

The regular meeting of the Ewing-Lawrence Sewerage Authority was held on Tuesday, September 20, 2011 at 600 Whitehead Road, Lawrenceville, New Jersey 08648.

Present: Messrs. Colavita, DiFrancesco, Geter and Vereen; Robert Filler, Executive Director and W. Barry Rank, Esquire.

Absent and excused: Mr. Cermele and Mrs. Zamonski.

Also attending: Allan Jacobs of Jacobs Environmental Consulting; David Sopronyi, ELSA Staff Engineer; Manuel Ponte of Arcadis

Mr. Colavita called the meeting to order and Mr. Filler gave the invocation. After the Pledge of Allegiance, Mr. Colavita advised that all requirements of the Local Public Meetings Act have been met. He also advised that any contracts awarded this evening would comply with the requirements of P.L. 1975, c. 127 (N.J.A.C. 17:27).

Res. 92:11. On motion of Mr. DiFrancesco and seconded by Mr. Vereen it was moved that the August 16, 2011 minutes be adopted:

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Colavita, DiFrancesco, Geter and Vereen.

Nays: None.

Absent: Mr. Cermele and Mrs. Zamonski.

Res. 93:11. On motion of Mr. DiFrancesco and seconded by Mr. Geter the August 2011 Flow, Maintenance and Connection Reports were ordered filed.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Colavita, DiFrancesco, Geter and Vereen.

Nays: None.

Absent: Mr. Cermele and Mrs. Zamonski.

Res. 94:11. On motion of Mr. DiFrancesco and seconded by Mr. Geter and unanimously carried, the Schedule of Bills in the total amount of \$1,118,485.22 was accepted.

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Colavita, DiFrancesco, Geter and Vereen.

Nays: None.

Absent: Mr. Cermele and Mrs. Zamonski.

There was no public participation.

Mr. Filler reported that the Regional Sludge Management Committee met on September 13, 2011. The standstill agreement with Planet Fuels expires on November 1, 2011 and they have expressed an interest in extending it.

Mr. Filler reported that he has reviewed the final draft of the Power Purchase Agreement with Omni. The Agreement will be forwarded to Omni for their review.

Res. 95:11. On motion of Mr. DiFrancesco and seconded by Mr. Geter the following resolution was presented for adoption:

SUPPLEMENTAL BOND RESOLUTION OF THE EWING-LAWRENCE SEWERAGE AUTHORITY AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,100,000 PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, AND ANY NOTES ISSUED IN ANTICIPATION THEREOF, TO BE ISSUED THROUGH THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM

WHEREAS, on October 13, 1961, the Ewing-Lawrence Sewerage Authority (the "Authority"), a public body corporate and politic of the State of New Jersey organized pursuant to the sewerage authorities law (N.J.S.A. 40:14A-1 *et seq.*) (the "Act"), adopted a resolution entitled, "Resolution Authorizing and Providing for the Issuance of Sewer Revenue Bonds of the Ewing-Lawrence Sewerage Authority", as amended and supplemented (the "General Bond Resolution" or "Resolution"), providing for the issuance of revenue bonds of the Authority and authorizing the issuance of "Additional Bonds," as such term is herein defined, for the purpose of, among others, raising funds to pay the cost of acquisition or construction of any Project (as defined in the General Bond Resolution), upon the terms and conditions set forth in the General Bond Resolution; and

WHEREAS, in accordance with the provisions of Sections 216 and 217 of the General Bond Resolution, the Authority wishes to authorize a series of Additional Bonds of the Authority, each designated "Sewer Revenue Bonds" and any notes issued in anticipation thereof, (hereinafter referred to as the "Bonds") in the principal amount of not to exceed \$2,100,000 to provide for (1) the Costs (as defined in the Act) associated with (a) construction of a 18" diameter replacement sanitary sewer main for the Scotch Road Extension Relief Sewer between Upper Ferry Road and Carlton Avenue and (b) the purchase of a utility vehicle for televising and inspection of sewer pipes, (2) the payment of costs associated with the issuance of the Bonds pursuant to this 2011 Supplemental Resolution (as hereinafter defined) and (3) the financing of capitalized interest, as necessary; and

WHEREAS, the Bonds shall be of equal rank and priority as any Bonds (as defined in the General Bond Resolution) of the Authority previously issued and any Additional Bonds hereinafter issued by the Authority; and

WHEREAS, the Authority wishes to provide terms and conditions with respect to such Bonds in addition to those which have been previously established under and pursuant to the Resolution and delegate the sale of such Bonds to the Executive Director of the Authority;

NOW THEREFORE, BE IT RESOLVED BY THE EWING-LAWRENCE SEWERAGE AUTHORITY, as follows:

ARTICLE I

General Provisions

Section 101. Short Title. This resolution may hereafter be cited by the Authority and is hereinafter sometimes referred to as the “2011 Supplemental Resolution”.

Section 102. Terms Defined in Resolution. Whenever used or referred to in this 2011 Supplemental Resolution all words and terms which are defined in Section 101 of the resolution of the Authority adopted October 13, 1961 entitled, “Resolution Authorizing and Providing for the Issuance of Sewer Revenue Bonds of the Ewing-Lawrence Sewerage Authority”, as amended and supplemented, shall have the same meanings given to such words and terms, as determined in Section 101 thereof, except to the extent words and terms are defined or shall otherwise be established in Section 103 hereof.

Section 103. Other Definitions. As used or referred to, and unless the context clearly indicates a different meaning or use, in this 2011 Supplemental Resolution:

“2012 Project” means the (1) the Costs (as defined in the Act) associated with (a) construction of a 18" diameter replacement sanitary sewer main for the Scotch Road Extension Relief Sewer between Upper Ferry Road and Carlton Avenue and (b) the purchase of a utility vehicle for televising and inspection of sewer pipes, (2) the payment of costs associated with the issuance of the Bonds pursuant to this 2011 Supplemental Resolution (as hereinafter defined) and (3) the financing of capitalized interest, as necessary;

“2011 Supplemental Resolution” means this supplemental resolution of the Authority adopted September 20, 2011 and entitled "Supplemental Bond Resolution of the Ewing-Lawrence Sewerage Authority Authorizing the Issuance of Not to Exceed \$2,100,000 Principal Amount of Sewer Revenue Bonds, And Any Notes Issued in Anticipation Thereof, to be Issued Through the New Jersey Environmental Infrastructure Trust Financing Program";

“Bonds” means the Authority’s sewer revenue bonds in the principal amount of not to exceed \$2,100,000 and any notes issued in anticipation thereof as authorized under the Resolution;

“Escrow Agreement” means that certain escrow agreement to be entered into by and between the Authority, the Trust, the State and the escrow agent named in such agreement (the “Escrow Agent”), as trustee for the holders of the Bonds being issued pursuant to this 2011 Supplemental Resolution through the Program;

“Financing Documents” means the Trust Loan Agreement, the Fund Loan Agreement and the Escrow Agreement, as defined herein;

“Fund Loan Agreement” means that certain loan agreement to be entered into by and between the Authority and the State, pursuant to the Program;

“Paying Agent” means The Bank of New York Mellon, Woodland Park, New Jersey, as appointed in Section 306 herein;

“Program” means the New Jersey Environmental Infrastructure Trust Financing Program;

“Registrar” means The Bank of New York Mellon, Woodland Park, New Jersey, as appointed in Section 306 herein;

“Resolution” means the general bond resolution of the Authority adopted on October 13, 1961 entitled, “Resolution Authorizing and Providing for the Issuance of Sewer Revenue Bonds of the Ewing-Lawrence Sewerage Authority”, as amended and supplemented by various resolutions, including this 2011 Supplemental Resolution;

“State” means the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection, pursuant to the Program;

“Trust” means the New Jersey Environmental Infrastructure Trust;

“Trust Loan Agreement” means that certain loan agreement to be entered into by and between the Authority and the Trust, pursuant to the Program;

“Trustee” means The Bank of New York Mellon, Woodland Park, New Jersey, as appointed in Section 306 herein;

Words importing persons include firms, associations and corporations; and

Words importing the singular number include the plural number and vice versa.

Section 104. Incorporation of Resolution. This 2011 Supplemental Resolution supplements and amends the General Bond Resolution. The General Bond Resolution is incorporated herein by reference thereto.

Section 105. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this 2011 Supplemental Resolution, on the part of the Authority, the Trust, the State, the Escrow Agent or the Trustee, to be performed should be contrary to law, then such covenant or covenants, agreement or agreements, shall be deemed separable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this 2011 Supplemental Resolution or of any Bond.

(End of Article I)

ARTICLE II

Determinations By and Obligations of the Authority

Section 201. Authority for 2011 Supplemental Resolution. This 2011 Supplemental Resolution is adopted pursuant to the Act and the Resolution and the Authority has ascertained and hereby determines that each and every act, matter, thing or course of conduct as to which provision is made in this 2011 Supplemental Resolution is appropriate in order to carry out and effectuate the purposes of the Authority in accordance with the Act and the Resolution to further secure the payment of the principal or redemption price of and interest on the Bonds.

Section 202. Bonds to Constitute Additional Bonds. The Bonds shall constitute Additional Bonds as such term is defined in the Resolution and shall be issued pursuant to and in accordance with the Resolution.

Section 203. Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of the Resolution shall be deemed to be and shall constitute a contract between the Authority, the Trustee and the holders from time to time of the Bonds; the pledge made in the Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the holders of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to the Resolution.

Section 204. Estimated Cost of 2012 Project. The Authority hereby determines that the aggregate estimated Cost (as defined in the Act) of the 2012 Project shall not exceed \$2,100,000, inclusive of any original issue discount, capitalized interest and all reserves (except for funds required to be deposited in the Reserve Fund (as defined in the Resolution), in an amount equal to Maximum Debt Service (as defined in the Resolution)), and excluding any accrued interest on the Bonds.

(End of Article II)

ARTICLE III

Authorization, Purpose, Execution and Issuance of Bonds

Section 301. Authorization and Purpose of the Bonds. The Bonds of the Authority in the principal amount of not to exceed \$2,100,000 are hereby authorized to be issued pursuant to Sections 216 and 217 of the Resolution, such Bonds to be entitled "Sewer Revenue Bonds, Series 2012", or such other title as the Authority may designate. The Bonds are authorized and will be issued to provide funds for the Cost of the 2012 Project.

Section 302. Description of the Bonds; Delegation of Sale of the Bonds.

(A) Term. The Bonds shall be two (2) in number and issued to the State and the Trust, respectively, with interest rates fixed to maturity, shall be dated the date of issuance, shall bear interest at the rate or rates, and shall mature over a term not exceeding August 1, 2035, shall mature on the 15th day of December but shall be payable on February 1 and August 1 in the years and in the amounts as provided for by the Financing Documents and subparagraph (B) of this Section.

(B) Delegation to Issue Bonds. The Authorized Officer (as hereinafter defined) of the Authority is hereby designated as the individual who shall have the power to sell and to award the Bonds (of the same or different series) on behalf of the Authority, to the State and Trust, respectively, pursuant to the Program, including the power to determine (giving due consideration to the terms and conditions of the preceding paragraph and any applicable rules or restrictions of the Program), among other things (i) the amount of Bonds to be issued, provided such amount does not to exceed \$2,100,000, (ii) the time and the manner of sale of the Bonds and the Escrow Closing (as hereinafter defined) in connection therewith, (iii) the denominations and rate or rates of interest to be borne by the Bonds, and (iv) such other terms and conditions as may be necessary or related to the sale of the Bonds. Such sale, award, terms and conditions of the Bonds issued pursuant to the Program shall be determined and evidenced by the Financing Documents, to be executed by the Authorized Officer on behalf of the Authority, subject to the rules, conditions, maturity schedule and interest rate established by the Program, with respect to the Bond being issued to the Trust, with such interest rate on such Bond being based upon the pass through interest rates received by the Trust in connection with its sale of bonds (plus administrative fees) (the "Trust Loan Bond"), combined with the cash funds received from the State in connection with the Program, with respect to the Bond being issued to the State (the "Fund Loan Bond"). Such sale and award provisions of the Bonds, as set forth herein, may be further evidenced by a certificate of the Authorized Officer (the "Certificate"), executed as of the date of sale and award of the Bonds. The Certificate is hereby deemed to satisfy the requirements of Section 217(A)(3) of the General Bond Resolution. The Financing Documents and the Certificate, to the extent one is required, shall be presented by the Executive Director to the Members of the

Authority at the next regular meeting of the Authority following such sale and award as evidence of the terms and details of the sale of such Bonds.

(C) Execution of the Financing Documents. The Financing Documents are hereby authorized to be executed and delivered in connection with the Program. Such Financing Documents may be executed and delivered on behalf of the Authority by either the Chairman, the Vice Chairman, or the Executive Director (each an “Authorized Officer”), in their respective sole discretion, after consultation with counsel and any advisors to the Authority (collectively, the “Authority Consultants”), and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the “Program Consultants”, together with the Authority Consultants, the “Consultants”) shall determine, with such determination to be conclusively evidenced by the execution of such Financing Documents by an Authorized Officer as determined hereunder. The Secretary or Assistant Secretary of the Authority is hereby authorized to attest to the execution of the Financing Documents by an Authorized Officer of the Authority as determined hereunder, and to affix the corporate seal of the Authority to such Financing Documents.

(D) Escrow Closing. The Authorized Officers of the Authority are hereby authorized to execute the Financing Documents and any additional certificates and opinions as may be required by the Program or Bond Counsel to the Authority, as further described in subsection (F) herein (together, the “Escrowed Documents”) on or before the date when the Authority is scheduled to close the loans in escrow with the Program (the “Escrow Closing”), such Escrowed Documents to be delivered to Bond Counsel to the Authority and held by Bond Counsel to the Authority until such time as an Authorized Officer of the Authority authorizes release of same. Bond Counsel to the Authority is hereby authorized to accept and hold the Escrowed Documents in escrow on or before the Escrow Closing and to release same from escrow and deliver same upon direction of an Authorized Officer of the Authority.

(E) Form of Bonds. The Bonds shall be in substantially the form described and contained in the General Bond Resolution, with such changes as may be required by the Financing Documents.

(F) Further Authorizations. The Authorized Officers of the Authority are hereby further severally authorized to (i) execute and deliver, and the Secretary or Assistant Secretary of the Authority is hereby further authorized to attest to such execution and to affix the corporate seal of the Authority to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers, the Secretary or Assistant Secretary of the Authority, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other

actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution thereof.

Section 303. Issuance of the Bonds and Application of Proceeds of Sale. The Bonds authorized by Section 301 herein, are hereby directed to be executed by or on behalf of the Authority by its Authorized Officer and delivered to the State and the Trust, respectively. All of the proceeds of sale of the Bonds, including accrued interest (if any) received upon delivery thereof, shall, simultaneously with the issuance of the Bonds, be paid and applied by the Authority in accordance with the Resolution and the Financing Documents and as provided in an Order of the Authority executed by the Chairman or the Executive Director of the Authority consistent with the General Bond Resolution and the Financing Documents.

Section 304. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or the interest on the Bonds or for any claim based thereon or on this 2011 Supplemental Resolution or the General Bond Resolution against any member or other officer of the Authority or any person executing the Bonds. The Bonds are not and shall not be in any way a debt or liability of the State of New Jersey or of any county or municipality and do not and shall not create or constitute any indebtedness, liability or obligation of said State or of any county or municipality, either legal, moral or otherwise.

Section 305. Execution of Bonds. The Chairman and/or the Executive Director of the Authority is hereby authorized to execute by the manual or facsimile signature the Bonds in the name and on behalf of the Authority attested by the manual or facsimile signature of its Secretary.

Section 306. Appointment of Trustee, Paying Agent and Registrar. In accordance with the provisions of Article IX of the Resolution, The Bank of New York Mellon, Woodland Park, New Jersey (the "Bank") is hereby appointed Trustee (the "Trustee"), Paying Agent (the "Paying Agent"), and Registrar (the "Registrar") for the Bonds. The Bank shall accept and shall carry out its duties and obligations as Trustee, Paying Agent and Registrar as provided in and as required by the terms of the Resolution.

(End of Article III)

ARTICLE IV

Miscellaneous

Section 401. Covenant of Authority as to Compliance with Federal Tax Matters. The Authority hereby covenants that it will take all actions within its control that are necessary to assure that interest on the Bonds is excludable from gross income under the Internal Revenue Code of 1986, as amended (the "Code") and the Authority will refrain from taking any action that would adversely affect the exclusion of interest on the Bonds from gross income under the provisions of the Code.

Section 402. Effective Date. This resolution shall take effect immediately.

(End of Article IV)

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Colavita, DiFrancesco, Geter and Vereen.

Nays: None.

Absent: Mr. Cermele and Mrs. Zamonski.

Mr. Jacobs reported that he has reviewed the application submitted by the Quaker Bridge Mall for a 301 seat Cheesecake Factory. Mr. Jacobs recommended granting preliminary approval subject to the comments in his letter dated September 29, 2011.

Res. 96:11. On motion of Mr. DiFrancesco and seconded by Mr. Vereen the following resolution was presented for adoption:

WHEREAS, QUAKERBRIDGE MALL proposes construction of a 301 seat Cheesecake Factory restaurant on Route 1 in Lawrence Township; and

WHEREAS, the EWING-LAWRENCE SEWERAGE AUTHORITY (the "Authority") considered the application of the Developer to connect its proposed facility to the Authority's sewerage system;

NOW, THEREFORE BE IT RESOLVED that the proposed connection for the Developer's proposed Development to the Authority's sewerage system is approved, subject to the following conditions:

1. The connection to the Authority's sewerage system is subject to a determination by the Authority and any responsible regulatory agency (e.g., the United States Environmental Protection Agency and the New Jersey Department of Environmental Protection) at the time of connection that there is adequate capacity in such system to serve the Developer's proposed Development.

2. In the event that the Authority is unable to serve the Developer's proposed development at the time of connection because of inadequate capacity or for any other reason, the Developer shall have no right of action or recourse against the Authority.

3. The Developer, at its own cost, shall provide "as-built" plans for the sewerage system in a manner acceptable to the Authority's Engineer prior to the issuance of a Certificate of Occupancy by the Township.

4. The Developer, at its own cost, shall provide all necessary easements to the Authority upon the request of the Authority.

5. The Developer shall revise its utility plans in accordance with such recommendations as the Authority's Engineer shall specify.

6. The Executive Director is hereby authorized to execute all forms necessary to obtain a NJDEP Permit.

7. The Authority hereby endorses this project and further certifies that said project meets the 201 Agency requirements and expects to continue to meet the NJPDES Permit requirements.

8. This preliminary approval granted pursuant to this Resolution shall expire ninety (90) days from the date hereof.

9. The Developer shall pay the appropriate connection and inspection fees.

10. The sewers shall conform to the Authority's Rules and Regulations.

11. This approval is subject to acceptance of the comments and conditions outlined in Jacobs Environmental Consulting's letter dated September 19, 2011

The above resolution was adopted on the following roll call vote:

Ayes: Messrs. Colavita, DiFrancesco, Geter and Vereen.

Nays: None.

Absent: Mr. Cermele and Mrs. Zamonski.

Mr. Rank reported that he has requested the maximum gallonage that will be required by the Hamptons.

Res. 97:11. On motion of Mr. DiFrancesco and seconded by Mr. Vereen and unanimously carried, the meeting was adjourned at 12:35 P.M.

Anne Zamonski, Secretary