

MAYOR AND COUNCIL OF THE BOROUGH OF LAKEHURST
LAKEHURST, NEW JERSEY

SPECIAL MEETING, TUESDAY, FEBRUARY 12, 2013

PLACE: LAKEHURST COMMUNITY CENTER

MUNICIPAL COUNCILMEMBERS:

HARRY ROBBINS, MAYOR
STEVEN OGLESBY, COUNCIL PRESIDENT
ROBIN BUSCH, COUNCILWOMAN
JAMES DAVIS, COUNCILMAN
GARY LOWE, COUNCILMAN
GLENN MCCOMAS, COUNCILMAN
EDWARD SEAMAN, COUNCILMAN

SEAN GERTNER, ESQUIRE, MUNICIPAL ATTORNEY

1. MEETING OPENED AT _____ BY _____.

2. PLEDGE OF ALLEGIANCE AND MOMENT OF SILENT PRAYER.

3. PUBLIC MEETINGS STATEMENT READ BY CLERK DUGAN:

“IN COMPLIANCE WITH N.J.S.A. 10:4, OPEN PUBLIC MEETINGS ACT, NOTICE WAS GIVEN TO TWO NEWSPAPERS, AND POSTED, THAT A SPECIAL MEETING OF THE MAYOR AND COUNCIL IS SCHEDULED FOR THE TWELFTH DAY OF FEBRUARY, 2013, TO BEGIN AT THE HOUR OF 7:00 P.M. AT THE LAKEHURST COMMUNITY CENTER, 207 CENTER STREET, LAKEHURST, NEW JERSEY, AT WHICH TIME, THE BUSINESS OF THE BOROUGH WILL BE CONDUCTED. THE PURPOSE OF THE MEETING WILL BE THE APPROVAL OF A RESOLUTION PROVIDING FOR THE ISSUANCE OF \$2,120,000 GENERAL OBLIGATION BONDS, SERIES 2013, AUTHORIZED IN AND BY THE BOROUGH OF LAKEHURST, IN THE COUNTY OF OCEAN, NEW JERSEY. THIS ITEM HAD BEEN INADVERTANTLY LEFF OFF THE COUNCIL MEETING AGENDA HELD ON FEBRUARY 7, 2013.

4. ROLL CALL:

COUNCILWOMAN BUSCH
COUNCILMAN DAVIS
COUNCILMAN LOWE

COUNCILMAN MCCOMAS
COUNCILMAN OGLESBY
COUNCILMAN SEAMAN

MAYOR HARRY ROBBINS

5. RESOLUTION APPROVING THE ISSUANCE OF \$2,120,000 GENERAL OBLIGATION BONDS, SERIES 2013, AUTHORIZED IN AND BY THE BOROUGH OF LAKEHURST, IN THE COUNTY OF OCEAN, NEW JERSEY.

Motion by: _____ Seconded by: _____

To approve resolution approving the issuance of \$2,120,000 General Obligation Bonds, Series 2013. Roll call vote.

6. PUBLIC COMMENTS:

Time opened: _____

Time closed: _____

7. ADJOURNMENT:

Motion by: _____ Seconded by: _____

To adjourn meeting. Roll call vote. Time: _____

**BOROUGH OF LAKEHURST
COUNTY OF OCEAN**

BOND RESOLUTION NO. 2013-__

RESOLUTION PROVIDING FOR THE ISSUANCE OF \$2,120,000 GENERAL OBLIGATION BONDS, SERIES 2013, AUTHORIZED IN AND BY THE BOROUGH OF LAKEHURST, IN THE COUNTY OF OCEAN, NEW JERSEY

WHEREAS, the Borough of Lakehurst, in the County of Ocean, New Jersey (the "Borough"), adopted the various bond ordinances (collectively, the "Bond Ordinances") listed in Attachment A annexed hereto, authorizing the construction and/or acquisition of general improvements of the Borough and the issuance of in excess of \$2,120,000 bonds pursuant thereto; and

WHEREAS, the Borough has issued various Bond Anticipation Notes pursuant to the Bond Ordinances as set forth in Attachment A and the Borough desires to refund said notes through the issuance of the bonds hereinafter described; and

WHEREAS, the Local Bond Law, constituting Chapter 2 of Title 40A of the Revised Statutes of the State of New Jersey (*N.J.S.A. 40A:2-1 et seq.*), governs the issuance of bonds by the Borough; and

WHEREAS, the Borough has determined it is in the best interests of the Borough to issue bonds pursuant to said authorizations in order to permanently finance the above-described purposes.

NOW THEREFORE, BE IT RESOLVED BY THE BOROUGH COUNCIL OF THE BOROUGH OF LAKEHURST, IN THE COUNTY OF OCEAN, NEW JERSEY, AS FOLLOWS:

Section 1. Authorization for the Bonds and Projects to be Funded. Pursuant to the Local Bond Law and by virtue of the proceedings herein described, the Borough hereby authorizes the sale and issuance of general obligation bonds in an aggregate principal amount of \$2,120,000, as hereinafter set forth. Said bonds shall consist of one (1) series composed of \$2,120,000 General Obligation Bonds, Series 2013 (the "Bonds") issued pursuant to the Bond Ordinances.

Section 2. Details of the Bonds.

(a) The Bonds shall be dated March 1, 2013 or such other date consistent with the Notice of Sale, shall be issued, and shall mature on March 1st of each year in the principal amounts as follows:

Year	General Improvement	Water/Sewer Utility	Aggregate Principal
2014	\$85,000	\$60,000	\$145,000
2015	85,000	60,000	145,000
2016	85,000	65,000	150,000
2017	85,000	65,000	150,000
2018	90,000	65,000	155,000
2019	90,000	65,000	155,000
2020	95,000	65,000	160,000
2021	95,000	70,000	165,000
2022	95,000	70,000	165,000
2023	100,000	75,000	175,000
2024	105,000	75,000	180,000
2025	105,000	80,000	185,000
2026	110,000	80,000	190,000

(b) The Bonds are subject to redemption prior to their stated maturity as set forth in the Notice of Sale included as Attachment C hereto .

(c) The Bonds shall bear interest payable semiannually on March 1 and September 1 in each year until maturity or prior redemption (the "Interest Payment Dates"), or on the next business day if an Interest Payment Date is not a business day,

commencing September 1, 2013.

(d) The Bonds shall be thirteen (13) in number, with one certificate being issued for each maturity, and shall be numbered GO-2013-1 to GO-2013-13, inclusive.

Section 3. Form of the Bonds. (a) The Bonds shall be in substantially the form annexed hereto as Attachment B, subject to such modifications as are approved in the reasonable discretion of the Chief Financial Officer in consultation with Bond Counsel (hereinafter described), and consistent with applicable law.

(b) If any Bond is mutilated, destroyed, lost or stolen and replaced in accordance with the Local Bond Law, including specifically *N.J.S.A. 40A:2-36*, the owner thereof shall be responsible for all costs incurred in connection with the replacement thereof, including legal, printing and other related costs.

(c) At the discretion of the Chief Financial Officer, upon advice of Bond Counsel, the Bonds may have printed thereon a copy of the written opinion with respect to the Bonds (complete except for omission of its date), which is to be rendered by the law firm of McLaughlin Stauffer & Shaklee, PC, Wall, New Jersey, Bond Counsel for the Bonds. The Municipal Clerk is hereby authorized and directed to certify to the correctness of the copies of such opinions by executing, by manual or facsimile signature, a certificate on each of the Bonds, in form satisfactory to said firm, and to file a signed duplicate of such written opinions in said Clerk's office.

(d) The Bonds shall be executed by the manual or facsimile signatures of the Mayor and Chief Financial Officer, under the official seal of the Township affixed, imprinted or reproduced thereon and attested to by the manual signature of the Municipal Clerk or Deputy Clerk.

Section 4. The Depository Trust Company. (a) The Chief Financial Officer is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with The Depository Trust Company, as may be necessary in order to provide that the Bonds will be eligible for deposit with The Depository Trust Company and to satisfy any obligation undertaken in connection herewith.

(b) In the event that The Depository Trust Company may determine to

discontinue providing its service with respect to the Bonds or is removed by the Borough and if no successor Securities Depository is appointed, the Bonds which were previously issued in book-entry form shall be converted to registered bonds in denominations of \$5,000, or any integral multiple thereof except, if necessary, also in the amount of \$1,000. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the registered bonds. The Borough shall be obligated to provide for the execution and delivery of the registered bonds in certified form.

Section 5. Disclosure Undertaking.

(a) Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Borough shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

(i) On or prior to 270 days from the end of the fiscal year, beginning with the fiscal year ending December 31 of the year in which such series of Bonds is issued, to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access Data Port (the "MSRB"), annual financial information with respect to the Borough consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Borough and certain financial information and operating data consisting of (1) the Borough and overlapping indebtedness including a schedule of outstanding debt issued by the Borough, (2) the Borough's most current adopted budget, (3) property valuation information, and (4) tax rate, levy and collection data. The audited financial information will be prepared in accordance with modified cash accounting as mandated by State of New Jersey statutory principles in effect from time to time or with generally accepted accounting principles as modified by governmental accounting

standards as may be required by New Jersey law and shall be filed electronically and accompanied by identifying information with the MSRB;

(ii) in a timely manner not in excess of ten business days after the occurrence of the event, to the MSRB, notice of any of the following events with respect to the Bonds (herein "Material Events"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of holders of the Bonds, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

For purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all

of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(iii) in a timely manner to the MSRB notice of failure of the Borough to provide required annual financial information on or before the date specified in this Resolution.

(b) If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under this Resolution, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

(c) The Chief Financial Officer shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Borough prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this Resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

(d) In the event that the Borough fails to comply with the Rule or the written contracts or undertakings specified in this Resolution, the Borough shall not be liable for monetary damages, remedy being hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 6. Additional Matters. The following additional matters are hereby determined, declared, recited and stated:

(a) The Bonds have not been heretofore sold or issued and the Bond Ordinances described herein have not been rescinded and now remain in full force and effect as authorization for the aggregate principal amount of the Bonds.

(b) The purposes for which the Bonds have been authorized to be

issued are purposes for which bonds may lawfully be issued pursuant to the Local Bond Law.

(c) The average period of usefulness of the Bonds authorized by the Bond Ordinances is 13.81 years and the Bonds shall mature within such period.

Section 7. Tax Matters. The Borough hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the Bonds, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds, if necessary.

Section 8. Security for the Bonds. Any Bond issued pursuant to the Bond Ordinances shall be a general obligation of the Borough, and the Borough's full faith and credit are hereby pledged to the punctual payment of the principal of and the interest on the Bonds and, unless otherwise paid or payment provided for, an amount sufficient for such payment shall be inserted in the budget and a tax sufficient to provide for the payment thereof shall be levied and collected.

Section 9. Sale of the Bonds. The Bonds shall be sold on February ____, 2013, or such other date as may be determined by the Chief Financial Officer, via the "PARITY Electronic Bid System" ("PARITY") upon the terms and conditions set forth and described in the Notice of Sale for the Bonds set forth in Attachment C. The Notice of Sale shall be posted on PARITY. Pursuant to N.J.S.A. 40A:2-34, the Borough hereby designates the Chief Financial Officer to sell and to award the Bonds in accordance with the Notice of Sale authorized herein, and such financial officer shall report in writing the results of the sale to the Borough Council as required by law. The Chief Financial Officer is hereby authorized and directed, consistent with the terms of the Notice of Sale, to retain the good faith deposit of the successful bidder and to immediately return such good faith deposits, whether by wire or check to the unsuccessful bidders.

Section 10. Notice of Sale. (a) The Notice of Sale shall be substantially in the form set forth in Attachment C hereto with such additions, deletions and omissions as may be necessary for the Borough to market the Bonds, including in

accordance with the requirements of The Depository Trust Company and PARITY. The Short Notice of Sale shall be substantially in the form set forth in Attachment D hereto with such additions, deletions and omissions as may be necessary for the Borough to market the Bonds, including in accordance with the requirements of The Depository Trust Company and PARITY. The Summary Notice of Sale shall be substantially in the form set forth in Attachment E hereto with such additions, deletions and omissions as may be necessary for the Borough to market the Bonds, including in accordance with the requirements of The Depository Trust Company and PARITY.

(b) The Borough Clerk is hereby directed to arrange for the publication of the Short Notice of Sale set forth in Attachment D hereto in the Asbury Park Press or such other authorized newspaper of the Borough. McLaughlin Stauffer & Shaklee, PC is hereby directed to arrange for the publication of the Summary Notice of Sale in the form attached hereto as Attachment E in The Bond Buyer, a financial newspaper published and circulating in the City of New York, New York.

Section 11. Official Statement and Credit Rating or Enhancement. The Chief Financial Officer, Borough officers, Bond Counsel, and Auditor are hereby authorized and directed to prepare the Official Statement in preliminary and final form and to comply with the provisions of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). Such Official Statement may be distributed in preliminary form and deemed final for purposes of the Rule on behalf of the Borough by the Chief Financial Officer or by the Mayor. The Mayor and/or Chief Financial Officer are authorized to sign the Official Statement on behalf of the Borough in as many counterparts as are needed for the Closing and delivery of the Bonds. Borough Officials are hereby authorized and directed to take all action necessary and convenient to the Borough's issuance of the Bonds including, as said officials deem appropriate, the preparation of the reports and disclosure information on the Bonds and the Borough and to apply to nationally recognized credit rating agencies to obtain a credit rating on the Bonds from one or more such service, to apply to insurers of municipal bonds in order to acquire a policy of municipal bond insurance for the Bonds and to take all action relating thereto and to pay the premium associated

therewith, to obtain fee information from potential printers of the Official Statement and the Bonds, and to contact securities depositories regarding the issuance of the Bonds in book-entry only form.

Section 12. Delegation of Authority. The Chief Financial Officer is hereby authorized and directed to determine all matters in connection with the Bonds not determined by this or a prior or subsequent resolution, all in consultation with Bond Counsel, and the manual or facsimile signature of the Chief Financial Officer upon the Bonds shall be conclusive as to such determinations. The Mayor, Chief Financial Officer and the Municipal Clerk are hereby authorized and directed to execute and deliver such documents as are necessary for the issuance and delivery of Bonds and to take such actions or refrain from such actions as are necessary for the issuance of the Bonds, in consultation with Bond Counsel.

Section 13. Closing and Delivery of the Bonds. The Borough shall cause the Bonds to be prepared and made ready for delivery on the Closing Date, which shall be on or about, but in no event later than, March 4, 2013. The delivery of and payment for the Bonds shall take place at the offices of McLaughlin Stauffer & Shaklee, PC, Wall, New Jersey, Bond Counsel, or at such other place as is agreed to by the Chief Financial Officer. If the purchaser shall so request, the Bonds shall be made available before the Closing Date for purposes of inspection and packaging. At the Closing, the Borough will deliver the Bonds to the purchaser or upon his order in definitive or temporary form duly executed, together with the other required documents and, subject to the terms and conditions hereof, the purchaser will accept such delivery and pay the aggregate purchase price of the Bonds in immediately available funds.

Section 14. Application of Bond Proceeds. The proceeds of the Bonds shall be applied to pay the costs of the projects described in the Bond Ordinances including the payment of the outstanding Bond Anticipation Notes described herein and the costs of issuance of said Bonds.

Section 15. Report on the Bonds. The Chief Financial Officer is hereby directed to report in writing to the governing body of the Borough at the meeting next

succeeding the date of delivery of the Bonds. Such report shall include the principal amount, description, interest rate and maturities of the Bonds sold, the price obtained and the name of the purchaser.

Section 16. Effective Date. This resolution shall take effect immediately.

CERTIFICATION AS TO
BOND RESOLUTION

Upon motion of Borough Council Member _____, and seconded by Borough Council Member _____, the foregoing resolution was adopted by the following vote:

Borough Council Member By Name

AYES:

NAYS:

ABSENT:

ABSTENTIONS:

I, BERNADETTE DUGAN, Municipal Clerk of the Borough of Lakehurst, in the County of Ocean, New Jersey, do hereby certify the resolution annexed hereto to be a true and complete copy of a resolution duly adopted by the Borough at a duly convened meeting of said governing body held on February 7, 2013. Said resolution has not been modified, amended, repealed or rescinded and remains in full force and effect.

IN WITNESS WHEREOF, I hereby set my hand and the seal of the Borough this 7th day of February, 2013.

BOROUGH OF LAKEHURST,
IN THE COUNTY OF OCEAN,
NEW JERSEY

BERNADETTE DUGAN, Clerk

(SEAL)

ATTACHMENT A

ATTACHMENT B

ATTACHMENT C

ATTACHMENT D

ATTACHMENT E