

**RESOLUTION NO. 63-23**

THE BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY  
September 28, 2023

**RESOLUTION OF THE BRICK TOWNSHIP MUNICIPAL UTILITIES  
AUTHORITY DECLARING ITS OFFICIAL INTENT TO REIMBURSE  
EXPENDITURES FOR PROJECT COSTS FROM THE PROCEEDS OF DEBT  
OBLIGATIONS OF THE AUTHORITY, INCLUDING IN CONNECTION WITH  
ITS PARTICIPATION IN THE NEW JERSEY INFRASTRUCTURE BANK  
FINANCING PROGRAM**

**WHEREAS**, The Brick Township Municipal Utilities Authority (the “Authority”) intends to acquire, construct, renovate and/or install the environmental infrastructure project described in Exhibit A attached hereto (the “Project”); and

**WHEREAS**, the Authority intends to finance the Project with debt obligations of the Authority (the “Project Debt Obligations”) but may pay for certain costs of the Project (the “Project Costs”) prior to the issuance of the Project Debt Obligations with funds of the Authority that are not borrowed funds; and

**WHEREAS**, the Authority reasonably anticipates that obligations, the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), will be issued by (i) the Authority on a short-term or long-term basis and/or (ii) the New Jersey Infrastructure Bank (the “Conduit Issuer”) to finance the Project on a long-term basis by making one or more loans to the Authority with the proceeds of the Conduit Issuer’s obligations (the “Project Bonds”); and

**WHEREAS**, the Authority desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs paid prior to the issuance of the Project Debt Obligations as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141 through 150, inclusive, of the Code.

**NOW, THEREFORE, BE IT RESOLVED** by the governing body of the Authority as follows:

**Section 1.** The Authority reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with proceeds of its Project Debt Obligations.

**Section 2.** This resolution is intended to be and hereby is a declaration of the Authority's official intent to reimburse the expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Authority, in accordance with Treasury Regulations §1.150-2.

**Section 3.** The maximum principal amount of the Project Debt Obligations expected to be issued to finance the Projects is \$9,000,000.

**Section 4.** The Project Costs to be reimbursed with the proceeds of the Project Debt Obligations will be “capital expenditures” in accordance with the meaning of Section 150 of the Code.

**Section 5.** 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 Project Bonds used to reimburse the Authority for Project Costs, 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 Project Debt Obligations 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).

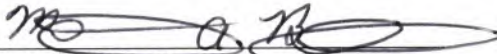
**Section 6.** All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Project Debt Obligations is paid,

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 7.** This resolution shall take effect immediately.

#### CERTIFICATION

I hereby certify that the foregoing Resolution was duly adopted at a regular meeting of The Brick Township Municipal Utilities Authority, County of Ocean, State of New Jersey, held on Thursday, September 28, 2023 a quorum being present and voting in the majority.

  
Michael Blandina, Secretary



## **Exhibit A**

### Sanitary Sewer Manhole Rehabilitation and Replacement

The project scope will include rehabilitation and replacement of 74 sanitary sewer manholes in various locations of Brick Township. The manholes show signs of deterioration from moderate to severe. Manholes showing signs of severe deterioration are slated to be replaced, and manholes showing signs of moderate deterioration are slated to be lined with cured-in-place liner. A table detailing the proposed sanitary sewer manhole replacement and lining locations, numbers and sizes is included in the Planning Document.

This project corresponds to New Jersey Infrastructure Bank Project No. S340448-12