

RESOLUTION NO. 11-27

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST CONSENTING TO THE PREPAYMENT BY THE MANCHESTER UTILITIES AUTHORITY OF THE LOAN EXTENDED TO IT BY THE TRUST PURSUANT TO A LOAN AGREEMENT DATED AS OF FEBRUARY 19, 2010

WHEREAS, the New Jersey Environmental Infrastructure Trust (the “Trust”), a public body corporate and politic duly created and existing pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the “State”), as amended and supplemented (the “Act”), is authorized, pursuant to Sections 5(m) and 9(a) of the Act, to make and contract to make loans pursuant to loan agreements with local government units and public water utilities (each a “Borrower”) to finance a portion of the cost of environmental infrastructure system projects that Borrowers may lawfully undertake or acquire and for which they are authorized by law to borrow funds; and

WHEREAS, the Trust and the Manchester Utilities Authority (the “Authority”), a public body corporate and politic duly created and validly existing under the laws of the State, have entered into that certain Loan Agreement, dated as of February 19, 2010 (the “Loan Agreement”), pursuant to the terms of which the Trust made a loan to the Authority (the “Loan”), from amounts available to the Trust, to finance a portion of the Project as defined and described in the Loan Agreement; and

WHEREAS, the Authority has not initiated, and does not intend to initiate or complete, the Project; and

WHEREAS, pursuant to the provisions of Section 3.07 of the Loan Agreement, the Authority has provided notice to the Trust that intends to prepay the Loan, such notice being in the form of a letter to the Executive Director of the Trust, dated April 6, 2011; and

WHEREAS, pursuant to Section 3.07 of the Loan Agreement, the prior written approval of the Trust is a condition precedent to such prepayment; and

WHEREAS, it is the desire of the Trust to approve the prepayment of the Loan by the Authority, provided that the Authority shall pay to the Trust, in connection with such prepayment, from any source available to the Authority, any and all costs of the Trust relating to such prepayment (collectively, the “Costs”).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the “Board”) of the New Jersey Environmental Infrastructure Trust, as follows:

Section 1. The Board hereby approves the request by the Authority that it be permitted by the Trust to prepay the Loan pursuant to, and in satisfaction of, the applicable

provisions of the Loan Agreement, including, without limitation, Section 3.07 of the Loan Agreement, provided that the Authority shall pay to the Trust, in connection with such prepayment, from any source available to the Authority, the Costs.

Section 2. The Chairman, the Vice Chairman and the Executive Director of the Trust (each, an “Authorized Officer”) are each hereby severally authorized and directed to (i) execute such certificates, instruments or other documents, in such form and with such terms and conditions as are consistent with the terms and provisions of this Resolution, and as any Authorized Officer, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, determines to be necessary, convenient or desirable, to effect the transaction contemplated hereby in a manner consistent herewith, and (ii) take such other actions as any Authorized Officer, in his respective sole discretion, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, deems necessary, convenient or desirable to effect the transactions contemplated hereby.

Adopted Date: July 7, 2011

Motion Made By: Ms. Kreipke

Motion Seconded By: Mr. Gardner

Ayes: 7

Nays: 0

Abstentions: 0