 1. Pursuant to the Local Bond Law and the Bond Ordinances, the issuance and sale of general obligation bonds of the City, to be designated substantially "City of Woodbury, County of Gloucester, New Jersey, General Obligation Bonds, Series 2017" ("Bonds"), in an aggregate principal amount of up to \$14,800,000 for the Project, is hereby authorized and approved. The Bonds consist of: (i) \$10,335,000 General Improvement Bonds; and (iii) \$4,465,000 Water and Sewer Utility Bonds.

Section 2. The Bonds shall be dated their date of delivery and shall mature on May 1 in the years and amounts set forth below:

<u>Year</u>	<u>General Improvement</u>	<u>Water & Sewer Utility</u>	<u>Combined</u>	<u>Year</u>	<u>General Improvement</u>	<u>Water & Sewer Utility</u>	<u>Combined</u>
2018	\$370,000	\$150,000	\$520,000	2028	\$735,000	\$220,000	\$955,000
2019	465,000	170,000	635,000	2029	735,000	230,000	965,000
2020	475,000	175,000	650,000	2030	735,000	235,000	970,000
2021	460,000	180,000	640,000	2031	735,000	245,000	980,000
2022	500,000	185,000	685,000	2032	700,000	255,000	955,000
2023	490,000	190,000	680,000	2033	735,000	260,000	995,000
2024	505,000	195,000	700,000	2034	735,000	275,000	1,010,000
2025	490,000	200,000	690,000	2035		285,000	285,000
2026	735,000	210,000	945,000	2036		295,000	295,000
2027	735,000	215,000	950,000	2037		295,000	295,000

Interest on the Bonds shall be payable initially on May 1, 2018 and semiannually thereafter on November 1 and May 1 in each year until maturity or earlier redemption.

The term of the Bonds is equal to or less than the average period of usefulness of the Improvements. The Chief Financial Officer is hereby authorized to revise the principal amounts and/or principal and interest payment dates set forth in the maturity schedules above in accordance with the Local Bond Law.

Section 3. The Bonds shall be general obligations of the City. The full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on the

Bonds and, to the extent payment is not otherwise provided, the City shall levy ad valorem taxes on all taxable real property without limitation as to rate or amount for the payment thereof.

Section 4. The Bonds maturing on and after May 1, 2028, are subject to redemption prior to their stated maturity dates at the option of the City, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the City shall determine and within any such maturity by lot) on any date on and after May 1, 2027, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date.

Notwithstanding the foregoing, the Chief Financial Officer is hereby authorized to determine whether the Bonds shall be subject to redemption and/or to revise the dates upon which the Bonds shall be subject to redemption, all in accordance with the Local Bond Law.

Section 5. Notice of redemption with respect to the Bonds shall be given by mailing first class mail in a sealed envelope with postage pre-paid not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the owner of every Bond of which all or a portion is to be redeemed at his or her last address, if any, appearing on the registration books of the City, or its hereinafter designated paying agent, if any. So long as the Bonds are issued in book-entry-only form, all notices of redemption will be sent only to the Securities Depository (hereinafter defined) and not be sent to the beneficial owners of the Bonds. Failure of an owner of the Bonds to receive such notice or of the Securities Depository to advise any participant or any failure of a participant to notify any beneficial owner of the Bonds shall not affect the validity of any proceedings for the redemption of the Bonds. Such notice shall specify: (i) the series and maturity of the Bonds to be redeemed; (ii) the redemption date and the place or places where

amounts that are due and payable upon such redemption will be payable; (iii) if less than all of the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of the Bonds to be redeemed; (iv) in the case of a Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed; (v) that on the redemption date there shall become due and payable with respect to each Bond or portion thereof to be redeemed, the redemption price; and (vi) that from and after the redemption date interest on such Bonds or portion thereof to be redeemed shall cease to accrue and be payable.

Section 6. The Bonds will be issued in fully registered book entry only form. One certificate shall be issued for the aggregate principal amount of Bonds maturing in each year. Both the principal of and interest on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository ("Securities Depository"). The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records recording the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of \$5,000 through book-entries made on the books and the records of DTC and its participants. The principal of and interest on the Bonds will be paid to DTC by the City on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of DTC as listed on the records of DTC as of the fifteenth (15th) day of the month next preceding an interest payment date. The Bonds will be executed on behalf of the City by the manual or facsimile signatures of the Mayor and Chief Financial Officer, attested by the City Clerk or the Deputy City Clerk, and shall bear the affixed, imprinted or reproduced seal of the City thereon.

Section 7. The City is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with DTC, as may be necessary in order to provide that the Bonds will be eligible for deposit with DTC and to satisfy any obligation undertaken in connection therewith.

Section 8. In the event that DTC may determine to discontinue providing its service with respect to the Bonds or is removed by the City and if no successor Securities Depository is appointed, the Bonds which were previously issued in book-entry form shall be converted to Registered Bonds in denominations of \$5,000, or any integral multiple thereof ("Registered Bonds"). The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The City shall be obligated to provide for the execution and delivery of the Registered Bonds in certified form.

Section 9. The preparation of a preliminary official statement ("Preliminary Official Statement") relating to the Bonds, and the distribution of said Preliminary Official Statement to prospective purchasers of the Bonds and others having an interest therein, are hereby authorized and directed. The Mayor, Administrator, Chief Financial Officer and City Clerk are each hereby authorized to deem the Preliminary Official Statement "final", as contemplated by paragraph (b)(1) of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended ("Rule 15c2-12").

Section 10. The appointment of Bowman & Company, LLP, Woodbury, New Jersey ("Printer"), to provide electronic and/or physical dissemination of the Preliminary Official

Statement and Official Statement (hereinafter defined) is hereby authorized, approved, ratified and confirmed. The Chief Financial Officer of the City is hereby authorized and directed to enter into an agreement with Printer for the services to be provided.

Section 11. The Chief Financial Officer is hereby authorized to solicit proposals for, and engage the services of, a qualified institution to serve as paying agent ("Paying Agent") and/or Dissemination Agent ("Dissemination Agent") for the Bonds. The Chief Financial Officer is hereby authorized to execute and deliver an agreement with the Paying Agent and/or Dissemination Agent.

Section 12. Pursuant to the Local Bond Law, the Chief Financial Officer ("Sale Official") is hereby authorized to sell and award the Bonds at a public sale. The sale of the Bonds shall be in accordance with the provisions of the Local Bond Law and the advertised terms of such public sale. If necessary or desirable, the Sale Official is hereby authorized to postpone, from time to time, the date and time established for receipt of bids for the sale of the Bonds in accordance with the Local Bond Law. If any date fixed for receipt of bids and the sale of the Bonds is postponed, the Sale Official is hereby authorized to announce an alternative sale date at least forty-eight (48) hours prior to such alternative sale date. The Sale Official is hereby authorized and directed to cause a summary notice of sale and a notice of sale of the Bonds to be prepared and disseminated in accordance with the Local Bond Law. At the next meeting of the City Council after the sale and award of the Bonds, the Sale Official shall report, in writing, to the City Council the principal amount, the rate or rates of interest, the maturity dates, the dates upon which interest on the Bonds shall be paid, the price and the purchaser or purchasers of the Bonds.

Section 13. The utilization of i-Deal LLC, New York, New York, to provide electronic bidding services to the City in connection with the competitive sale of the Bonds ("Bidding Agent") through the use of the Bidding Agent's BiDCOMP/PARITY auction system, pursuant to the Local Bond Law and the regulations promulgated thereunder, is hereby authorized, approved, ratified and confirmed.

Section 14. The preparation of a final official statement ("Official Statement") with respect to the Bonds is hereby authorized and directed. Within seven (7) business days of the sale of the Bonds and in sufficient time to accompany any confirmation that requests payment from a customer, the City will deliver sufficient copies of the Official Statement to the purchaser of the Bonds in order for the same to comply with Paragraph (b)(4) of Rule 15c2-12. The Mayor, Administrator, Chief Financial Officer and City Clerk are each hereby authorized to execute the Official Statement, and the distribution thereof to purchasers and others is hereby authorized and directed. The execution of the final Official Statement by the Mayor, Administrator, Chief Financial Officer and City Clerk shall constitute conclusive evidence of approval by the City of the changes therein from the Preliminary Official Statement. The Mayor, Administrator, Chief Financial Officer and City Clerk are each hereby authorized to approve any amendments of or supplements to the Official Statement.

Section 15. In order to assist the underwriters of the Bonds in complying with the secondary market disclosure requirements of Rule 15c2-12, the Mayor, Administrator, Chief Financial Officer and City Clerk are each hereby authorized to execute on behalf of the City before the issuance of the Bonds an agreement with the Dissemination Agent, providing for the preparation and filing of the necessary reports in accordance with Rule 15c2-12.

Section 16. The City hereby covenants that it will not make any use of the proceeds of the Bonds or do or suffer any other action that would cause: (i) the Bonds to be "arbitrage bonds" as such term is defined in Section 148(a) of the Internal Revenue Code of 1986, as amended ("Code") and the Income Tax Regulations promulgated thereunder; (ii) the interest on the Bonds to be included in the gross income of the owners thereof for federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code.

Section 17. The City hereby covenants as follows: (i) it shall timely file such information report or reports as may be required by Sections 148(f) and 149(e) of the Code; and (ii) it shall take no action that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 18. To the extent not otherwise exempt, the City hereby covenants that it shall make, or cause to be made, the rebate required by Section 148(f) of the Code in the manner described in Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149(b)-1, 1.149(d)-1, 1.149(g)-1, 1.150-1 and 1.150-2, as such regulations and statutory provisions may be modified insofar as they apply to the Bonds.

Section 19. Application to S&P Global Ratings, acting through Standard & Poor's Financial Services LLC, and/or Moody's Investors Service for a rating of the Bonds, and the furnishing of certain information concerning the City and the Bonds, for the purpose of qualifying the Bonds for municipal bond insurance, are hereby authorized, ratified, confirmed and approved.

Section 20. All actions heretofore taken and documents prepared or executed by or on behalf of the City by the Mayor, Administrator, Chief Financial Officer, City Clerk, other City officials or by the City's professional advisors, in connection with the issuance and sale of the Bonds are hereby ratified, confirmed, approved and adopted.

Section 21. The Mayor, Administrator, Chief Financial Officer and City Clerk are each hereby authorized to determine all matters and execute all documents and instruments in connection with the Bonds not determined or otherwise directed to be executed by the Local Bond Law, the Bond Ordinances, or by this or any subsequent resolution, and the signatures of the Mayor, Administrator, Chief Financial Officer or City Clerk on such documents or instruments shall be conclusive as to such determinations.

Section 22. All other resolutions, or parts thereof, inconsistent herewith are hereby rescinded and repealed to the extent of any such inconsistency.

Section 23. This resolution shall take effect immediately upon adoption this 9th day of May, 2017.

ADOPTED at a regular meeting of the Mayor and City Council of the City of Woodbury on May 9, 2017.

CITY OF WOODBURY

By: 
TRACEY PARKER
President of Council

ATTEST:

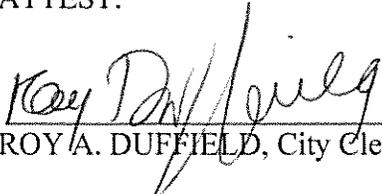

ROY A. DUFFIELD, City Clerk

Exhibit "A"
Bond Ordinances
General Improvement

Ordinance Number	Obligations Authorized	Notes Outstanding	Bonds to be Issued
2181-13	\$446,500	\$346,500	\$346,500
2194-13	522,500	522,500	475,000
2203-14	3,800,000	3,800,000	3,800,000
2125-10	95,000	94,000	94,000
2146-11, as amended by 2169-12	346,750	316,000	190,000
2163-12; as amended by 2188-13	2,123,250	1,898,000	1,898,000
2228-15	1,127,500	1,127,500	1,101,000
2233-15	380,000	380,000	380,000
2249-16	1,650,500	1,650,500	1,650,500
2101-09	2,375,000	0	400,000
TOTAL	\$12,867,000	\$10,135,000	\$10,335,000

Water & Sewer Utility

Ordinance Number	Obligations Authorized	Notes Outstanding	Bonds to be Issued
2130-11	\$3,587,500	\$360,000	\$250,000
2164-12; as amended by 2172-12	600,000	50,000	50,000
2182-13	500,000	500,000	500,000
2204-14	200,000	200,000	200,000
1917-01	2,520,000	565,000	565,000
2222-14	90,000	90,000	0
2229-15	500,000	500,000	500,000
2248-16	2,400,000	400,000	2,400,000
TOTAL	\$10,397,500	\$2,665,000	\$4,465,000