

**RESOLUTION OF THE TOWNSHIP OF MOUNT OLIVE,
IN THE COUNTY OF MORRIS, NEW JERSEY
DECLARING ITS OFFICIAL INTENT TO REIMBURSE
EXPENDITURES FOR PROJECT COSTS FROM
PROCEEDS OF DEBT OBLIGATION IN CONNECTION
WITH THE TOWNSHIP'S PARTICIPATION IN THE 2009
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE
FINANCING PROGRAM IN CONNECTION WITH THE
NOT EXCEEDING \$524,700 GENERAL IMPROVEMENT
BOND, SERIES 2009.**

WHEREAS, the Township of Mount Olive, in the County of Morris, New Jersey (the "Borrower") intends to provide for the Tinc Farm-Lynnwood Goldmine Interconnection, as more fully described in Exhibit A attached hereto (the "Project");

WHEREAS, the Borrower intends to finance the Project with debt obligations of the Borrower (the "Project Debt Obligations") but may incur and pay for certain costs of the Project ("Project Costs") prior to the issuance of the Project Debt Obligations with funds of the Borrower which are not borrowed funds;

WHEREAS, the Borrower 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 the New Jersey Environmental Infrastructure Trust (the "Issuer") to finance the Project on a long-term basis by making a loan to the Borrower with the proceeds of the Issuer's obligations (the "Project Bonds"); and

WHEREAS, the Borrower desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs incurred and 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 Members of the governing body of the Borrower, in the County of Morris, New Jersey as follows:

Section 1. The Borrower 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 Borrower's official intent to reimburse the expenditure of Project Costs incurred and paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Borrower, in accordance with Treasury Regulations Section 150.2.

Section 3. The maximum principal amount of the Project Debt Obligations expected to be issued to finance the project is \$524,700.

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 Section 1.148-10 to avoid arbitrage restrictions or to avoid the restrictions under Sections 142 through 147 of the Code. The proceeds of the Project Bonds used to reimburse the Borrower 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,” of funds subject to a “negative pledge” (as such terms are defined in Treasury Regulations Section 1.148-1) of the Project Debt Obligations or another issue of debt obligations of the Borrower, other than amounts deposited into a “bona fide debt service fund” (as defined in Treasury Regulations Section 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 Section 1.150-2) or abandoned, but in no event more than three (3) years after the expenditure is paid.

Section 7. This resolution will take effect immediately.

EXHIBIT A

To provide for the Tinc Farm-Lynnwood Goldmine Interconnection to provide for the interconnection between the Goldmine service area, the Tinc Farm service area and the Lynnwood service area.

CERTIFICATE

I, Lisa Lashway, Clerk of the Township of Mount Olive, in the County of Morris, State of New Jersey, HEREBY CERTIFY that the foregoing annexed extract from the minutes of a meeting of the governing body of the Township duly called and held on September 1, 2009 has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Township this 1st day of September, 2009.

Lisa Lashway, Clerk

[SEAL]

