



THE CUMBERLAND COUNTY IMPROVEMENT AUTHORITY

	Yes	No	Abstain	Absent
OLIVIO	X			
LOPEZ				X
KELLY	X			
JONES	X			
NEDOHON				X

Resolution Number: 2020- 072
 Dated: April 6, 2020
 Offered By: Mr. Jones
 Seconded By: Mr, Kelly

BOND RESOLUTION OF THE CUMBERLAND COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$3,550,000 AGGREGATE PRINCIPAL AMOUNT OF THE AUTHORITY'S LEASE REVENUE BONDS (VINELAND BOARD OF EDUCATION PROJECT), SERIES 2020, IN ONE OR MORE SERIES, ON A TAX-EXEMPT BASIS; MAKING CERTAIN DETERMINATIONS AND APPROVALS WITH RESPECT TO SAID BONDS; AND AUTHORIZING CERTAIN ACTIONS

WHEREAS, The Cumberland County Improvement Authority, a public body corporate and politic and a political subdivision of the State of New Jersey ("State"), organized and existing under the Act (as hereinafter defined) and created pursuant to a resolution of the Board of Chosen Freeholders of the County of Cumberland, New Jersey ("County") adopted on December 30, 1980, and any successor to its duties and functions ("Authority"), is authorized by the County Improvement Authorities Law, constituting Chapter 183 of the Laws of 1960 of the State of New Jersey, as amended and supplemented (*N.J.S.A. 40:37A-44 et seq.*) ("Act"), to provide within the County, or any beneficiary county, public facilities for use by the State, the County, or any beneficiary county, or any municipality in any such county, or any two or more or any subdivisions, departments, agencies, or instrumentalities, of any of the foregoing for any of their respective governmental purposes; and

WHEREAS, the Authority is authorized by the Act, specifically *N.J.S.A. 40:37A-78*, to enter into and perform any lease or other agreement with a county, municipality, governmental unit or Person for the lease to or use by such county, municipality, governmental unit or person of all or any part of any public facility or facilities; and

WHEREAS, The Board of Education of the City of Vineland, County of Cumberland, New Jersey ("Board" when referring to the governing body and "School District" when referring to

the legal entity governed by the Board), has determined to undertake a capital project consisting of: (i) the expansion of the School District's bus depot located near the existing bus yard adjacent to Coney Avenue and Landis Avenue at Block 3602, Lot 8 in the City of Vineland, County of Cumberland, New Jersey ("Project Site"), which Project Site is owned and operated by the School District ("Bus Depot Expansion"); and (ii) all other costs and expenses necessary for or related to the development, construction and equipping of the Bus Depot Expansion (collectively, "2020 Construction Project"); and

WHEREAS, the School District has requested assistance from the Authority for purposes of financing: (i) the costs of the 2020 Construction Project; and (ii) the costs of issuance with respect to the proposed financing, all as further set forth in the information submitted to the Authority in connection therewith or as previously discussed among the parties (collectively, the "2020 Project"); and

WHEREAS, the Authority, in recognition of the importance of the 2020 Construction Project, has offered to provide support and assistance to the School District with respect to facilitating the financing of the 2020 Project; and

WHEREAS, in furtherance thereof, the Authority has determined to issue and sell up to \$3,550,000 aggregate principal amount of its Lease Revenue Bonds (Vineland Board of Education Project), Series 2020 or a series of revenue notes in anticipation thereof, (collectively, the "Bonds") to finance certain costs of the 2020 Project; and

WHEREAS, the Authority has applied to the Local Finance Board of the State Department of Community Affairs, Division of Local Government Services ("Local Finance Board"), pursuant to *N.J.S.A. 40A:5A-6*, for positive findings for the undertaking and completion of the 2020 Project and the issuance of the Bonds to finance the costs thereof and has received the requisite positive findings from the Local Finance Board on March 11, 2020; and

WHEREAS, the Board has adopted a resolution authorizing the execution and performance of its obligations under: (i) a lease purchase agreement, by and between the School District, as lessee, and the Authority, as lessor ("Lease Agreement"), pursuant to which the School District will, inter alia, make certain lease payments to the Authority in such amounts and at such times as shall be necessary to pay the debt service on the Bonds ("Lease Payments"); and (ii) a ground lease agreement, by and between the School District, as lessor, and the Authority, as lessee ("Ground Lease"), pursuant to which the School District will lease the Project Site to the Authority; and

WHEREAS, the Authority will offer and sell the Bonds through the placement or public sale thereof with a purchaser, an investment banking firm or investment bank to be selected by the Chairman, Vice Chairman, or President/Chief Executive Officer of the Authority in accordance with the Authority's procurement procedures ("Purchaser") and this Bond Resolution, pursuant to an indenture, bond placement agreement, bond purchase agreement, or other similar document, as applicable (referred to herein as a "Bond Agreement"); and

WHEREAS, to the extent required in connection with the issuance of the Bonds and the Authority's financing of the 2020 Project, the School District will also agree to certain tax

regulations to maintain the tax exempt status of the interest on the Bonds by the execution and delivery of one or more tax certificates ("Non-Arbitrage Certificate") and;

WHEREAS, the Bonds shall be special, limited obligations of the Authority, payable solely from and secured by its interest in the Pledged Property (as such term shall be defined in the Bond Agreement), which shall include, but not be limited to, all amounts payable by the School District as lease payments pursuant to the Lease Agreement (subject to the rights of the Authority reserved therein), all funds held by the Authority, or if necessary a trustee, under the Bond Agreement (except the Rebate Fund) and all income derived from the investment of such funds; and

WHEREAS, pursuant to the Bond Agreement, the Authority will assign (with certain reservations) its rights and benefits under the Lease Agreement to the Purchaser, or if necessary, a trustee, as security for the Bonds; and

WHEREAS, the Authority desires, by adoption of this Bond Resolution, to, *inter alia*: (i) authorize and approve the issuance and sale of the Bonds; (ii) prescribe the limits of the amount, maturity and interest rates on the Bonds; (iii) authorize the execution and delivery of the Bond Agreement; (iv) authorize the execution and delivery of the Lease Agreement and the Ground Lease; (v) delegate to the President/Chief Executive Officer of the Authority the power to determine the time of sale of the Bonds and the final maturity of and interest rate on the Bonds; (vi) approve the forms of the financing documents and other documents and instruments, within the limitations set forth in this Bond Resolution, and (x) make various other determinations and approvals with respect to the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CUMBERLAND COUNTY IMPROVEMENT AUTHORITY AND THE MEMBERS THEREOF, AS FOLLOWS:

Section 1. Authorization for the Bonds. The Authority hereby authorizes the issuance and sale of up to \$3,550,000 aggregate principal amount of the Bonds to be designated substantially, "Lease Revenue Bonds (Vineland Board of Education Project), Series 2020" on revenue notes in anticipation thereof, pursuant to this Bond Resolution, the Act and the Bond Agreement. The Bonds may be issued in one or more series as tax-exempt obligations. Such Bonds shall comply with applicable State and federal statutory and regulatory requirements and shall specifically comply with the provisions of the Internal Revenue Code of 1986, as amended ("Code").

Section 2. Form of Bonds. The Bonds shall be dated, shall bear interest and shall be payable as to principal or redemption price of and interest as provided in the Bond Agreement. The Bonds shall be issued in the form, shall mature, shall be subject to redemption prior to maturity and shall have such other details and provisions as are specified in the Bond Agreement and the Bonds with any changes, insertions or omissions that may be approved by the Chairman, Vice-Chairman or President/Chief Executive Officer of the Authority or any other officer of the Authority who shall have the power to execute contracts pursuant to the By-Laws of the Authority and any resolution adopted thereunder (each an "Authorized Officer" and collectively, the "Authorized Officers"), and all of the terms set forth therein are hereby approved and are incorporated as part of this Bond Resolution with the same effect as if the entire text thereof were set forth herein in full.

Section 3. Execution of Bonds. The Bonds are hereby authorized to be issued and to be sold in accordance with and on the terms and subject to the conditions set forth in the Bond Agreement. The Chairman or Vice-Chairman of the Authority or any other officer of the Authority who shall have power to execute contracts pursuant to the By-Laws of the Authority and any resolution adopted thereunder are hereby authorized to execute (by manual or facsimile signature), acknowledge and deliver the Bonds to the Purchaser, or if necessary, a trustee for authentication, with any changes, insertions and omissions as may be approved by the Chairman or Vice-Chairman of the Authority. The Secretary or Assistant Secretary or any other officer of the Authority who shall have power to do so under the By-Laws of the Authority and any resolution adopted thereunder is hereby authorized to affix the seal of the Authority on the Bonds and attest the same. The execution of the Bonds shall be conclusive evidence of any approval required by this Section 3.

Section 4. No Liability. The Bonds shall be special, limited obligations of the Authority payable solely from the Pledged Property established pursuant to the Bond Agreement, including amounts payable by the School District pursuant to the Lease Agreement and out of other revenues pledged by the School District pursuant to the terms and provisions of the Bond Agreement. Neither the members of the Authority, nor any person executing the Bonds issued pursuant to this Bond Resolution, the Bond Agreement or the Act, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not in any way be a debt or liability of the State, the County or any political subdivision thereof other than the Authority (to the limited extent set forth in the Bond Agreement and the Bonds), either legal, moral or otherwise.

Section 5. Authorization of Execution and Delivery of Transaction Documents. The execution and delivery of: (i) the Bond Agreement; (ii) the Lease Agreement; (iii) the Ground Lease; (iv) the Non-Arbitrage Certificate, if necessary; and (v) any and all other agreements, contracts, documents, certificates or other materials necessary or required in connection with the undertaking and completion of the 2020 Project and the issuance and sale of the Bonds (collectively, the "Transaction Documents") are hereby authorized and approved substantially in the forms generally used in transactions of this type, with any changes, insertions or omissions that may be approved by the Authorized Officers, with the advice of the Authority's Bond Counsel, Solicitor and other professional advisors.

Section 6. Approval of Bond Documents. The Transaction Documents, and any and all other documents required to be executed in connection with the purchase and sale of the Bonds or to further evidence the security interest of the Authority in the 2020 Project or the revenues pledged for the payment of the Bonds (collectively, the "Bond Documents") are hereby approved substantially in the forms generally used in transactions of this type, with any changes, insertions or omissions that may be approved by the Authorized Officers. The Authorized Officers are each hereby authorized to execute, acknowledge and deliver each of the foregoing Bond Documents with any changes, insertions and omissions as may be approved by an Authorized Officer. The Secretary or Assistant Secretary of the Authority or any other officer of the Authority who shall have the power to do so under the By-Laws of the Authority and any resolution adopted thereunder is hereby authorized to affix the seal of the Authority on each of the foregoing Bond Documents and attest the same. The execution and delivery of each of the foregoing Bond Documents shall be conclusive evidence of any approval required by this Section 6.

Section 7. Sale of Bonds. (a) Pursuant to and in accordance with the provisions of *N.J.S.A. 40:37A-60* and the terms of this Bond Resolution and any resolutions amendatory thereof or supplemental thereto, the Chairman, Vice-Chairman and President/Chief Executive Officer of the Authority are each hereby designated as authorized representatives of the Authority, charged by this Bond Resolution with the responsibility for issuing the Bonds and determining, among other things, the aggregate principal amount of the Bonds to be issued (not to exceed \$3,550,000), the time of sale of the Bonds, whether such Bonds shall be sold to the general public by public offering or by way of private placement the maturity or maturities of such Bonds, the provisions pertaining to redemption thereof and/or sinking funds established therefor, the mode and rate or rates of interest for such Bonds (provided that, without further approval, the Bonds shall initially bear a net interest cost not in excess of seven percent (7.00%) per annum in accordance with Section 8 below), and such other terms and conditions as may be necessary or related to the sale of the Bonds to the Purchaser thereof, and each of the Chairman, Vice-Chairman and President/Chief Executive Officer is hereby authorized and directed to execute and deliver, on behalf of the Authority, the Bond Agreement and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Bond Resolution, the Bond Documents, the Transaction Documents and the issuance and sale of the Bonds.

(b) The Authority shall execute and deliver to the Purchaser, or if applicable, the trustee for authentication, the Bonds described in Section 7(a) hereof, signed by its Chairman or Vice Chairman or Secretary, but only upon receipt of the proceeds of said Bonds and of the following:

- (1) A certified copy of this Bond Resolution with respect to the Bonds;
- (2) An executed copy of the Bond Agreement;
- (3) An executed copy of the Lease Agreement;
- (4) An executed copy of the Ground Lease;
- (5) An executed copy of the Non-Arbitrage Certificate;
- (6) An opinion or opinions of counsel to the effect specified in the Bond Agreement;
- (7) The municipal bond insurance policy with respect to the Bonds (if any);
- (8) A closing statement signed by the Chairman, Vice-Chairman or President/Chief Executive Officer of the Authority setting forth: (i) the amount of the proceeds to be received by the Authority from the sale of the Bonds; (ii) the amount to be deposited with the Authority relating to the accrued interest on the Bonds, if any; (iii) the amount to be deposited with the Authority for payment of the costs and expenses of the financing; and (iv) and the balance of such proceeds to be deposited with the Authority to pay for the costs of the 2020 Project ("Closing Statement"); and
- (9) Such other documents, moneys and securities as are required to satisfy the requirements of the Lease Agreement, the Ground Lease or the Bond Agreement.

Section 8. Authorization of Negotiated Sale. The Chairman, Vice Chairman and President/Chief Executive Officer are each hereby authorized to award the Bonds to the Purchaser. Such award shall be evidenced by the execution of the Bond Agreement. The Bond Agreement shall determine the terms and conditions relating to the sale of the Bonds, including the rate or rates of interest to be borne by the Bonds and the Purchaser's fee, which is payable to the Purchaser, in connection with the sale of the Bonds and the maturity schedule for the Bonds shall be substantially the same as the maturity schedule set forth in the Local Finance Board Application, dated February 19, 2020, prepared in connection with the issuance of the Bonds; *provided, however*, that without the further authorization of the Authority, the true interest cost to be borne by the Bonds shall not exceed seven and zero hundredths per centum (7.00%) and the Purchaser's fee for the Bonds shall not exceed \$7.00 per \$1,000 principal amount of such Bonds (inclusive of Purchaser's counsel, if any); *provided, further, however*, that the aggregate true interest cost on the Bonds and the Purchaser's fee for such Bonds may exceed the amounts which are set forth herein if such greater rate of interest (or true interest cost) or such greater Purchaser's fee is approved, and the maturity schedule may be substantially changed if such change is approved, prior to the award and sale of such Bonds, by a resolution duly adopted by the Authority. The Bond Agreement shall contain such other terms and conditions as shall be deemed necessary in connection with the sale of the Bonds.

Section 9. Payment of Costs of Issuance. The President/Chief Executive Officer is hereby authorized to approve payment of the costs of issuance of the Bonds from the proceeds of the Bonds.

Section 10. Appointment of Trustee, Registrar and Paying Agent. The President/Chief Executive Officer may in his discretion, upon the advice and guidance of counsel, to select a trustee, registrar and paying agent for the Bonds to act in accordance with the provisions of the Bond Agreement. If a trustee is selected, the Authority shall deliver the executed Bonds to such trustee for authentication under the Bond Agreement and, when they have been authenticated, to deliver them or cause them to be delivered pursuant to the Bond Agreement to the Purchaser, against receipt of the purchase price, plus any accrued interest due, and to deposit the amounts so received as provided in the Bond Agreement and the closing certificates.

Section 11. Preliminary Offering Document. If necessary or required, the distribution by the Purchaser of one or more Preliminary Official Statements describing the Bonds (each a "Preliminary Official Statement") is hereby authorized and approved. If necessary, or required, any Authorized Officer of the Authority is hereby authorized to "deem final" each Preliminary Official Statement, as contemplated by paragraph (b)(1) of Rule 15(c)2-12 promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Act of 1934, as amended ("Rule 15c2-12").

Section 12. Final Offering Document. If necessary or required, the preparation of one or more final official statements (each an "Official Statement") relating to the Bonds is hereby authorized and directed. If such Official Statement is utilized, within seven (7) business days of the sale of the Bonds, but in no event later than the settlement thereof, the Authority will deliver or cause to be delivered sufficient copies of the Official Statement in final, printed and electronic form to the Purchaser in order for the same to comply with the rules of the Municipal Securities Rulemaking Board ("MSRB") (including, but not limited to, revised MSRB Rule G-32 (effective

June 1, 2009) requiring submissions of official statements to the MSRB through the Electronic Municipal Market Access System (an internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062, dated December 5, 2008, of the Commission), Rule 15c2-12, and other applicable securities laws, rules or regulations. The Chairman, Vice Chairman and President/Chief Executive Officer are each hereby authorized to execute the Official Statement in final form and the distribution thereof to purchasers and others is hereby authorized and directed. The execution of the Official Statement by the Chairman, Vice Chairman or President/Chief Executive Officer shall constitute conclusive evidence of approval by the Authority of the changes therein from the Preliminary Official Statement. The Chairman, Vice Chairman and President/Chief Executive Officer are each hereby authorized to approve any amendments or supplements to the Official Statement.

Section 13. Further Actions.

(a) The Authorized Officers are each hereby authorized, empowered and directed to do all such acts and things and to execute and deliver any and all such documents and instruments and to do and cause to be done any and all acts and things as may be necessary and proper to carry out and comply with the provisions of this Bond Resolution and to carry out the transactions contemplated by this Bond Resolution, the Lease Agreement, the Ground Lease, the Preliminary Official Statement, if applicable, the Official Statement, if applicable, and the Bond Agreement and for the authorization, sale and issuance of the Bonds. The execution by such Authorized Officers of any such documents with such changes, insertions or omissions as shall be approved by the Authority's Chairman, Vice Chairman or President/Chief Executive Officer in consultation with the Authority's Bond Counsel shall be conclusive evidence of the approval of same and no further ratification or other action by the Authority members shall be required with respect thereto.

(b) The Authorized Officers are each hereby authorized to execute the final Official Statement, if necessary, the Bond Documents and any closing documents which are required to be executed in connection with the delivery of the Bonds including, without limitation, a Blanket Letter of Representations to The Depository Trust Company (if the Bonds are to be issued in book-entry-only form). The President/Chief Executive Officer or any other Authorized Officer is hereby authorized to execute a commitment for bond insurance for the Bonds with a bond insurance company, provided that it is determined that the premium for the bond insurance will result in positive economic benefit. Any actions which are not determined by this Bond Resolution or any other resolution of the Authority duly adopted prior to the authentication and delivery of the Bonds shall be determined by the President/Chief Executive Officer of the Authority.

Section 14. Federal Tax Covenants. The Authority hereby covenants that:

(a) it will not make any use of the proceeds of the Bonds issued as tax-exempt obligations, if any, or do or suffer any other action or fail to take any action that would cause: (i) the Bonds issued as tax-exempt obligations, if any, to be "arbitrage bonds" as such term is defined in Section 148 of the Code and the regulations promulgated thereunder; or (ii) the interest on the Bonds issued as tax-exempt obligations, if any, to be included in the gross income of the owners thereof for federal income taxation purposes; and

(b) if and to the extent any of the Bonds are issued as tax-exempt obligations, it shall take no action that would cause such Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 15. Severability. The provisions of this Bond Resolution are hereby declared to be separable. If any Section, phrase or provision shall for any reason be declared to be invalid, such declarations shall not affect the validity of the remainder of the Sections, phrases or provisions.

Section 16. Headings for Convenience Only. The descriptive headings herein are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 17. Governing Law. This Bond Resolution shall be governed exclusively by the provisions hereof and by the applicable laws of the State without reference to conflict of law provisions.

Section 18. Notice of Adoption of Bond Resolution. A copy of this Bond Resolution shall be filed for public inspection in the office of the Authority and in the office of the Clerk of the Board of Chosen Freeholders of the County. The appropriate officials of the Authority are hereby authorized and directed to publish, or cause to be published, in a newspaper published or circulating in the County, a notice stating the fact and date of the adoption of this Bond Resolution and the places where this Bond Resolution has been filed for public inspection, and such further information as is required by the Act (*N.J.S.A. 40:37A-62*).

Section 19. Repeals. All resolutions and parts of resolutions, to the extent the same are inconsistent herewith, are hereby rescinded and repealed.

Section 20. Effective Date. This Bond Resolution shall take effect in accordance with the Act, specifically *N.J.S.A. 40:37A-50(e)*.

The foregoing is a true copy of a resolution adopted by the governing body of THE CUMBERLAND COUNTY IMPROVEMENT AUTHORITY at a meeting thereof duly called and held on April 6, 2020.

ALBERT B. KELLY, Secretary
The Cumberland County Improvement Authority

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