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Township Council
1 Municipal Plaza
Bloomfield, NJ 07003

Louise M. Palagano
Municipal Clerk

<http://www.bloomfieldwpnj.com>

Meeting: 05/05/14 06:30 PM

2014 RESOLUTION APPROVAL

RESOLUTION OF THE TOWNSHIP OF BLOOMFIELD, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, CONSENTING TO THE ISSUANCE OF CERTAIN BONDS FOR THE WANAQUE NORTH PROJECT BY THE NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION, AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION THEREWITH AND DETERMINING CERTAIN OTHER MATTERS RELATED THERETO

WHEREAS, the North Jersey District Water Supply Commission (the "*Commission*") is a public body corporate and politic of the State of New Jersey (the "*State*"), organized and existing under and by virtue of the laws of the State and, in particular, N.J.S.A. 58:5-1 *et seq.*, as amended and supplemented (the "*Act*"), for the purpose, among other things, of providing local government water supplies; and

WHEREAS, the Township of Bloomfield (the "*Local Unit*"), a municipal corporation of the State located in the County of Essex, and the Commission have previously entered into that certain "*Contract*" dated as of October 31, 1918, as amended by "*Contracts*" dated January 24, 1924; March 24, 1925; June 4, 1925; June 11, 1925; June 25, 1925; June 25, 1925; August 4, 1925; May 25, 1926; December 26, 1940; and December 8, 1950, by and among the City of Newark, the City of Passaic, the City of Paterson, the City of Clifton, the Township of Montclair, the Borough of Glen Ridge, the Township of Bloomfield, the Town of Kearny and the Passaic Valley Water Commission (including the Local Unit, each a "*Contracting Local Unit*"), as the same may be amended or supplemented in accordance with its terms (collectively, the "*Service Contract*"); and

WHEREAS, the Service Contract sets forth the terms and conditions of the relationship between the Local Unit, the other Contracting Local Units and the Commission in connection

APPROVED AS TO FORM AND PROCEDURE
ON BASIS OF FACTS SET FORTH

Brian J. Acord
Director of Law - Township Attorney

with the Commission's "Wanaque North Project" (as defined in the hereinafter defined General Bond Resolution, as amended); and

WHEREAS, pursuant to and in accordance with the provision of the Act and other applicable law, the Commission adopted that certain bond resolution entitled "General Bond Resolution of the North Jersey District Water Supply Commission Securing One or More Series of Wanaque North Project Revenue Bonds" on January 22, 1988 (the "*General Bond Resolution*") providing for, among other things, the issuance pursuant to one or more supplemental resolutions (each a "*Supplemental Resolution*") of one or more series of Bonded Indebtedness (as defined in the General Bond Resolution, as amended), including specifically Refunding Bonds and Additional Bonds (both terms as defined in the General Bond Resolution, as amended), which may be issued by the Commission in order to finance and refinance the Commission's share of the costs of the acquisition, construction and improvement of the Wanaque North Project; and

WHEREAS, payment of the principal of (including mandatory sinking fund installments, if any) and interest on such Bonded Indebtedness (including Additional Bonds and Refunding Bonds) is primarily secured by the Revenues (as defined in the General Bond Resolution) in accordance with the terms of the Act and the General Bond Resolution, as amended; and

WHEREAS, on February 18, 1988, pursuant to the provisions of the General Bond Resolution and a certain "First Supplemental Bond Resolution" adopted by the Commission on January 22, 1988 (the "*First Supplemental Bond Resolution*"), the Commission issued its "Wanaque North Project Revenue Bonds, Refunding Series 1988-A" in the original aggregate principal amount of \$22,280,000 (the "*1988 Bonds*"); and

WHEREAS, the proceeds of the 1988 Bonds were used (i) to refund prior bonds issued by the Commission to finance the costs of acquisition, design and construction of the Commission's 100 million gallons per day water treatment and filtration plant situated at the Wanaque Reservoir, as such facility was originally configured, and (ii) to finance the costs incurred in connection with the authorization, issuance and delivery of the 1988 Bonds; and

WHEREAS, on August 8, 1989, pursuant to the provisions of the General Bond Resolution, as amended, and a certain "Second Supplemental Bond Resolution" adopted by the Commission on July 13, 1989 (the "*Second Supplemental Bond Resolution*"), the Commission issued its "Wanaque North Project Revenue Bonds, Series 1989-A" in the original aggregate principal amount of \$16,054,348 (the "*1989-A Bonds*"); and

WHEREAS, the proceeds of the 1989-A Bonds were used (i) to finance a portion of the costs of the Wanaque North Project (the "*1989-A Project*"), including a ratable share of the costs of designing, acquiring and constructing facilities, machinery and equipment to be utilized in the disposal of sludge in connection with the Wanaque North Project, (ii) to pay the State certain drought-related expenses assessed against the Commission, (iii) to finance the costs incurred in connection with the authorization, issuance and delivery of the 1989-A Bonds, and (iv) to finance capitalized interest and reserves with respect to the 1989-A Bonds; and

WHEREAS, on December 18, 1991, pursuant to the provisions of the General Bond Resolution, as amended, and a certain "Third Supplemental Bond Resolution" adopted by the Commission on November 22, 1991 (the "*Third Supplemental Bond Resolution*"), the Commission issued its "Wanaque North Project Revenue Bonds, Series 1991-A" in the original aggregate principal amount of \$6,275,000 (the "*1991-A Bonds*") and its "Wanaque North Project

Revenue Refunding Bonds, Series 1991-B” in the original aggregate principal amount of \$22,605,000 (the “1991-B Bonds”, and together with the 1991-A Bonds, the “1991 Bonds”); and

WHEREAS, the proceeds of the 1991-A Bonds were used (i) to finance payment of the costs of additional improvements to the Wanaque North Project water supply facilities, (ii) for payment of an allocable share of the costs of the Commission’s sludge processing facility (collectively, the “1991-A Project”), (iii) for payment of the costs incurred in connection with the authorization, issuance and delivery of the 1991-A Bonds, and (iv) for payment of capitalized interest and reserves with respect to the 1991-A Bonds; and

WHEREAS, the proceeds of the 1991-B Bonds were used to (i) advance refund a portion of the Commission’s outstanding 1988 Bonds, and (ii) finance the costs incurred in connection with the authorization, issuance and delivery of the 1991-B Bonds; and

WHEREAS, on July 31, 1997, pursuant to the provisions of the General Bond Resolution, as amended, and a certain “Fourth Supplemental Bond Resolution” adopted by the Commission on January 17, 1997 (the “*Fourth Supplemental Bond Resolution*”), the Commission issued its “Wanaque North Project Revenue Refunding Bonds, Series 1997” in the original aggregate principal amount of \$19,125,000 (the “1997 Bonds”); and

WHEREAS, the proceeds of the 1997 Bonds were used to (i) advance refund a portion of the Commission’s outstanding 1989-A and 1991-A Bonds, and (ii) finance the costs incurred in connection with the authorization, issuance and delivery of the 1997 Bonds; and

WHEREAS, on November 4, 1999, pursuant to the provisions of the General Bond Resolution, as amended, a certain Fifth Supplemental Bond Resolution adopted on July 16, 1999 (the “*Fifth Supplemental Bond Resolution*”), a certain Sixth Supplemental Bond Resolution

adopted on August 20, 1999 (the "*Sixth Supplemental Bond Resolution*"), and a certain Seventh Supplemental Bond Resolution adopted on August 20, 1999 (the "*Seventh Supplemental Bond Resolution*"), the Commission issued its "Wanaque North Project Revenue Bond, 1999 Series 1" in the original aggregate principal amount of \$849,712.70 (the "*1999 Series-1 Bonds*") and its "Wanaque North Project Revenue Bond, 1999 Series 2" in the original aggregate principal amount of \$841,153 (the "*1999 Series-2 Bonds*"; and together with the 1999 Series-1 Bonds, the "*1999 Bonds*"); and

WHEREAS, the proceeds of the 1999 Bonds were used to finance (i) a portion of the costs of improving, reconstructing and renovating certain existing water supply facilities of the Commission, and (ii) the costs incurred in connection with the authorization, issuance and delivery of the 1999 Bonds; and

WHEREAS, on November 9, 2000, pursuant to the provision of the General Bond Resolution, as amended, a certain Eighth Supplemental Bond Resolution adopted on August 18, 2000 (the "*Eighth Supplemental Bond Resolution*"), and a certain Ninth Supplemental Bond Resolution adopted on August 18, 2000 (the "*Ninth Supplemental Bond Resolution*"), the Commission issued its "Wanaque North Project Revenue Bond, 2000 Series 1" in the original aggregate principal amount of \$434,894 (the "*2000 Series-1 Bonds*") and its "Wanaque North Project Revenue Bond, 2000 Series 2" in the original aggregate principal amount of \$437,500 (the "*2000 Series-2 Bonds*"; and together with the 2000 Series-1 Bonds, the "*2000 Bonds*"); and

WHEREAS, on April 3, 2003, pursuant to the provision of the General Bond Resolution, as amended, and a certain Tenth Supplemental Bond resolution, adopted on April 19, 2002 (the "*Tenth Supplemental Bond Resolution*"), the Commission issued its "Wanaque North Project

Revenue Refunding Bonds, Series 2003” in the original aggregate principal amount of \$18,615,000 (the “2003 Bonds”); and

WHEREAS, the proceeds of the 2003 Bonds were used (i) to refund all of the Commission’s outstanding 1991-B Bonds, and (ii) for payment of the costs incurred in connection with the authorization, issuance and delivery of the 2003 Bonds; and

WHEREAS, on November 6, 2003, pursuant to the provision of the General Bond Resolution, as amended, a certain Eleventh Supplemental Bond Resolution adopted on July 18, 2003 (the “*Eleventh Supplemental Bond Resolution*”), a certain Twelfth Supplemental Bond Resolution adopted on July 18, 2003 (the “*Twelfth Supplemental Bond Resolution*”) and a certain Thirteenth Supplemental Bond Resolution adopted on July 18, 2003 (the “*Thirteenth Supplemental Bond Resolution*”), the Commission issued its “Wanaque North Project Revenue Bond, 2003 Series 1” (the “*2003 Series-1 Bonds*”) and its “Wanaque North Project Revenue Bond, 2003 Series 2” (the “*2003 Series-2 Bonds*”; and together with the 2003 Series-1 Bonds, the “*2003 EIT Bonds*”); and

WHEREAS, on November 9, 2006, pursuant to the provision of the General Bond Resolution, as amended, the Thirteenth Supplemental Bond Resolution and a certain Fourteenth Supplemental Bond Resolution adopted on July 26, 2003 (the “*Fourteenth Supplemental Bond Resolution*”), the Commission issued its “Wanaque North Project Revenue Bond, 2006 Series 1” (the “*2006 Series-1 Bonds*”) and its “Wanaque North Project Revenue Bond, 2006 Series 2” (the “*2006 Series-2 Bonds*”; and together with the 2006 Series-1 Bonds, the “*2006 EIT Bonds*”); and

WHEREAS, on July 23, 2009, pursuant to the provision of the General Bond Resolution, as amended, and a certain Fifteenth Supplemental Bond Resolution, adopted on December 19,

2007 (the "*Fifteenth Supplemental Bond Resolution*"), the Commission issued its "Wanaque North Project Revenue Refunding Bonds, Series 2009" in the original aggregate principal amount of \$14,460,000 (the "*2009 Bonds*", and together with the 1988 Bonds, the 1989-A Bonds, the 1991 Bonds, the 1997 Bonds, the 1999 Bonds, the 2000 Bonds, the 2003 Bonds, the 2003 EIT Bonds and the 2006 EIT Bonds, the "*Prior Bonds*"); and

WHEREAS, the proceeds of the 2009 Bonds were used (i) to refund all of the Commission's outstanding 1997 Bonds, and (ii) for payment of the costs incurred in connection with the authorization, issuance and delivery of the 2009 Bonds; and

WHEREAS, under current market conditions, there may exist an opportunity for the Commission to currently refund all or a portion of the outstanding 2003 Bonds to be so designated in the hereinafter defined Defeasance Escrow Agreement (the "*Prior Bonds to be Refunded*") to achieve a net present value savings in excess of 2.0% of the Prior Bonds to be Refunded (the "*Refunding Project*") through the issuance of Refunding Bonds issued by the Commission and sold to the public (the "*Refunding Bonds*"); and

WHEREAS, the Commission has identified certain capital projects that need to be undertaken in connection with the Wanaque North Project that may be financed through a combination of (i) the issuance of one or more series of bonds by the Commission and sold to the public (collectively, the "*Commission New Money Bonds*") through either a competitive or negotiated sale as determined in the best interest of the Commission in consultation with its hereinafter defined Consultants and (ii) the issuance of bonds by the Commission (the "*Commission NJEIT Bonds*" and together with the Refunding Bonds and the Commission New Money Bonds, the "*Bonds*") and sold to the New Jersey Environmental Infrastructure Trust

("NJEIT") and the State through the NJEIT Financing Program, together with any other projects as authorized under documents authorizing the Commission New Money Bonds (collectively, the "New Money Project" and together with the Refunding Project, the "Projects"); and

WHEREAS, a portion of the Projects may be financed in an aggregate amount not to exceed, together with the Wanaque South Project, \$95,000,000, through any combination of the Refunding Bonds, Commission New Money Bonds, and Commission NJEIT Bonds as determined by the Commission to be in the best interests of the Commission and the Contracting Local Units; and

WHEREAS, the Refunding Bonds and the Commission New Money Bonds shall be collectively referred to as the "Public Bonds"; and

WHEREAS, pursuant to the provisions of the General Bond Resolution, as amended, and supplemental resolutions to be adopted in connection with each of the Refunding Bonds, the Commission New Money Bonds and the Commission EIT Bonds to be designated as (i) the "Sixteenth Supplemental Bond Resolution", (ii) "Seventeenth Supplemental Bond Resolution", (iii) "Eighteenth Supplemental Bond Resolution" and (iv) "Nineteenth Supplemental Resolution" each to be adopted by the Commission prior to the issuance of the respective series of Bonds (as the same are to be further amended upon issuance of each series of the Bonds by the Executive Director's Certificate pursuant to Section 2.6 thereof, each a "*Supplemental Bond Resolution*" and collectively, the "*Supplemental Bond Resolutions*", and together with the General Bond Resolution, the First Supplemental Bond Resolution, the Second Supplemental Bond Resolution, the Third Supplemental Bond Resolution, the Fourth Supplemental Bond Resolution, the Fifth Supplemental Bond Resolution, the Sixth Supplemental Bond Resolution, the Seventh

Supplemental Bond Resolution, the Eighth Supplemental Bond Resolution, the Ninth Supplemental Bond Resolution, the Tenth Supplemental Bond Resolution, the Eleventh Supplemental Bond Resolution, the Twelfth Supplemental Bond Resolution, the Thirteenth Supplemental Bond Resolution, the Fourteenth Supplemental Bond Resolution and the Fifteenth Supplemental Bond Resolution as the same may be further amended and supplemented from time to time in accordance with its terms, the "*Bond Resolution*"), the Commission will issue, as Additional Bonds and Refunding Bonds pursuant to the provisions of Section 2.3 and 2.4 of the General Bond Resolution, as amended, as Bonds in the aggregate principal amount which shall not exceed, together with any bonds issued for the Wanaque South Project, \$95,000,000; and

WHEREAS, the Commission, in consultation with its Consultants, shall determine when each of the Refunding Bonds, the Commission New Money Bonds and the Commission EIT Bonds shall be issued, which Bonds may be issued simultaneously, separately or in any such order as the Commission and its Consultants determine to be in the best interests of the Commission and the Contracting Local Units; and

WHEREAS, each series of the Bonds shall be secured by a pledge of the Revenues and such other collateral as is provided for in the Bond Resolution; and

WHEREAS, each series of Bonds shall be issued in such amounts (provided, that the aggregate principal amount of Bonds does not exceed \$95,000,000), subject to redemption (optional, mandatory, special, extraordinary or otherwise) and contain such other financial terms as the Commission, in consultation with the Consultants, determines to be in the best interests of the Commission and the Contracting Local Units; and

WHEREAS, the proceeds of the respective series of Bonds will be used to either (i) (a) currently refund the Prior Bonds to be Refunded, or (b) fund certain capital projects that need to be undertaken in connection with the Wanaque North Project, (ii) finance the costs incurred in connection with the authorization, issuance and delivery of the respective series of the Bonds, including without limitation, a bond insurance premium (if any) relating to the Bonds and (iii) fund a debt service reserve fund, if necessary; and

WHEREAS, the Commission intends to establish an escrow account (the "*Escrow Account*") in accordance with the terms of a "Defeasance Escrow Agreement, Wanaque North Project Revenue Bonds, Series ____" to be dated as of the first day of the month of issuance of the Refunding Bonds (as the same may be amended and supplemented from time to time in accordance with its terms, the "*Defeasance Escrow Agreement*") between the Commission and a to be designated trustee, as trustee (the "*Trustee*") and as escrow agent (the "*Escrow Agent*"), and the Refunding Project shall be completed by funding the Escrow Account, in whole or in part, with a portion of the proceeds of the Refunding Bonds in an amount, together with interest earned thereon, to be sufficient to pay the principal of, redemption premium and interest on the Prior Bonds to be Refunded through and including the redemption dates of such Prior Bonds to be Refunded; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, prior to the issuance of each series of the Bonds, the Commission shall cause to be filed with the Clerks of each Wanaque North Project Contracting Municipalities (as defined in the General Bond Resolution), including the Local Unit, copies of the General Bond Resolution and the respective

Supplemental Bond Resolutions and notice of a public comment to be held by the Commission regarding the issuance of the respective series of Bonds; and

WHEREAS, pursuant to the terms of the Supplemental Bond Resolutions, the Commission and the Trustee will enter into one or more disclosure agreements entitled, "Commission Continuing Disclosure Agreement, Wanaque North Project Revenue [Refunding] Bonds, Series ____" to be dated as of the first day of the month of issuance of the respective series of Bonds (each a "Commission Continuing Disclosure Agreement") in order to satisfy certain of the secondary market disclosure requirement of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended (the "Securities Exchange Act"); and

WHEREAS, if it is determined that the Local Unit is a materially obligated person within the meaning and for the purposes of Rule 15c2-12 in connection with the issuance of any series of the Bonds, the Local Unit, the Commission and the Trustee must each enter into one or more "Local Unit Continuing Disclosure Agreement, Wanaque South Project Revenue [Refunding] Bonds, Series ____" each to be dated as of the first day of the month of issuance of the respective series of the Bonds (each a "Local Unit Continuing Disclosure Agreement" and together with the Commission Continuing Disclosure Agreement, the "Continuing Disclosure Agreements"); and

WHEREAS, in connection with the Commission EIT Bonds, the Commission shall enter into loan agreements with the EIT (the "Trust Loan Agreement") and the State (the "Fund Loan Agreement" and together with the Trust Loan Agreement, the "Loan Agreements") evidencing their rights and obligations under the Commission EIT Bonds; and

WHEREAS, a portion of the Bonds may be sold pursuant to the terms of one or more bond purchase agreements (each a “Bond Purchase Agreement” and collectively, the “Bond Purchase Agreements”) between the Commission and one or more underwriters to be selected by the Commission through a fair and open process (each an “Underwriter”), the financial terms of which shall be inserted by the authorized officer of the Commission pursuant to the authority delegated in the respective Supplemental Bond Resolutions; and

WHEREAS, in order to market the Bonds, each Underwriter will require the Commission to execute and deliver a “Preliminary Official Statement” and a final “Official Statement” in connection with each series of Bonds, all in accordance with the requirements of the Bond Purchase Agreements and applicable state and federal securities law; and

WHEREAS, among the terms of the Bond Purchase Agreements is the requirement that the Commission execute a tax certificate (the Tax Certificate”) prior to or contemporaneously with the issuance of each series of the Bonds to enable bond counsel to the Commission to render its opinion that the interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes.

NOW, THEREFORE, BE IT RESOLVED by the Local Unit as follows:

Section 1. In accordance with Section 13 of the Service Contract, the Local Unit hereby consents to the undertaking of the Projects and the issuance of the Bonds in an amount which, together with the bonds issued for the Wanaque South Project, shall not exceed \$95,000,000, such number being in excess of the \$20,350,000 aggregate amount of Bonded Indebtedness ceiling set forth in Section 13 of the Service Contract to finance certain capital projects and achieve the net savings to be generated by the Refunding.

Section 2. The Mayor, the Chief Financial Officer and the Clerk of the Local Unit (collectively, the “*Authorized Officer*”) are hereby each severally authorized and directed to execute and deliver each Local Unit Continuing Disclosure Agreement in substantially the form

attached as Exhibit A hereto, with such changes thereto as the Authorized Officer, after consultation with counsel to the Local Unit, bond counsel to the Commission, general counsel to the Commission and other professional advisors to the Commission (the "*Consultants*"), deems in his or her sole discretion to be necessary, convenient or desirable to consummate the transactions contemplated hereby, which execution thereof shall constitute conclusive evidence of the Authorized Officer's approval of the form thereof.

Section 3. The Clerk of the Local Unit (the "*Clerk*") is hereby authorized and directed, upon the execution of each Local Unit Continuing Disclosure Agreement in accordance with the terms of Section 2 hereof, to attest to the Authorized Officer's execution of such documents, and is hereby further authorized and directed to affix thereupon the corporate seal of the Local Unit.

Section 4. Upon the execution and attestation of and, if required, the placing of the seal upon each Local Unit Continuing Disclosure Agreement as contemplated by Sections 2 and 3 hereof, the Authorized Officer is hereby authorized and directed (a) to deliver the fully executed, attested and sealed document to the other parties thereto and (b) to perform such other actions as the Authorized Officer deems necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 5. The Local Unit hereby authorizes the preparation and the distribution of financial statements and demographic and other information concerning the Local Unit (a) to be contained in each Preliminary Official Statement and final Official Statement to be issued by the Commission in connection with the marketing of the Bonds and/or (b) to be used by any rating agency ("*Rating Agency*") providing a rating on the Bonds or by any bond insurer ("*Bond Insurer*") insuring the Bonds. In furtherance of such authorization, the Local Unit hereby directs the Authorized Officer to take such action as the Authorized Officer, after consultation with the Consultants, deems necessary, desirable or convenient in connection with the preparation and distribution of such information (i) for inclusion in each Preliminary Official Statement and each final Official Statement and/or (ii) to any such Rating Agency or Bond Insurer.

Section 6. The Local Unit hereby authorizes the performance of any act and the execution or acknowledgement and delivery of any other document, instrument or closing certificate that the Authorized Officer, after consultation with the Consultants, deems necessary, desirable or convenient to undertake the Projects and achieve the net savings to be generated by the Refunding, and the Local Unit hereby directs the Authorized Officer to execute or acknowledge, and to cause the Clerk to attest and affix the seal, where required, upon, any such document, instrument or closing certificate or to execute any certificate, the authorization of which actions shall be conclusively evidenced by the execution or acknowledgment, attestation,

affixation and delivery, as the case may be, thereof by such persons. Such closing certificates shall include, without limitation, (a) a determination that any information provided by the Local Unit in connection with the preparation and distribution of (i) the Preliminary Official Statement is “deemed final” for the purposes and within the meaning of Rule 15c2-12 and (ii) the Official Statement constitutes a final Official Statement for the purposes and within the meaning of Rule 15c2-12, (b) a determination that each Local Unit Continuing Disclosure Agreement complies with Rule 15c2-12, (c) a determination that any information provided by or on behalf of the Local Unit or relating to the Local Unit, each Local Unit Continuing Disclosure Agreement or the transactions contemplated thereby in connection with the preparation and distribution of each Preliminary Official Statement and Official Statement complies with Section 10 and Rule 10b-5 of the Securities Exchange Act, (d) a determination that all legislative actions taken by the Local Unit in connection with the Refunding, including without limitation the authorization of the Service Contract, as of the date of issuance of the Bonds, have not been altered, amended, supplemented or repealed and as such, are in full force and effect, (e) a tax certificate in such form as prepared by Bond Counsel to the Commission to be relied upon by the Commission in providing its Tax Certificate and Bond Counsel in rendering its opinion regarding the tax exempt status of the Bonds, and (f) any representations, warranties or covenants required by any Bond Insurer and/or Rating Agency deemed necessary by counsel to the Commission for the issuance of the Bonds.

Section 7. The Bonds of each series shall be designated by the year of the issuance of such Bonds.

Section 8. This resolution shall take effect immediately.

Section 9. Upon the adoption hereof, the Clerk of the Local Unit shall forward certified copies of this resolution to the Authorized Officer, to _____, bond counsel to the Local Unit, to Todd R. Caliguire, Executive Director of the Commission and to Derek Orth, Esq., of Inglesino, Wyciskala & Taylor, LLP, general counsel to the Commission.

......*...*

I hereby certify that the above resolution was duly adopted by the Mayor and Council of the Township of Bloomfield at a meeting of said Township Council held on May 05, 2014.

Louise M. Palagano
 Municipal Clerk of the Township of Bloomfield

Michael Venezia
 Mayor of the Township of Bloomfield

✓ Vote Record - Resolution 3548					
		Yes/Aye	No/Nay	Abstain	Absent
<input checked="" type="checkbox"/> Adopted					
<input type="checkbox"/> Adopted as Amended					
<input type="checkbox"/> Defeated	Elias N. Chalet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Withdrawn	Nicholas Joanow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Tabled	Carlos Bernard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Approved	Wartyna Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Approved by Consensus	Joseph Lopez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Not Discussed	Carlos Pomares	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Tabled with No Vote	Michael J. Venezia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Discussed					
<input type="checkbox"/> Veto by Mayor					
<input type="checkbox"/> Approved No Vote					
<input type="checkbox"/> Deferred					

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") dated as of _____, 2014 by and among the North Jersey District Water Supply Commission (the "Commission"), the _____ of _____, in the County of _____, New Jersey (the "Local Unit") and The Bank of New York Mellon, Woodland Park, New Jersey, as trustee (the "Trustee") under the general bond resolution of the Commission adopted by the Commission on January 2, 1988, as amended and supplemented (the "Resolution"), is executed and delivered in connection with the issuance of the Commission's \$_____ principal amount of Wanaque North Project Revenue [Refunding] Bonds, Series 2014__ (the "Bonds"). Capitalized terms used in this Agreement which are not otherwise defined in the Resolution shall have the respective meanings specified above or in Article IV hereof. The parties agree as follows:

ARTICLE I

THE UNDERTAKING

Section 1.1. Purpose; Commission Determination. This Agreement is being executed and delivered solely to assist the Underwriter in complying with subsection (b)(5) of the Rule. The Commission has determined that the Local Unit constitutes a material "obligated person" in connection with the issuance of the Bonds, as the term "obligated person" is defined in the Rule, because it currently pays under the North Service Contract an amount in excess of 10% of the revenues received by the Commission under the North Service Contract in a fiscal year.

Section 1.2. Annual Financial Information. (a) The Local Unit shall provide Annual Financial Information with respect to each fiscal year of the Local Unit, commencing with the fiscal year ending [December 31, 2013], by no later than 270 days after the end of its fiscal year, to the MSRB and the Trustee. If the Trustee has not received the Annual Financial Information thirty (30) days prior to the date specified in the preceding sentence, the Trustee shall provide notice in writing to the Local Unit that the Annual Financial Information is required to be provided by such date.

(b) The Trustee shall provide, in a timely manner, notice of any failure of the Local Unit to provide the Annual Financial Information by the date specified in subsection (a) above to the MSRB, the Local Unit and the Commission.

Section 1.3. Audited Financial Statements. If not provided as part of Annual Financial Information by the date required by Section 1.2(a) hereof because not available, the Local Unit shall provide Audited Financial Statements of the Local Unit, when and if available, to the MSRB.

Section 1.4. Additional Disclosure Obligations. The Local Unit acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Local Unit, and that under some circumstances compliance with this Agreement, without

additional disclosures or other action, may not fully discharge all duties and obligations of the Local Unit under such laws.

Section 1.5. Additional Information. Nothing in this Agreement shall be deemed to prevent the Local Unit from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information hereunder, in addition to that which is required by this Agreement. If the Local Unit chooses to do so, the Local Unit shall have no obligation under this Agreement to update such additional information or include it in any future Annual Financial Information.

Section 1.6. No Previous Non-Compliance. The Local Unit represents that, except as disclosed in the Official Statement, in the previous five (5) years, it has not failed to comply in any material respect with any previous undertaking in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule.

ARTICLE II

OPERATING RULES

Section 2.1. Reference to Other Filed Documents. It shall be sufficient for purposes of Section 1.2 hereof if the Local Unit provides Annual Financial Information by specific reference to documents (i) available to the public on the MSRB Internet Website (currently www.emma.msrb.org) or (ii) filed with the SEC.

Section 2.2. Submission of Information. Annual Financial Information may be provided in one document or multiple documents, and at one time or in part from time to time.

Section 2.3. Dissemination Agents. The Issuer may from time to time designate an agent to act on its behalf in providing or filing notices, documents and information as required of the Local Unit under this Agreement, and revoke or modify any such designation.

Section 2.4. Transmission of Notices, Documents and Information. (a) Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB shall be provided to the MSRB's Electronic Municipal Markets Access (EMMA) system, the current Internet Web address of which is www.emma.msrb.org.

(b) All notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 2.5. Fiscal Year. (a) The Local Unit's current fiscal year is [January 1 to December 31] and the Local Unit shall promptly notify (i) the MSRB and (ii) the Trustee of each change in its fiscal year.

(b) Annual Financial Information shall be provided at least annually notwithstanding any fiscal year longer than twelve (12) calendar months.

ARTICLE III

EFFECTIVE DATE, TERMINATION, AMENDMENT AND ENFORCEMENT

Section 3.1. Effective Date; Termination. (a) This Agreement shall be effective upon the issuance of the Bonds.

(b) The Local Unit's and the Trustee's obligations under this Agreement shall terminate upon a legal defeasance, prior redemption or payment in full of all of the Bonds.

(c) This Agreement, or any provision hereof, shall be null and void in the event that the Commission (1) delivers to the Trustee an opinion of Counsel, addressed to the Commission and the Trustee, to the effect that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion and (2) delivers copies of such opinion to the MSRB.

Section 3.2. Amendment. (a) This Agreement may be amended, by written agreement of the parties, without the consent of the holders of the Bonds (except to the extent required under clause (4)(ii) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the Issuer or the type of business conducted thereby, (2) this Agreement as so amended would have complied with the requirements of the Rule as of the date of this Agreement, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Commission shall have delivered to the Trustee an opinion of Counsel, addressed to the Commission and the Trustee, to the same effect as set forth in clauses (1) and (2) above, (4) either (i) the Commission shall have delivered to the Trustee an opinion of Counsel or a determination by a reputable law firm, in each case unaffiliated with the Commission (such as bond counsel) and acceptable to the Commission, addressed to the Commission and the Trustee, to the effect that the amendment does not materially impair the interests of the holders of the Bonds or (ii) the holders of the Bonds consent to the amendment to this Agreement pursuant to the same procedures as are required for amendments to the Resolution with consent of holders of Bonds pursuant to Article [XI] of the Resolution as in effect on the date of this Agreement and (5) the Issuer shall have delivered copies of such opinion(s) and amendment to the MSRB.

(b) This Agreement may be amended, by written agreement of the parties, without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Agreement which is applicable to this Agreement, (2) the Commission shall have delivered to the Trustee an opinion of Counsel, addressed to the

Commission and the Trustee, to the effect that performance by the Commission and Trustee under this Agreement as so amended will not result in a violation of the Rule and (3) the Commission shall have delivered copies of such opinion and amendment to the MSRB.

(c) This Agreement may be amended by written agreement of the parties, without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) the Commission shall have delivered to the Trustee an opinion of Counsel, addressed to the Commission and the Trustee, to the effect that the amendment is permitted by rule, order or other official pronouncement, or is consistent with any interpretive advice or no-action positions of Staff, of the SEC, and (2) the Commission shall have delivered copies of such opinion and amendment to the MSRB.

(d) To the extent any amendment to this Agreement results in a change in the type of financial information or operating data provided pursuant to this Agreement, the first Annual Financial Information provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(e) If an amendment is made pursuant to Section 3.2(a) hereof to the accounting principles to be followed in preparing financial statements, the Annual Financial Information for the fiscal year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible, quantitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information.

Section 3.3. Benefit; Third-Party Beneficiaries; Enforcement. (a) The provisions of this Agreement shall constitute a contract with and inure solely to the benefit of the holders from time to time of the Bonds, except that beneficial owners of Bonds shall be third-party beneficiaries of this Agreement. The provisions of this Agreement shall create no rights in any person or entity except as provided in this subsection (a) and subsection (b) of this Section.

(b) The obligations of the Local Unit to comply with the provisions of this Agreement shall be enforceable (i) in the case of enforcement of obligations to provide financial statements, financial information, operating data and notices, by any holder of Outstanding Bonds, or by the Trustee on behalf of the holders of Outstanding Bonds or (ii) in the case of challenges to the adequacy of the financial statements, financial information and operating data so provided, by the Trustee on behalf of the holders of Outstanding Bonds; provided, however, that the Trustee shall not be required to take any enforcement action except at the direction of the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding who shall have provided the Trustee with adequate security and indemnity. The holders' and Trustee's rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the Issuer's obligations under this Agreement. In consideration of the third-party beneficiary status of beneficial owners of Bonds pursuant to subsection (a) of this Section, beneficial owners shall be deemed to be holders of Bonds for purposes of this subsection (b).

(c) Any failure by the Local Unit or the Trustee to perform in accordance with this Agreement shall not constitute a default or an event of default under the Resolution, and the rights and remedies provided by the Resolution upon the occurrence of a default or an event of default shall not apply to any such failure.

(d) This Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the State; provided, however, that to the extent this Agreement addresses matters of federal securities laws, including the Rule, this Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

ARTICLE IV

DEFINITIONS

Section 4.1. Definitions. The following terms used in this Agreement shall have the following respective meanings:

(1) “Annual Financial Information” means, collectively, (a) the financial information and operating data for each fiscal year of the type included in the Official Statement under the caption “HISTORICAL [AND FORECASTED] OPERATING RESULTS”; and (b) the information regarding amendments to this Agreement required pursuant to Sections 3.2(c) and (d) of this Agreement. Annual Financial Information shall include Audited Financial Statements, if available, or Unaudited Financial Statements of the Local Unit.

The descriptions contained in clause (i) above of financial information and operating data constituting Annual Financial Information are of general categories of financial information and operating data. When such descriptions include information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any Annual Financial Information containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

(2) “Audited Financial Statements” means the annual financial statements, if any, of the Local Unit audited by such auditor as shall then be required or permitted by State law. Audited Financial Statements shall be prepared in accordance with generally accepted auditing standards applicable to the Local Unit; provided, however, that pursuant to Section 3.2(a) hereof, the Local Unit may from time to time, if required by federal or State legal requirements, modify the accounting principles to be followed in preparing its financial statements. The notice of any such modification required by Section

3.2(a) hereof shall include a reference to the specific federal or State law or regulation describing such accounting principles, or other description thereof.

(3) "Counsel" means GluckWalrath LLP or other nationally recognized bond counsel or counsel expert in federal securities laws.

(4) "MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

(5) "North Service Contract" means that certain "Contract" dated as of October 31, 1918, as amended by "Contracts" dated January 24, 1924; March 24, 1925; June 4, 1925; June 11, 1925; June 25, 1925; June 25, 1925; August 4, 1925; May 25, 1926; December 26, 1940; and December 8, 1950, by and among the City of Newark, the City of Passaic, the City of Paterson, the City of Clifton, the Township of Montclair, the Township of Glen Ridge, the Township of Bloomfield, the Town of Kearny and the Passaic Valley Water Commission, as the same may be amended or supplemented in accordance with its terms.

(6) "Official Statement" means the Official Statement of the Commission relating to the Bonds.

(7) "Rule" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Agreement, including any official interpretations thereof issued either before or after the effective date of this Agreement which are applicable to this Agreement.

(8) "SEC" means the United States Securities and Exchange Commission.

(9) "State" means the State of New Jersey.

(10) "Unaudited Financial Statements" means the same as Audited Financial Statements, except that they shall not have been audited.

(11) "Underwriter" means _____.

ARTICLE V

MISCELLANEOUS

Section 5.1. Duties, Immunities and Liabilities of Trustee. Article [IX] of the Resolution is hereby made applicable to this Agreement as if this Agreement were (solely for this purpose) contained in the Resolution. The Trustee shall have only such duties under this

Agreement as are specifically set forth in this Agreement, and the Commission agrees, to the extent permitted by law, to indemnify and save the Trustee, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Trustee's negligence or willful misconduct in the performance of its duties hereunder. Such indemnity shall be separate from and in addition to that provided to the Trustee under the Resolution. The obligations of the Commission under this Section shall survive resignation or removal of the Trustee and payment of the Bonds.

Section 5.2. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have each caused this Agreement to be executed by their duly authorized representatives all as of the date first above written.

**NORTH JERSEY DISTRICT WATER
SUPPLY COMMISSISON**

By: _____

Name: Todd R. Caliquire

Title: Executive Director

_____ OF _____, IN THE
COUNTY OF _____, NEW JERSEY

By _____

Name:

Title:

**THE BANK OF NEW YORK MELLON, as
Trustee**

By _____

Name:

Title: