

RESOLUTION #2026-24

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$14,900,000 TOWNSHIP SERVICE CONTRACT SUBORDINATE BONDS OF THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S PHASE III SEWER AND WATER MAINS PROJECTS

WHEREAS, The Little Egg Harbor Municipal Utilities Authority (the "Authority"), a public body corporate and politic of the State of New Jersey (the "State") located in the Township of Little Egg Harbor in the County of Ocean (the "Township"), has determined that there exists a need to acquire, construct, renovate, install or refinance certain Projects (each, a "Project" and, collectively, the "Projects"), as described herein and as shall be further defined each of those certain Loan Agreements (each, an "I-Bank Loan Agreement" and collectively, the "I-Bank Loan Agreements") to be entered into by and between the Authority and the New Jersey Infrastructure Bank (the "I-Bank") and each of those certain Loan Agreements (each, a "Fund Loan Agreement" and collectively, the "Fund Loan Agreements" and, together with the I-Bank Loan Agreements, the "Loan Agreements") to be entered into by and between the Authority and the State acting by and through the New Jersey Department of Environmental Protection all pursuant to the New Jersey Water Bank Financing Program (the "Program"); and

WHEREAS, the Authority has determined to finance or refinance the acquisition, construction, renovation or installation of the Projects with the proceeds of loans to be made by each of the I-Bank (each an "I-Bank Loan" and collectively, the "I-Bank Loans") and the State (each, a "Fund Loan" and collectively, the "Fund Loans", and, together with the I-Bank Loans, the "Loans") pursuant to the I-Bank Loan Agreements and the Fund Loan Agreements, respectively; and

WHEREAS, to evidence the Loans, each of the I-Bank and the State require the Authority to authorize, execute, attest and deliver the Authority's Township Service Contract Subordinate Bonds to the State (each, a "State Loan Bond" and collectively, the "State Loan Bonds") and Township Service Contract Subordinate Bonds to the I-Bank (each an "I-Bank Loan Bond" and collectively, the "I-Bank Loan Bonds", and, together with the State Loan Bonds, the "Authority Subordinate Bonds") pursuant to the terms of the Municipal and County Utilities Authorities Law of the State, constituting Chapter 14B of Title 40 of the Revised Statutes of the State (the "Utilities Authorities Law"), other applicable law and the Loan Agreements; and

WHEREAS, the I-Bank and the State have expressed their desire to close in escrow the making of one or more of the Loans, the issuance of one or more of the Authority Subordinate Bonds and the execution and delivery of one or more of the Loan Agreements, all pursuant to the terms of certain Escrow Agreements (each, an "Escrow Agreement" and collectively, the "Escrow Agreements") to be entered into by and among the I-Bank, the State, the escrow agent or agents named therein and the Authority; and

WHEREAS, N.J.S.A. Section 40:14B-27 of the Utilities Authorities Law allows for the sale of the I-Bank Loan Bonds and the Fund Loan Bonds to the I-Bank and the State, respectively, without any public offering, and N.J.S.A. Section 58:11B-9(a) allows for the sale of the I-Bank Loan Bonds to the I-Bank without any public offering, all under the terms and conditions set forth in the following resolution; and

WHEREAS, the Authority has heretofore issued revenue bonds pursuant to a resolution of the Authority adopted on June 17, 1977, entitled: "Resolution Authorizing the Issuance of Revenue Bonds of The Little Egg Harbor Municipal Utilities Authority", as amended and supplemented (the "General Bond Resolution"), whereunder, all the Revenues of the Authority's Sewerage System and Water System, as defined and provided for therein, have been pledged to the payment of the principal of, redemption price, if any, and interest on any revenue bonds heretofore or hereafter issued by the Authority under the General Bond Resolution (the "Revenue Bonds"), to the extent and in the manner provided in the General Bond Resolution; and

WHEREAS, the provisions of Section 615 of the General Bond Resolution authorize the Authority to issue subordinate bonds payable out of or secured by amounts which may be withdrawn from the General Fund created and established by the General Bond Resolution, all in accordance with and upon the terms and conditions set forth in the General Bond Resolution and, in particular, Section 511(2) thereof; and

WHEREAS, bonds, notes or other evidences of indebtedness of the Authority at any time outstanding may be designated by the Authority as entitled to receive the benefits of the Service Contract (as defined in the General Bond Resolution); and

WHEREAS, the Authority is desirous that the Authority Subordinate Bonds be entitled to the benefits of the Service Contract; and

WHEREAS, Section 202 of the Service Contract provides that certain conditions may need to be satisfied prior to the Authority constructing any extension of a water main or a sewer main as an extension of the System (as defined in the Service Contract); and

WHEREAS, the Projects (as defined herein and as described in Section 1 hereof) are not an extension of the System (as defined in the Service Contract); and

WHEREAS, the Authority is desirous of authorizing the issuance of the Authority Subordinate Bonds as subordinate bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY, and the members or commissioners thereof, AS FOLLOWS:

Section 1. Determination to Undertake the Projects. The Authority does hereby determine to undertake the Projects which shall consist of:

- (a) sewer main replacement on North and South Binnacle Drive, Staysail Drive, North and South Commodore Drive, North and South Forecastle Drive, South Longboat Drive, Ship Drive, Playhouse Drive, North and South Captains Drive, Tiller Court and Spar Drive in the Township, as said project is more particularly described in the application filed with

the I-Bank and identified by the I-Bank as project number S340579-07 and project name "Little Egg Harbor Sewer Main Replacement Phase III" (the "Phase III Sewer Main Project"), together with all necessary and incidental equipment, apparatus, structures and appurtenances and including all real property or rights-of-way, easements and other interests therein and all personal property necessary or desirable for the efficient construction and operation of the Phase III Sewer Main Project, all as shown on and in accordance with the plans and specifications therefor on file or to be filed in the office of the Authority and with the State, as such plans and specifications may be amended or modified from time to time; and

- (b) water main replacement on North and South Binnacle Drive, Staysail Drive, North and South Commodore Drive, North and South Forecastle Drive, South Longboat Drive, Ship Drive, Playhouse Drive, North and South Captains Drive, Tiller Court and Spar Drive in the Township, as said project is more particularly described in the application filed with the I-Bank and identified by the I-Bank as project number 1516001-008 and project name "Little Egg Harbor Water Improvements Phase III" (the "Phase III Water Main Project"), together with all necessary and incidental equipment, apparatus, structures and appurtenances and including all real property or rights-of-way, easements and other interests therein and all personal property necessary or desirable for the efficient construction and operation of the Phase III Water Main Project, all as shown on and in accordance with the plans and specifications therefor on file or to be filed in the office of the Authority and with the State, as such plans and specifications may be amended or modified from time to time.

Section 2. Estimated Cost of the Projects. The estimated maximum costs of the Projects, as defined in the Utilities Authorities Law, are \$14,900,000, consisting of:

- (a) An estimated maximum cost of \$7,700,000 for the Phase III Sewer Main Project; and
- (b) An estimated maximum cost of \$7,200,000 for the Phase III Water Main Project.

Section 3. Authorization of Authority Subordinate Bonds. In accordance with Section 25 of the Utilities Authorities Law and subject to and pursuant to the provisions of this resolution, bonds of the Authority (herein referred to as the Authority Subordinate Bonds) are hereby authorized to be issued in the principal amount not to exceed \$14,900,000 for the purpose of raising funds to pay the costs of the Projects, including the funding of any required or desirable reserves, capitalized interest and costs of issuance.

Section 4. Payment of Authority Subordinate Bonds. The Authority does hereby determine that the Authority Subordinate Bonds shall be and constitute subordinate bonds and shall be payable from amounts in the General Fund established and created by the General Bond Resolution in the manner and upon the terms and conditions set forth in the General Bond Resolution and this resolution.

Section 5. Applicability of Service Contract. The Authority Subordinate Bonds shall be issued by the Authority fully within the coverage of the Service Contract (as defined in the General Bond Resolution).

Section 6. Award of Authority Subordinate Bonds. In accordance with N.J.S.A. §40:14B-27 of the Utilities Authorities Law and N.J.S.A. §58:11B-9(a), the Authority hereby sells and awards its (a) I-Bank Loan Bonds to the I-Bank in accordance with the provisions of this resolution and (b) Fund Loan Bonds to the State in accordance with the provisions of this resolution.

Section 7. Basic Terms of Authority Subordinate Bonds; Delegation of Power to Make Certain Determinations. The chair or vice chair of the Authority (the "Chair") and the Executive Director of the Authority are each hereby authorized to determine, in accordance with the Utilities Authorities Law and pursuant to the terms and conditions established by the I-Bank and the State under the Loan Agreements and the terms and conditions of this resolution, the following items with respect to the I-Bank Loan Bonds and the Fund Loan Bonds:

- (a) The aggregate principal amount of the I-Bank Loan Bonds to be issued and the aggregate principal amount of the Fund Loan Bonds to be issued, which amounts in the aggregate shall not exceed \$14,900,000;
- (b) The maturity or maturities and annual or semi-annual principal installments of the Authority Subordinate Bonds, which maturity or maturities shall not exceed thirty (30) years;
- (c) The date or dates of the Authority Subordinate Bonds;
- (d) The interest rates of the Authority Subordinate Bonds, provided that the effective cost of the I-Bank Loan Bonds of each series shall be as established by the I-Bank in accordance with the Program and that the interest rate on the Fund Loan Bonds of each series is zero per centum (0%);
- (e) The purchase price for the Authority Subordinate Bonds;
- (f) The terms and conditions under which the Authority Subordinate Bonds shall be subject to redemption prior to their stated maturities; and
- (g) Such other matters with respect to the Authority Subordinate Bonds as may be necessary, desirable or convenient in connection with the sale, issuance and delivery thereof, including issuing each Authority Subordinate Bond in the form of multiple subordinate bonds from time to time or upon initial issuance if the Projects are funded in more than one installment by the Program or if the Subordinate Bonds are issued under more than 1 category (such as with or without loan forgiveness or under the Authority's NANO program or other category) within the Program.

Section 8. Determinations Conclusive. Any determination made by the Chair or the Executive Director pursuant to the terms of this resolution shall be conclusively evidenced by the execution and attestation of the Authority Subordinate Bonds by the parties authorized under Section 9(c) of this resolution.

Section 9. Further Terms of Authority Subordinate Bonds. The Authority hereby determines that certain terms of the Authority Subordinate Bonds shall be as follows:

- (a) Each Fund Loan Bond shall be issued in a single denomination and shall be numbered as determined by the Chair or the Executive Director. Each I-Bank Loan Bond shall be issued in a single denomination and shall be numbered as determined by the Chair or the Executive Director;
- (b) The Authority Subordinate Bonds shall be issued in fully registered form and shall be payable to the registered owners thereof as to both principal and interest in lawful money of the United States of America;
- (c) The Authority Subordinate Bonds shall be executed by the manual or facsimile signature of the Chair or the Executive Director, and the Secretary or the Assistant Secretary of the Authority (the "Secretary"), by manual signature, shall attest to the execution of the Authority Subordinate Bonds and shall affix, imprint, engrave or reproduce thereon the corporate seal of the Authority; and
- (d) In order to distinguish the Authority Subordinate Bonds from other bonds of the Authority, the Authority Subordinate Bonds shall have such letters and/or numbers incorporated in their titles as shall be determined by the Chair or the Executive Director.

Section 10. Forms of Authority Subordinate Bonds. The Fund Loan Bonds and the I-Bank Loan Bonds shall be substantially in the forms set forth in Exhibit A and Exhibit B hereto, respectively, with such changes, insertions and omissions as may be approved by the Chair or the Executive Director, such approval to be evidenced by the signature of the Chair or the Executive Director on the Authority Subordinate Bonds.

Section 11. Authorized Parties. The law firm of DeCotiis FitzPatrick, Cole & Giblin, LLP, bond counsel to the Authority, is hereby authorized to arrange for the printing of the Authority Subordinate Bonds, which law firm may authorize McCarter & English, LLP, bond counsel to the I-Bank and the State for the Program, to arrange for same. The Authority auditor and financial advisor are hereby authorized to prepare the financial information, if any, necessary in connection with the issuance of the Authority Subordinate Bonds. The Chair, the Treasurer, the Executive Director and the Secretary are hereby severally authorized to execute any certificates necessary or desirable in connection with the financial and other information.

Section 12. Report to the Authority. Each of the Chair and the Executive Director (collectively, the "Authorized Authority Officers") are hereby directed to report in writing to the Authority at the meeting of the Authority next following the closing with respect to the Authority Subordinate Bonds as to the terms of the Authority Subordinate Bonds authorized to be determined by the Authorized Authority Officers pursuant to and in accordance with the provisions of this resolution.

Section 13. Delivery of Authority Subordinate Bonds. Each Authorized Authority Officer and the Secretary is hereby authorized to execute any certificate or document necessary or desirable in connection with the sale of the Authority Subordinate Bonds and is hereby further authorized to deliver same to the I-Bank and the State upon delivery of the Authority Subordinate Bonds and the receipt of payment therefor in accordance with the Loan Agreements.

Section 14. Execution of Agreements. Each I-Bank Loan Agreement, Fund Loan Agreement and Escrow Agreement (collectively, the "Financing Documents") are hereby authorized to be manually executed and delivered on behalf of the Authority by the Chair or the Executive Director in substantially the forms required and traditionally used by the I-Bank and the State (which forms are available from the I-Bank and the State), with such changes as the Chair or the Executive Director, in his or her sole discretion, after consultation with counsel, bond counsel and any other advisors to the Authority (the "Authority Consultants") and after further consultation with the I-Bank, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants" and, together with the Authority Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of each such Financing Document by the Chair or the Executive Director. The Secretary is hereby authorized, if necessary, to attest by manual signature to the execution of the Financing Documents by the Chair or the Executive Director and to affix, imprint, engrave or reproduce the corporate seal of the Authority to such Financing Documents.

Section 15. Authorized Actions. The Authorized Authority Officers are each hereby further severally authorized to (i) manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, 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 Authority Subordinate Bonds and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate and (ii) perform such other actions as the Authorized Authority Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 16. Subordinate Nature of Authority Subordinate Bonds.

- (a) In the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to the Authority or to its property, or in the event of any proceedings for voluntary liquidation, dissolution or other winding up of the Authority, whether or not involving insolvency or bankruptcy, the holders of all Revenue Bonds shall be entitled to receive payment in full of all payments on such Revenue Bonds before the holders of all outstanding Authority Subordinate Bonds are entitled to receive any payment from the Revenues.
- (b) In the event that any of the Authority Subordinate Bonds are declared due and payable before their expressed maturity because of the occurrence of a default (under circumstances when the provisions of (A) above shall not be applicable), the holders of all Revenue Bonds at such time outstanding shall be entitled to receive payment in full of all payments then due on such Revenue Bonds before the holders of such Authority Subordinate Bonds are entitled to receive any accelerated payment from the Revenues of principal or interest upon such Authority Subordinate Bonds.

Any event of default with respect to the Authority Subordinate Bonds shall not in itself create the right to declare an event of default with respect to the Revenue Bonds.

- (c) If any event of default with respect to the Revenue Bonds shall have occurred and be continuing (under circumstances when the provisions of (A) above shall not be applicable), the holders of all Revenue Bonds then outstanding shall be entitled to receive payment in full of all payments on all such Revenue Bonds before the holders of the Authority Subordinate Bonds are entitled to receive any accelerated payment from the Revenues of principal or interest on such Authority Subordinate Bonds.
- (d) No holder of any Revenue Bonds shall be prejudiced in such holder's right to enforce subordination of the Authority Subordinate Bonds by any act or failure to act on the part of the Authority.
- (e) The Subordinate Bonds shall be secured by the pledge of amounts which may be withdrawn from the General Fund pursuant to paragraph (2) of Section 511 of the General Bond Resolution and shall recite on their face that such pledge of said amounts shall in all respects be subordinate to the provisions of the General Bond Resolution and the lien and pledge created by the General Bond Resolution.
- (f) The provisions of (a), (b), (c), (d) and (e) above are solely for the purpose of defining the relative rights of the holders of the Revenue Bonds on the one hand and the holders of the Authority Subordinate Bonds on the other hand, and nothing herein shall impair, as between the Authority and the holders of the Authority Subordinate Bonds, the duty of the Authority, which is unconditional and absolute, to pay to the holders of the Authority Subordinate Bonds, the principal thereon and premium, if any, and interest thereon in accordance with their terms, nor shall anything herein prevent the holders of the Authority Subordinate Bonds from exercising all remedies otherwise permitted by applicable law upon default under the General Bond Resolution, subject to the rights under (a), (b), (c), (d) and (e) above of the holders of the Revenue Bonds to receive cash, property or securities otherwise payable or deliverable to the holders of the Authority Subordinate Bonds.

Section 17. Withdrawals from the General Fund. In accordance with Section 511(2) of the General Bond Resolution and provided that the amounts on deposit in the Bond Service Fund, the Sinking Fund, the Bond Reserve Fund and the Renewal and Replacement Fund (as those terms are defined in the General Bond Resolution) equals or exceeds the amounts specified in subsections (a), (b), (c), and (d) of Section 511(2) of the General Bond Resolution, and the Authority is not in default in the payment of principal or Redemption Price (as defined in the General Bond Resolution) of or interest on any of the Revenue Bonds, the trustee under the General Bond Resolution is hereby authorized and directed to withdraw from the General Fund from time to time amounts necessary to satisfy the debt service payments with respect to the Authority Subordinate Bonds. A certified copy of this resolution shall constitute the "resolution of the Authority" referred to in Section 511(2) of the General Bond Resolution.

Section 18. Covenant to Pay Authority Subordinate Bonds; Rate Covenant in General Bond Resolution to Apply to Authority Subordinate Bonds. The Authority hereby particularly covenants and agrees with the holders of the Authority Subordinate Bonds and makes provisions which shall be a part of its contract with such holders, that the Authority will pay or cause to be paid the principal of every Authority Subordinate Bond and the interest thereon at the date and place and in the manner mentioned in such Authority Subordinate Bond according to the true intent and meaning thereof and will carry out and perform all of the acts and things required of it by the terms of this resolution. Section 611 of the General Bond Resolution is hereby incorporated herein by this reference thereto; provided that for purposes of Section 611(b) of the General Bond Resolution the Authority shall also provide for an additional sum equal to one hundred ten per centum (110%) of the debt service on the Authority Subordinate Bonds for such fiscal year.

Section 19. Resolution Constitutes Contract. In consideration of the purchase and acceptance of the Authority Subordinate Bonds by those who shall hold the same from time to time, the provisions of this resolution shall be deemed to be and shall constitute contracts between the Authority and the holders from time to time of the Authority Subordinate Bonds.

Section 20. No Recourse. No recourse shall be had for the payment of the principal or redemption price, if any, of or the interest on the Authority Subordinate Bonds or for any claim based thereon or on this resolution against any member or other officer of the Authority or any person executing the Authority Subordinate Bonds. The Authority Subordinate Bonds are not and shall not be in any way a debt or liability of the State or of any county or municipality, and do not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

Section 21. Authorization for Resolution. This resolution is adopted by virtue of the Utilities Authorities Law and pursuant to its provisions, and the Authority has ascertained and hereby determines that adoption of this resolution is necessary to carry out the powers, purposes and duties expressly provided in the Utilities Authorities Law and that each and every matter and thing as to which provision is made in this resolution is necessary in order to carry out and effectuate the purposes of the Authority in accordance with the Utilities Authorities Law.

Section 22. Multiple Document Sets. Notwithstanding any other provision of this resolution to the contrary, if in connection with the participation of the Authority in the Program, the State and the I-Bank require that the Authority execute more than one set of documents, the provisions of this resolution shall be deemed to apply to the Authority Subordinate Bonds and the Financing Documents related to each set of documents; provided, however, that in no event may the aggregate principal amount of all Authority Subordinate Bonds issued and delivered pursuant to the provisions of this resolution be in excess of the amount authorized in Section 3 hereof.

Section 23. Construction Financing. In anticipation of the issuance of the Authority Subordinate Bonds, the Authority hereby authorizes: short-term loans to the Authority to be made by the I-Bank pursuant to the Water Bank Construction Financing Program of the I-Bank, the issuance, sale and award to the I-Bank of the Authority's "Note Relating to the Water Bank Construction Financing Loan Program of the New Jersey Infrastructure Bank" (each, a "Construction Financing Program Project Note" and collectively, the "Construction Financing Program Project Notes") pursuant to the I-Bank's Water Bank Construction Financing Program and the delivery of the Construction Financing Program Project Notes to the I-Bank and the performance by the Authority of the terms of the Construction Financing Program Project Notes.

The Construction Financing Program Project Notes shall be substantially in the form provided by the I-Bank from time to time for use by authorities in the I-Bank's Water Bank Construction Financing Program. The execution and delivery of the Construction Financing Program Project Notes shall be in the same manner as herein prescribed with respect to the Authority Subordinate Bonds. An Authorized Authority Officer is hereby authorized to determine, pursuant to the terms and conditions established by the I-Bank and the State under the I-Bank's Water Bank Construction Financing Program and the terms and conditions of this resolution, the following items with respect to each Construction Financing Program Project Note: (a) the principal amount of each Construction Financing Program Project Note to be issued, which amount shall not exceed \$14,900,000 in the aggregate for all outstanding Construction Financing Program Project Notes and all outstanding Authority Subordinate Bonds;; (b) the maturity of each Construction Financing Program Project Note, which shall be no later than the last day of the fifth succeeding State fiscal year following the date of issuance of such Construction Financing Program Project Note; (c) the date of the Construction Financing Program Project Note; (d) the purchase price for the Construction Financing Program Project Note; and (e) such other matters with respect to the Construction Financing Program Project Note as may be necessary, desirable or convenient in connection with the sale, issuance and delivery thereof. The interest rate of the Authority Construction Financing Program Note shall be as established by the I-Bank from time to time. The Authorized Authority Officers are hereby further severally authorized to manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of each Construction Financing Program Project Note and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate.

Section 24. Filing of Resolution. The Executive Director or the Secretary is hereby authorized and directed to cause copies of this resolution to be filed for public inspection in the following places: in the office of the Township Clerk of the Township of Little Egg Harbor, in the County of Ocean, New Jersey, at the Municipal Building in said Township, and in the office of the Authority at 823 Radio Road, in said Township.

Section 25. Publication of Notice. The Executive Director or the Secretary is hereby authorized and directed to publish, after completion of filing of copies of this resolution as directed in the preceding Section, on the Authority's official Internet website, a notice in substantially the form attached as Exhibit C hereto and by this reference incorporated as if set forth in full herein.

Section 26. Capitalized Terms. All capitalized words and terms used but not defined in this resolution shall have the meanings ascribed to such words and terms, respectively, in the preambles to this resolution.

Section 27. Official Intent.

- (a) The Authority reasonably expects to reimburse its expenditure of costs of the Projects paid prior to the issuance of the Authority Subordinate Bonds with proceeds of the Authority Subordinate Bonds.

- (b) This resolution is intended to be and hereby is a declaration of the Authority's official intent to reimburse the expenditure of the costs of the Projects paid prior to the issuance of the Authority Subordinate Bonds with the proceeds of the Authority Subordinate Bonds in accordance with Treasury Regulations § 150-2.
- (c) As set forth in Section 2 hereof, the maximum principal amount of the Authority Subordinate Bonds, including amounts to be used to reimburse the expenditure of the costs of the Projects which are paid prior to the issuance of the Authority Subordinate Bonds, is \$14,900,000 in the aggregate.
- (d) The costs of the Projects to be reimbursed with the proceeds of the Authority Subordinate Bonds will be "capital expenditures" in accordance with the meaning of Section 150 of the Code.
- (e) No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Code. The proceeds of the Authority Subordinate Bonds used to reimburse the Authority for the costs of the Project, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds", including "sinking funds", "pledged funds" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of the Authority Subordinate Bonds or another issue of debt obligations of the Authority, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1).
- (f) All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Authority Subordinate Bonds is paid, or (ii) the date the Project is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 28. Effective Date. This resolution shall take effect immediately.

E X H I B I T A
Form of Fund Loan Bond

THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY
TOWNSHIP SERVICE CONTRACT SUBORDINATE BOND (SERIES 202 __)

No. RA-__
Principal Amount: \$ _____
Dated Date: _____, 202__

THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY (the "Authority"), a public body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey (the "State"), acknowledges itself indebted and for value received hereby promises to pay to the order of the State the principal amount stated above, or such lesser amount as shall be determined in accordance with Section 3.01 of the loan agreement dated as of _____, 202__ by and between the State, acting by and through the New Jersey Department of Environmental Protection and the Authority (the "Loan Agreement"), at the times and in the amounts determined as provided in the Loan Agreement, plus any other amounts due and owing under the Loan Agreement at the times and in the amounts as provided therein. The Borrower irrevocably pledges its full faith and credit for the punctual payment of the principal of, and all other amounts due under, this bond and the Loan Agreement according to their respective terms.

This bond is issued in consideration of the loan made under the Loan Agreement (the "Loan") to evidence the payment obligations of the Authority set forth in the Loan Agreement. Payments under this bond shall, except as otherwise provided in the Loan Agreement, be made directly to the Trustee (as defined in the Loan Agreement) for the account of the State. This bond is subject to assignment or endorsement in accordance with the terms of the Loan Agreement. All of the terms, conditions and provisions of the Loan Agreement are, by this reference thereto, incorporated herein as part of this bond.

Pursuant to the Loan Agreement, disbursements shall be made by the State to the Authority upon the receipt by the State of requisitions from the Authority executed and delivered in accordance with the requirements set forth in Section 3.02 of the Loan Agreement.

This bond is entitled to the benefits and is subject to the conditions of the Loan Agreement. The obligations of the Authority to make the payments required hereunder shall be absolute and unconditional, without any defense or right of setoff, counterclaim or recoupment by reason of any default by the State under the Loan Agreement or under any other agreement between the Authority and the State or out of any indebtedness or liability at any time owing to the Authority by the State or for any other reason.

This bond is subject to optional prepayment under the terms and conditions, and in the amounts, provided in Section 3.07 of the Loan Agreement. To the extent allowed by applicable law and the Subordinate Resolution (as hereinafter defined), this bond may be subject to acceleration under the terms and conditions, and in the amounts, provided in Section 5.03 of the Loan Agreement.

The Authority acknowledges that payments made hereunder may be used by the Trustee referred to above to satisfy loan repayments then due and payable on the Authority's I-Bank Loan (as defined in the Loan Agreement).

This bond is a direct and general obligation of the Authority and is one of the subordinate bonds of the Authority issued or to be issued under and by virtue of the Municipal and County Utilities Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1957, of the State of New Jersey, approved August 22, 1957, and the acts amendatory thereof and supplemental thereto (collectively, the "Act"), and under and pursuant to a resolution of the Authority adopted June 2, 2026 and entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$14,900,000 TOWNSHIP SERVICE CONTRACT SUBORDINATE BONDS OF THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S PHASE III SEWER AND WATER MAINS PROJECTS" (the "Subordinate Resolution").

Pursuant to the Act, the Authority has heretofore authorized and issued and has outstanding revenue bonds (the "Revenue Bonds") pursuant to a resolution of the Authority adopted June 17, 1977, entitled: "Resolution Authorizing the Issuance of Revenue Bonds of The Little Egg Harbor Municipal Utilities Authority", as amended and supplemented (the "General Bond Resolution"), where under, all the Revenues of the Authority, as defined and provided for therein, have been pledged to the payment of the principal of, redemption price, if any, and interest on the Revenue Bonds and any additional bonds hereafter issued under the General Bond Resolution, to the extent and in the manner provided in the General Bond Resolution. **This bond is secured by the pledge of amounts which may be withdrawn from the General Fund pursuant to paragraph (2) of Section 511 of the General Bond Resolution and such pledge of said amounts shall in all respects be subordinate to the provisions of the General Bond Resolution and the lien and pledge created by the General Bond Resolution.** This bond is payable from amounts in the General Fund established and created by the General Bond Resolution in the manner and upon the terms and conditions set forth in the General Bond Resolution and the Subordinate Resolution.

The Act provides that neither the members of the Authority nor any person executing bonds of the Authority shall be liable personally on said bonds by reason of the issuance thereof.

This bond is not and shall not be in any way a debt or liability of the State or of any county or municipality and does not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

To the extent provided by law, this bond is junior and subordinate in all respects to any bonds of the Authority to be issued to the New Jersey Infrastructure Bank, on or prior to the date that is one year after the date hereof, as to lien on, and source and security for payment from, the amounts in the General Fund established and created by the General Bond Resolution in the manner and upon the terms and conditions set forth in the General Bond Resolution and the Subordinate Resolution of the Authority.

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IN WITNESS WHEREOF, THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chairman or Vice Chairman, or its Executive Director, and its corporate seal to be affixed, imprinted or reproduced hereon and attested by the manual signature of its Secretary or Assistant Secretary, all as of the Dated Date hereinabove mentioned.

THE LITTLE EGG HARBOR
MUNICIPAL UTILITIES AUTHORITY

By: *Ken Miller*
Ken Miller, Chairman

(SEAL)

ATTEST:

Marie Skelly
Marie Skelly, Secretary

E X H I B I T B
Form of I-Bank Loan Bond

THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY
TOWNSHIP SERVICE CONTRACT SUBORDINATE BOND (SERIES 202_)

No. RB-1

Principal Amount: \$ _____

Dated Date: _____, 202_

THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY (the "Authority"), a public body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey (the "State"), acknowledges itself indebted and for value received hereby promises to pay to the New Jersey Infrastructure Bank (the "I-Bank") (i) the principal amount stated above, or such lesser amount as shall be determined in accordance with Section 3.01 of the loan agreement dated as of _____ 1, 202_ by and between the I-Bank and the Authority (the "Loan Agreement"), at the times and in the amounts determined as provided in the Loan Agreement, (ii) Interest on the Loan constituting the Interest Portion, the Administrative Fee (as such terms are defined in the Loan Agreement) and any late charges incurred under the Loan Agreement in the amount calculated as provided in the Loan Agreement, payable on the days and in the amounts and as provided in the Loan Agreement, which principal amount and Interest Portion of the Interest on the Loan shall, unless otherwise provided in the Loan Agreement, be payable on the days and in the amounts as also set forth in Exhibit A attached hereto under the column headings respectively entitled "Principal" and "Interest", plus (iii) any other amounts due and owing under the Loan Agreement at the times and in the amounts as provided therein. The Authority irrevocably pledges its full faith and credit for the punctual payment of the principal of and the Interest on this bond and for the punctual payment of all other amounts due under this bond and the Loan Agreement according to their respective terms.

This bond is issued in consideration of the loan made under the Loan Agreement (the "Loan") to evidence the payment obligations of the Authority set forth in the Loan Agreement. This bond has been assigned to _____, as trustee (the "Trustee") under the Indenture of Trust, dated as of _____, 202_, by and between the I-Bank and the Trustee, with respect to the I-Bank's Environmental Infrastructure Bonds, Series 202_-_, as the same may be amended and supplemented in accordance with the terms thereof (the "Bond Indenture"), and payments hereunder shall, except as otherwise provided in the Loan Agreement, be made directly to the Trustee for the account of the I-Bank pursuant to such assignment. Such assignment has been made as security for the payment of the I-Bank Bonds (as defined in the Loan Agreement) issued to finance or refinance the Loan and as otherwise described in the Loan Agreement. This bond is subject to further assignment or endorsement in accordance with the terms of the Bond Indenture and the Loan Agreement.

All of the terms, conditions and provisions of the Loan Agreement are, by this reference thereto, incorporated herein as part of this bond. Pursuant to the Loan Agreement, disbursements shall be made by the Trustee to the Authority, in accordance with written instructions of the I-Bank, upon receipt by the I-Bank and the Trustee of requisitions from the Authority executed and delivered in accordance with the requirements set forth in Section 3.02 of the Loan Agreement.

This bond is entitled to the benefits and is subject to the conditions of the Loan Agreement. The obligations of the Authority to make the payments required hereunder shall be absolute and unconditional without any defense or right of setoff, counterclaim or recoupment by reason of any default by the I-Bank under the Loan Agreement or under any other agreement between the Authority and the I-Bank or out of any indebtedness or liability at any time owing to the Authority by the I-Bank or for any other reason.

This bond is subject to optional prepayment under the terms and conditions, and in the amounts, provided in Section 3.07 of the Loan Agreement. To the extent allowed by applicable law and the Subordinate Resolution (as hereinafter defined), this bond may be subject to acceleration under the terms and conditions, and in the amounts, provided in Section 5.03 of the Loan Agreement.

This bond is a direct and general obligation of the Authority and is one of the subordinate bonds of the Authority issued or to be issued under and by virtue of the Municipal and County Utilities Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1957, of the State of New Jersey, approved August 22, 1957, and the acts amendatory thereof and supplemental thereto (collectively, the "Act"), and under and pursuant to a resolution of the Authority adopted June 2, 2026 and entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$14,900,000 TOWNSHIP SERVICE CONTRACT SUBORDINATE BONDS OF THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S PHASE III SEWER AND WATER MAINS PROJECTS" (the "Subordinate Resolution").

Pursuant to the Act, the Authority has heretofore authorized and issued and has outstanding revenue bonds (the "Revenue Bonds") pursuant to a resolution of the Authority adopted June 17, 1977, entitled: "Resolution Authorizing the Issuance of Revenue Bonds of The Little Egg Harbor Municipal Utilities Authority", as amended and supplemented (the "General Bond Resolution"), where under, all the Revenues of the Authority, as defined and provided for therein, have been pledged to the payment of the principal of, redemption price, if any, and interest on the Revenue Bonds and any additional bonds hereafter issued under the General Bond Resolution, to the extent and in the manner provided in the General Bond Resolution. **This bond is secured by the pledge of amounts which may be withdrawn from the General Fund pursuant to paragraph (2) of Section 511 of the General Bond Resolution and such pledge of said amounts shall in all respects be subordinate to the provisions of the General Bond Resolution and the lien and pledge created by the General Bond Resolution.** This bond is payable from amounts in the General Fund established and created by the General Bond Resolution in the manner and upon the terms and conditions set forth in the General Bond Resolution and the Subordinate Resolution.

The Act provides that neither the members of the Authority nor any person executing bonds of the Authority shall be liable personally on said bonds by reason of the issuance thereof.

This bond is not and shall not be in any way a debt or liability of the State or of any county or municipality and does not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State or the Subordinate Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that this bond, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by said Constitution or statutes.

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IN WITNESS WHEREOF, THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chairman or Vice Chairman, or its Executive Director, and its corporate seal to be affixed, imprinted or reproduced hereon and attested by the manual signature of its Secretary or Assistant Secretary, all as of the Dated Date hereinabove mentioned.

THE LITTLE EGG HARBOR
MUNICIPAL UTILITIES AUTHORITY

By: *Ken Millee*, Chairman

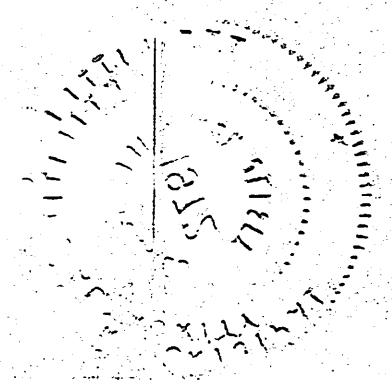


(SEAL)

ATTEST:

Marie Skelly
Marie Skelly, Secretary


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New Jersey Infrastructure Bank (f/k/a the New Jersey Environmental Infrastructure Trust) hereby assigns the foregoing Borrower Bond to _____ (the "Trustee"), as the I-Bank's Trustee under the Indenture of Trust, dated as of _____, 202_, by and between the I-Bank and the Trustee, with respect to the I-Bank's Environmental Infrastructure Bonds, Series 202__-__, as the same may be amended and supplemented in accordance with the terms thereof (the "Bond Indenture"), all as of the date of this Borrower Bond, as security for the I-Bank Bonds issued or to be issued under the Bond Indenture to finance or refinance the Project Fund (as defined in the Bond Indenture)..

NEW JERSEY INFRASTRUCTURE BANK

[SEAL]

By: 
Ken Miller, Chairman
[Vice] Chairman

ATTEST:


Marie Kelly, Secretary
[Assistant] Secretary

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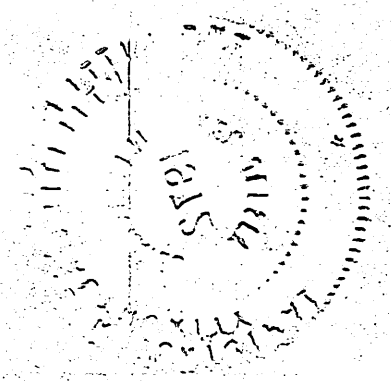


Exhibit C
Notice of Adoption of Bond Resolution
THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY
NOTICE OF ADOPTION OF BOND RESOLUTIONS

PUBLIC NOTICE is hereby given that a resolution entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$14,900,000 TOWNSHIP SERVICE CONTRACT SUBORDINATE BONDS OF THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S PHASE III SEWER AND WATER MAINS PROJECTS" (the "2026 NJIB Phase III Subordinated Bond Resolution") was adopted by The Little Egg Harbor Municipal Utilities Authority (the "Authority") on June 2, 2026. A copy of said resolution has been filed and is available for public inspection in the office of the Township Clerk of the Township of Little Egg Harbor, in the County of Ocean, New Jersey, at the Municipal Building in said Township at 665 Radio Road, and in the office of the Authority at 823 Radio Road, in said Township.

Any action or proceeding of any kind or nature in any court questioning the validity of the creation or establishment of the Authority, or the validity or proper authorization of bonds provided for by the 2026 NJIB Phase III Subordinated Bond Resolution, or the validity of any covenants, agreements or contracts provided for by the 2026 NJIB Phase III Subordinated Bond Resolution, shall be commenced within twenty (20) days after the first publication of this notice, which was first published this __ day of ___, 2026.

THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY

By: Earl Sutton, Jr., Executive Director