

STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
DIVISION OF LOCAL GOVERNMENT SERVICES  
LOCAL FINANCE BOARD

APPLICATION

Township of MANALAPAN  
BOARD OF FIRE COMMISSIONERS DISTRICT NO.1

(Applicant)

NEW JERSEY LOCAL FINANCE BOARD  
TIMOTHY CUNNINGHAM

STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
DIVISION OF LOCAL GOVERNMENT SERVICES  
LOCAL FINANCIAL BOARD  
APPLICATION DATA

APPLICANT'S

NAME:

Township of MANALAPAN

BOARD OF FIRE COMMISSIONERS DISTRICT No. 1

ADDRESS:

P.O. Box 385

MANALAPAN, N.J. 07726

COUNTY Monmouth

YEAR 2015

APPLICABLE STATUTE TO WHICH APPLICATION IS BEING SUBMITTED: N.J.S.A. 40A:5A-6

AMOUNT FOR WHICH APPLICATION IS BEING SUBMITTED \$ 741,769.00

CONTACT PERSON:

ALAN SPECTOR

TITLE:

CHAIRMAN

ORGANIZATION/FIRM:

MANALAPAN Bd. FIRE Comm. DISTRICT No. 1

ADDRESS:

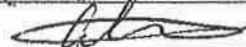
683 TENNENT ROAD

MANALAPAN, N.J. 07726

PHONE NUMBER:

(732) 936-2881

SIGNATURE:



DATE:

ALAN SPECTOR  
12/2/15

## RESOLUTION SERVICE LIST

### SECRETARY/CLERK

NAME: ALAN SPECTOR, CHAIRMAN

ADDRESS: P.O. Box 385

MANALAPAN, N.J. 07726

### MAYOR/EXEC. DIR.

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

### ~~BOND~~ COUNSEL

NAME: CHARLES R. PARKER ESQ.

ADDRESS: SONNENBLICK, PARKER & SELVERS, PC

4400 ROUTE 9 South Suite 3000

FREEHOLD, N.J. 07728

### FINANCIAL ADVISOR

NAME: SIMON & DEITZ, LLC, CPA

ADDRESS: 42 EAST MAIN ST. Suite 204

FREEHOLD, N.J. 07728

### AUDITOR

NAME: SEE FINANCIAL ADVISOR

ADDRESS: \_\_\_\_\_

### OTHER

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TOWNSHIP OF MANALAPAN  
**BOARD OF FIRE COMMISSIONERS**

DISTRICT NO. 1

P.O. Box 395  
Manalapan, NJ 07726

732-536-2881  
Fax 732-536-9041

NEW JERSEY DCA LOCAL FINANCE BOARD  
EXECUTIVE SUMMARY

The Manalapan Township Board of Fire Commissioners District No. 1 is an agency established and operating pursuant N.J.S.A. 40A:14-70.1, et seq. The Board maintains a main fire house on Tennent Road and a satellite fire house on Pease Road to service the westerly portion of Fire District 1.

The Board determined in 2014 that it would require a new rescue pumper fire truck to replace a truck that was no longer serviceable. At the annual fire district election on Saturday, February 21, 2015 the Board submitted the following question to the voters of Fire District No. 1:

"Shall the Manalapan Township Board of Fire Commissioners District No. 1 be given approval to purchase a replacement Rescue/Pumper Fire Truck at a cost not to exceed \$750,000, and to finance the purchase to be repaid with interest over a period of 5 years?"

The result of the election was that the 128 eligible voters who cast votes approved the purchase by a vote of 109 votes in favor and 18 votes against.

The Board intends to purchase a Pierce rescue pumper fire truck through the Houston-Galveston Area Council Cooperative. The purchase price is \$741,769 to be lease purchased at 2.58% interest over five years. The payments will be \$50,000 down and quarterly payments commencing upon delivery for five years. The Board intends to trade in its older fire truck which is being replaced. The Board's only current debt is for a fire truck purchased in 2011 and the final payment on that truck will be made on about August 15, 2016. Pierce has advised that the new truck will not be ready for about eleven to twelve months after receipt of a purchase order. The purchase order will not be submitted until after approval from the NJDCA Local Finance Board, and therefore, after receipt of the new truck, the Board will only have debt service for a single truck. The Township's current tax rate is \$2.064 per hundred and no adverse impact is anticipated on Manalapan Township's local tax rate or bond rating.

TOWNSHIP OF MANALAPAN  
**BOARD OF FIRE COMMISSIONERS**

DISTRICT NO. 1

P.O. Box 395  
Manalapan, NJ 07726

732-536-2881  
Fax 732-536-9041

**APPLICATION TO N.J. DCA LOCAL FINANCE BOARD – FINANCING FIRE TRUCK PURCHASE**

The Board received three quotes for financing the new fire truck from Brunswick Bank & Trust, Wells Fargo and PNC Equipment Finance. Each of the quotes is attached. The Board considered each of the quotes and determined to use PNC which works with Pierce, the truck manufacturer, in financing its sales. Brunswick's interest rate was the highest, and when the Board compared the total costs of Wells Fargo and PNC, PNC was more favorable. Wells Fargo places the loan amount in an escrow account and makes a single payment to Pierce upon delivery of the truck. PNC pays Pierce upfront which entitles the Board to prepayment discounts reducing the financed amount to \$708,268. In addition, the Board intends to make a down payment of \$50,000 further reducing the financed amount to \$658,268. As a result, the quarterly payments to PNC are \$4,059.53 less than the quarterly payments would be to Wells Fargo. In addition, the Wells Fargo proposal requires the Board to pay Wells Fargo fees and expenses, including filing fees, lien and UCC searches, costs of an appraisal and escrow agent fees. PNC does not require the payment of such costs and expenses.



FINANCIAL SOLUTIONS



## Tax Exempt Lease Purchase

**SALES ORGANIZATION:**

**LESSEE:**

**TYPE OF EQUIPMENT:**

**EQUIPMENT COST:**

**CUSTOMER DOWNPAYMENT:**

**TRADE-IN:**

**DELIVERY TIME:**

**PAYMENT MODE:**

**FIRST PAYMENT DUE DATE:**

**LEASE COMMENCEMENT DATE:**

**Fire & Safety – John O’Keefe**

Manalapan Fire District #1

(1) Pierce Arrow XT PUC Pumper

\$741,769.00

\$50,000.00 (due at contract signing)

\$0.00

Standard delivery

A) Quarterly In Arrears B) Annual in arrears

A) 1 Quarter After Lease Commencement

B) 1 Year After Lease Commencement

Upon contract signing with Pierce

2/8/2016

Contact information:

Michele Zitko

Locator: B4-B230-05-07

155 East Broad St

Columbus, OH 43215

Ph: (800) 820-9041 ext. 2

Fax: (800) 678-0602

michele.zitko@pnc.com

Term	A) 5 years	B) 5 years
Number of Payments	20 Quarters	5 Annual
Payment Amount	\$35,187.83	\$142,016.59
Rate	2.58%	2.58%

If Lessor receives any payment from Lessee after the due date, Lessee shall pay Lessor on demand as a late charge five per cent (5%) of such overdue amount, limited, however, to the maximum amount allowed by law

**NOTE:** All lease documents must be fully executed within 14 days of the date of this proposal. Failure to receive completed documents may alter the final payment schedule due to changes in rates and/or discounts.

**PERFORMANCE BOND:** To utilize the prepay program, a performance bond is required. Said performance bond shall be paid for directly to Pierce Manufacturing or financed by PNC Equipment Finance as part of the transaction

**TYPE OF FINANCING:** Tax-exempt Lease Purchase Agreement with a \$1.00 buy out option at end of lease term. Said agreement shall be a net lease arrangement whereby lessee is responsible for all costs of operation, maintenance, insurance, and taxes.

**BANK QUALIFICATION:** This proposal assumes that the lessee will not be issuing more than \$10 million in tax-exempt debt this calendar year. Furthermore, it is assumed that the lessee will designate this issue as a qualified tax-exempt obligation per the tax act of 1986.

**LEGAL TITLE:** Legal title to the equipment during the lease term shall vest in the lessee, with PNC Equipment Finance perfecting a first security interest

**AUTHORIZED SIGNORS:** The lessee's governing board shall provide PNC Equipment Finance with its resolution or ordinance authorizing this agreement and shall designate the individual(s) to execute all necessary documents used therein.

**LEGAL OPINION:** The lessee's counsel shall furnish PNC Equipment Finance with an opinion covering this transaction and the documents used herein. This opinion shall be in a form and substance satisfactory to PNC Equipment Finance.

**VOLUNTEER FIRE DEPARTMENTS:** If Lessee is a Volunteer Fire Department, a public hearing under the requirements of Section 147(f) of the Internal Revenue Code of 1986 shall be conducted to authorize this transaction. It is recommended that a notice of the public hearing be published 10 to 14 days in advance of the public hearing.

This proposal will be valid for fourteen (14) days from the above date and is subject to final credit approval by PNC Equipment Finance and approval of the lease documents in PNC Equipment Finance's sole discretion. To render a credit decision, lessee shall provide PNC Equipment Finance with their most recent two years' audited financial statements, copy of their most recent interim financial statement, and current budget.

Accepted by: \_\_\_\_\_ Proposal submitted by: Michele Zitko

## Cparker

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**From:** Alan Spector <ASpector@twp.manalapan.nj.us>  
**Sent:** Monday, February 01, 2016 1:36 PM  
**To:** Cparker  
**Subject:** FW: Brunswick Bank & Trust

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**From:** Danielle Haynes [<mailto:haynesd@brunswickbank.com>]  
**Sent:** Monday, February 01, 2016 1:29 PM  
**To:** Alan Spector  
**Subject:** Brunswick Bank & Trust

Good afternoon Mr. Spector,

Brunswick Bank & Trust would like to submit the following for consideration regarding the opportunity for the funding of the Manalapan Township Board of Fire Commissioners District #1 purchase of a new Pierce Pumper Fire Truck:

Purchase Price (based on estimate provided): \$750,000

Interest Rate Options: Variable Rate at Prime + 0.00% **OR** 4.00% Fixed

Term: 10 years, interest to be paid semi-annually, principal to be repaid annually in 10 payments of \$75,000.

Collateral: Brunswick Bank would be listed as the lien holder on the title of the truck. A UCC-1 would also be filed.

We hope that you will consider Brunswick Bank & Trust for this financing opportunity.  
Please let me know if you need further information or have any questions.

Thank you,  
Danielle

Danielle Haynes  
Commercial Credit Analyst  
Brunswick Bank & Trust  
439 Livingston Avenue  
New Brunswick, NJ 08901  
[haynesd@brunswickbank.com](mailto:haynesd@brunswickbank.com)  
Office: (732) 247-5800 x127  
Fax: (732) 247-5996

[www.brunswickbank.com](http://www.brunswickbank.com)



January 19, 2016

Alan Spector  
Chairman

Manalapan Township Board of Fire Commissioners District No. 1  
Manalapan, NJ 07726

Dear Alan:

We are pleased to provide the following equipment lease financing proposal for Manalapan Township Board of Fire Commissioners District No. 1. Wells Fargo Equipment Finance, Inc. is well positioned to provide financing options to meet your unique needs. We appreciate the opportunity to work with you and look forward to hearing from you with regard to this proposal.

Lessor:	Wells Fargo Equipment Finance, Inc. (WFEF)
Lessee:	Manalapan Township Board of Fire Commissioners District No. 1
Type of Facility:	Tax-exempt equipment lease-purchase agreement.
Equipment:	1 Pierce Pumper Fire Truck
Equipment Cost:	\$741,769
Lease Term:	60 months
Rate:	2.18%
Payment Amount:	\$39,247.31
Frequency:	Quarterly in Arrears
End of Term:	Lessee will have the option to purchase the Equipment for \$1.00 at the end of the Lease Term.
Lease Commencement:	It is expected that a definitive lease agreement and escrow agreement will be executed and the lease term commenced on or before March 31, 2016. On the closing date, Lessor will deposit the lease proceeds into an escrow account from which vendor/contractor payments will be disbursed in accordance with the terms of the escrow



agreement. Funds in the escrow account will be invested at the direction of Lessee and in accordance with the terms of the escrow agreement. There is no charge for the escrow arrangement if the escrow account is maintained by Lessor or an affiliate of Lessor and disbursements do not exceed one per month.

**Lease Rate:**

To be determined by Lessor at the time of a funding or two business days prior thereto. Based on current rates and market conditions, the interest rate as of January 19, 2016 would be 2.18% per annum, is 75 basis points over the 5 year Interest Rate Swap reported in the Federal Statistical Release H.15 on January 14, 2016. Actual pricing may be different in the event that Lessor's cost of funds or economic conditions change prior to any funding. The interest rate may be adjusted to allow Lessor to maintain its anticipated economics. Once funded, the applicable interest rate will remain fixed for the term of the applicable lease.

This proposal and the interest rate set forth above assume that the interest component of payments under the lease will be excludable from the owner's gross income for federal income tax purposes, and will not be an item of tax preference for purposes of the federal alternative minimum tax. The lease agreement will include federal tax covenants pursuant to which the Lessee will agree to comply with all applicable provisions of the Internal Revenue Code of 1986, and the regulations promulgated thereunder, to maintain the tax-exempt status of such interest payments.

It is further assumed that Lessee will designate the lease as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code.

**Documentation:**

Standard WFEF lease documents are anticipated together with the terms described herein.

**Unconditional Net Lease:**

Each lease transaction shall be "net", meaning that all costs and expense related to the transaction and equipment, including, without limitation, insurance, maintenance, repairs and taxes are the Lessee's sole responsibility. Manufacturer's warranty will be available to the Lessee to the extent assignable so long as no default has occurred. Subject only to the annual appropriation provisions in the lease agreement, all payments shall be absolute and unconditional, to be paid without defense, reduction or offset.

Insurance Requirements:

All Risk personal property and liability insurance coverage in amounts, with insurers, and under policies in form and substance, satisfactory to WFEF, containing endorsements naming WFEF and its successors and assigns as additional insured and/or lender loss payee as appropriate.

Transaction Expenses; Fees:

Lessee agrees to reimburse WFEF for reasonable expenses incurred by WFEF in connection with this transaction, including, but not limited to, any applicable filing fees and/or lien searches, UCC searches, escrow agent, appraisal and other similar expenses, excluding only outside counsel fees incurred by WFEF.

In addition, a non-refundable fee equal to \$300 will be payable to WFEF at the time definitive documents are executed ("Documentation Fee.")

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Indicative Terms

Only:

This proposal is for discussion purposes only. It does not set forth the complete terms or conditions of any transaction and does not constitute an obligation or commitment by WFEF to make any lease or to provide any other financial accommodation. Any lease or other credit extension by WFEF is subject, without limitation to the following conditions:

- (a) there not having occurred (i) any material change in the financial or operational performance of the lessee; or (ii) any event that would constitute a default under the terms of WFEF's standard lease documents or under any terms, if any, referred to above;
- (b) (i) credit approval by WFEF regarding the financial and operational performance of the lessee, and (ii) approval by WFEF of the subject equipment to be financed and all other collateral;
- (c) receipt and complete review and approval by WFEF of any other due diligence items related to the prospective lessee as determined by WFEF in its sole and absolute discretion;
- (d) satisfactory completion of regulatory compliance investigation and background review of the prospective lessee (including BSA and OFAC diligence) and receipt by WFEF of other information regarding the prospective lessee deemed necessary by WFEF in its sole discretion;
- (e) execution and delivery of definitive lease documents and ancillary documents (including such legal opinions as may be required by WFEF) each in form and substance acceptable to WFEF and the other parties thereto; and

- (f) there not having occurred any event that would in WFEF's reasonable opinion make it illegal or commercially impractical to enter into the transaction, including without limitation, disruption in financial markets, regulatory requirements or changes in applicable law, including tax laws.

Expiration:

This proposal shall expire on the earlier of (i) the date that any event described in the Indicative Terms Only section above occurs that would permit WFEF not to proceed any further, or (ii) March 31, 2016 if a definitive lease agreement has not been fully executed and delivered.

Confidentiality:

Lessee agrees that the terms described herein are confidential and that it will protect the confidentiality of such information in a manner at least as protective as it treats its own confidential information and shall not disclose any of the provisions hereof to any person or entity (including, without limitation any financial institution or other lender) other than (i) to its employees who are involved in evaluating or effectuating the Lease facility, its lawyers and accountants, and (ii) as may be required by law.

No Advice:

The transaction described in this proposal is an arm's length, commercial transaction between you and WFEF in which: (a) WFEF is acting solely as a principal (i.e., as a lender or lessor) and for its own interest; (b) WFEF is not acting as a municipal advisor or financial advisor to you; (c) WFEF has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether WFEF has provided other services or is currently providing other services to you on other matters); (d) the only obligations WFEF has to you with respect to this transaction are set forth in the definitive transaction agreements between us; and (e) WFEF is not recommending that you take an action with respect to the transaction described in this document, and before taking any action with respect to this transaction, you should discuss the information contained herein with your own legal, accounting, tax, financial and other advisors, as you deem appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity.

Thank you for this opportunity to serve you in connection with this prospective transaction. I look forward to working with you as we proceed toward finalizing terms, credit review and documentation, it being understood however, that neither party shall be obligated to proceed with any transaction unless mutually agreeable definitive documents are agreed on and executed.

Thank you for the opportunity to make this proposal. If this Proposal meets with your approval, kindly indicate your acceptance by signing where indicated. Please do not hesitate to contact me with any questions or needs.

Yours sincerely,

Enrico Mazza  
Territory Manager  
Wells Fargo Equipment Finance Inc.  
2240 Butler Pike  
Plymouth Meeting, PA 19462

**ACCEPTED FOR: Manalapan Township Board of Fire Commissioners District No. 1**

BY: \_\_\_\_\_

NAME: \_\_\_\_\_  
Print Name

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

## **SUBMISSION REQUIREMENTS**

- PART I      APPLICATION RESOLUTION AND CERTIFICATION**
- PART II     PROPOSED ISSUANCE OF OBLIGATIONS**
- PART III    TRANSACTIONS TO FINANCE CONSTRUCTION, IMPROVEMENTS, ETC.**
- PART IV    REFUNDING BOND ISSUE**
- PART V     PROPOSED SECURITY AGREEMENT**  
**PROPOSED FINANCING AGREEMENT**
- PART VI    CREATION OF AUTHORITY**
- PART VII   DISSOLUTION OF AUTHORITY**
- PART VIII   QUALIFIED BOND ISSUE**
- PART IX    MUNICIPAL APPLICATION**
  - (A)   MUNICIPAL AID APPLICATION**
  - (B)   MUNICIPAL AND COUNTY BUDGET**  
**REQUIREMENTS AND EXCEPTIONS**
- PART X     APPEALS OF DIRECTOR'S DETERMINATION**
- PART XI    SCHOOL BOND ISSUE**
- PART XII   APPLICATION REQUIREMENTS:**  
**NJ WATER SUPPLY PUBLIC-PRIVATE CONTRACTING ACT**
- PART XIII   APPLICATION REQUIREMENTS:**  
**NJ WASTEWATER TREATMENT PUBLIC-PRIVATE**  
**CONTRACTING ACT**

## PART I

[illegible]

(Part 1)

STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
DIVISION OF LOCAL GOVERNMENT SERVICES  
LOCAL FINANCE BOARD  
APPLICATION CERTIFICATION

APPLICANT'S

NAME:


I, Township of MANALAPAN BOARD OF FIRE COMMISSIONERS  
DISTRICT No. 1  
ALAN SPECTOR, CHAIRMAN OF THE  
(name) (title)  
Township of MANALAPAN BOARD OF FIRE COMMISSIONERS DISTRICT No. 1  
(applicant)

**DO HEREBY DECLARE:**

That the documents submitted herewith and the statements contained herein are true to the best of my knowledge and belief; and

That this application was considered and its submission to the Local Finance Board approved by the governing body of the BOARD OF FIRE COMMISSIONERS on DECEMBER 7, 2015; and

That the governing body of the Township of MANALAPAN BOARD OF FIRE COMMISSIONERS DISTRICT No. 1 has notified each participating local unit of its submission of this application to the Local Finance Board and has made available to each, a true copy of this application.

  
(signature) 12/2/15  
ALAN SPECTOR

**ATTEST:**

Chandra R. Parker 12/2/15  
Attorney for Board  
(date)

TOWNSHIP OF MANALAPAN  
RESOLUTION OF BOARD OF FIRE COMMISSIONERS DISTRICT No. 1  
MAKING APPLICATION TO THE LOCAL FINANCE BOARD  
PURSUANT TO N.J.S.A. 40A:15A-6

WHEREAS, THE TOWNSHIP OF MANALAPAN BOARD OF FIRE COMMISSIONERS DISTRICT No. 1  
desires to make application to the Local Finance Board for its review and/or approval of a  
proposed \_\_\_\_\_ authorizing the FINANCING AND  
PURCHASE OF A NEW RESCUE FIRE TRUCK

WHEREAS, TOWNSHIP OF MANALAPAN BOARD OF FIRE COMMISSIONERS DISTRICT No. 1  
believes:

- (a) it is in the public interest to accomplish such purpose;
- (b) said purpose or improvements are for the health, wealth, convenience or betterment of the inhabitants of the local unit or units;
- (c) the amounts to be expended for said purpose or improvements are not unreasonable or exorbitant;
- (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the local unit or units and will not create an undue financial burden to be placed upon the local unit or units;

NOW THEREFORE, BE IT RESOLVED by the BOARD OF FIRE COMMISSIONERS DISTRICT No. 1 as follows:

Section 1. The application to the Local Finance Board is hereby approved, and the BOARD'S ~~Bond~~ Counsel and financial advisor, along with other representatives of the BOARD, are hereby authorized to prepare such application and to represent the BOARD in matters pertaining thereto.

Section 2. The ~~Secretary~~ <sup>CHAIRMAN</sup> of the BOARD AND THE BOARD ATTORNEY is hereby directed to prepare and file a copy of the proposed FINANCING AND PURCHASE with the Local Finance Board as part of such application.

Section 3. The Local Finance Board is hereby respectfully requested to consider such application and to record its findings, recommendations and/or approvals as provided by the applicable New Jersey Statute.

**Recorded Vote**

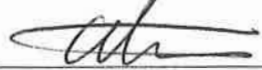
AYE  
5

NO  
0

ABSTAIN  
0

ABSENT  
0

The foregoing is a true copy of a resolution adopted by the governing body of  
TOWNSHIP OF MANALAPAN BOARD OF FIRE COMMISSIONERS DISTRICT No. 1  
on DECEMBER 2, 2015

  
(signature)  
ALAN SPECTOR 12/2/15



## PART II

(part II)

## PROPOSED ISSUANCE OF OBLIGATIONS

1) Type of Obligation

☐ General Obligation Bond  
☐ Revenue Bond  
☐ Special Obligation Bond  
☐ Qualified Bond  
☐ School Qualified Bond  
☐ Project Note (BAN)  
☐ Grant Anticipation Note  
☒ Other: (describe)

FINANCING PURCHASE OF 2016 RESCUE/PUMPER  
FIRE TRUCK.

2) Purpose of Proposed Financing

☐ Temporarily finance the construction, improvement or acquisition of facilities, infrastructure, equipment, etc.

☒ Permanently finance the construction, improvement or acquisition of facilities, infrastructure, equipment, etc.

☐ Renew outstanding temporary obligations

☐ Advance refund outstanding permanent obligations

☐ Current Refunding Issue

3) Amount of Proposed Financing

\$ 741,769.00 Proposed to be issued

\$ 741,769.00 Maximum to be authorized

(part II)

#### 4) Tax Implications:

~~Y/E S~~ Is issue Tax exempt?

No Is issue Taxable?

No Is issue mixed?

No Are Private Activity Bonds utilized?

No Is volume cap allocation necessary?

If yes: has volume cap allocation been received?

(yes)                                           (no)

From whom: \_\_\_\_\_

For how much: \$ \_\_\_\_\_

Will the 1986 Tax Reform Act or any proposed changes to the Act impose restrictions as to the type of financing and/or limitation on debt structuring?

If yes Describe: \_\_\_\_\_

(part II)

5) Description of Obligations:

(A) Short Term Obligations (if applicable)

Proposed Interest Rate: \_\_\_\_\_%

Maximum Interest Rate: \_\_\_\_\_%

(B) Permanent Bonds – Fixed Rate (if applicable)

Serial Coupons

N/A

**Proposed Interest Rates**

**Maximum Interest Rates**

From \_\_\_\_\_% To \_\_\_\_\_%

From \_\_\_\_\_% To \_\_\_\_\_%

Term Bonds

**Proposed Interest Rates**

**Maximum Interest Rates**

Year \_\_\_\_\_ Rate \_\_\_\_\_%

Year \_\_\_\_\_ Rate \_\_\_\_\_%

Year \_\_\_\_\_ Rate \_\_\_\_\_%

Year \_\_\_\_\_ Rate \_\_\_\_\_%

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Year \_\_\_\_\_ Rate \_\_\_\_\_%

Year \_\_\_\_\_ Rate \_\_\_\_\_%

Year \_\_\_\_\_ Rate \_\_\_\_\_%

attach additional sheets if necessary.

(C) Maturity(ies)

Serial Maturities from \_\_\_\_\_ to \_\_\_\_\_

Sinking Fund Payments from \_\_\_\_\_ to \_\_\_\_\_

Term Maturities from \_\_\_\_\_ to \_\_\_\_\_

(D) Amortization (check one)

\_\_\_\_\_ Bullet Maturity

\_\_\_\_\_ Level Principal

\_\_\_\_\_ Level Debt Service

\_\_\_\_\_ Other (explain)

**(part II)**

**5) (Cont.)**

(E) If the obligations will have a variable interest rate, answer the following questions:

(1) Explain the benefit in issuing variable rate bonds.

(2) What are the administrative costs anticipated from the issuance and renewal of the variable rate bonds?

(3) Under what circumstances can the variable rate be converted to a fixed rate and what is the conversion fee?

(part II)

(F) Security pledge for Repayment of Obligations:

TYPE	Jurisdiction providing security
_____ Ad Valorem Taxation	_____
_____ Revenue/Charges	_____
_____ Service Agreement	_____
_____ Lease/Purchase Agreement	_____
_____ County Deficiency Agree.	_____
_____ Unconditional Guaranty	_____
_____ Other (describe):	_____

(6) Credit & Rating Matters

*N/A*

a) Ratings:

_____ Moodys	_____ Confirmed	_____ Applied For	_____ Expected
_____ S&P	_____ Confirmed	_____ Applied For	_____ Expected

b) Bond Insurance \_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_ Pending

If Yes-Provider \_\_\_\_\_

Amount \$ \_\_\_\_\_

Confirmed \_\_\_\_\_ Yes \_\_\_\_\_ No

c) Letter of Credit \_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_ Pending

If Yes-Provider \_\_\_\_\_

Amount \$ \_\_\_\_\_

Confirmed \_\_\_\_\_ Yes \_\_\_\_\_ No

d) Other Credit or Liquidity Support

If Yes-Provider \_\_\_\_\_

Amount \$ \_\_\_\_\_

Confirmed \_\_\_\_\_ Yes \_\_\_\_\_ No \_\_\_\_\_ Pending

Description \_\_\_\_\_

**(part II)**

**7) Issuance Matters**

a) Method of Issuance \_\_\_\_\_ Competitive  
\_\_\_\_\_ Negotiated

b) Amount of outstanding debt prior to issue  
\$ \_\_\_\_\_

c) Net debt expressed as a percentage of equalized  
valuations of taxable real estate prior to issue  
\_\_\_\_\_ % (if applicable)

d) Net debt expressed as a percentage of equalized  
valuations of taxable real estate after the issue  
\_\_\_\_\_ % (if applicable)

e) Provide a recapitulation of applicants indebtedness  
issued and outstanding as of the date of the application

f) Provide a proposed maturity schedule indicating annual  
debt service payments broken down by principal and interest  
subsequent to the issuance of the proposed obligations

**(part II)**

**8) Provide the Sources and Uses of the Proposed Issue**

**SOURCES:**

a) Proceeds of Issue	\$ _____
b) Other Cash Contributions	\$ _____
c) Interest Earnings	\$ _____
d) Other (describe)	\$ _____
e) Accrued Interest	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>Total Sources</b>	<b>\$ _____</b>

**USES**

a) Facilities Costs	\$ _____
b) Equipment Costs	\$ <u>741,769.00</u>
c) Capitalized Interest	\$ _____
d) Debt Service Reserve	\$ _____
e) Costs of Issuance	\$ _____
f) Accrued Interest	\$ _____
g) Other (describe)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>Total Uses</b>	<b>\$ <u>741,769.00</u></b>



(part II)

**Proposed Issuance Costs**

	<u>Name</u>	<u>Proposed Amount</u>
Financial Advisor:	_____	\$ _____
Bond Counsel:	_____	\$ _____
Local Attorney:	_____	\$ _____
Engineer:	_____	\$ _____
Architect:	_____	\$ _____
Accountant:	_____	\$ _____
Auditor:	_____	\$ _____
Underwriter:	_____	\$ _____
Appraiser:	_____	\$ _____
Trustee:	_____	\$ _____
Special Consultants:	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
Other Bonding Exp:	_____	\$ _____

**Total Issuance Costs**      \$ 0

(part II)

9) Budget and Audit Submission Requirements

- a) Has the current year's budget been approved and adopted by the Division of Local Government Services YES.  
(yes/no)
- b) Has the previous year's audit been completed and submitted to the Division of Local Government Services YES.  
(yes/no)
- c) Provide a statement of the impact on the local unit or units' budget, debt service requirements, debt service ratings, local tax rate and service fees if the proposed project is implemented or the proposed project financing is undertaken.

SEE ATTACHED.

- d) Has the Annual Debt Statement been submitted to the Division of Local Government Services N/A (if applicable)  
(yes/no)
- e) Has the Supplemental Debt Statement for this proposed issuance of obligations been submitted to the Division of Local Government Services N/A  
(yes/no)
- f) Has the Capital Budget been adopted N/A  
(if applicable) (yes/no)

10) Provide a certified copy of an introduced ordinance and/or resolution adopted by the local unit indicating the intent of the local unit for the issuance of the proposed obligation(s). (if applicable)

SEE ATTACHED.

TOWNSHIP OF MANALAPAN  
**BOARD OF FIRE COMMISSIONERS**

DISTRICT NO. 1

P.O. Box 395  
Manalapan, NJ 07726

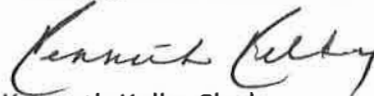
732-536-2881  
Fax 732-536-9041

ELECTION CERTIFICATION

This is to certify that the Manalapan Township Board of Fire Commissioners District No. 1 submitted the following question to the eligible voters of Manalapan Township Fire District No. 1 at the annual Fire District election held on Saturday, February 21, 2015: "Shall the Manalapan Township Board of Fire Commissioners, District No. 1 be given approval to purchase a replacement Rescue/Pumper Fire Truck at a cost not to exceed \$750,000, and to finance the purchase to be repaid with interest over a period of 5 years?" 128 voters cast votes and the question was approved by a vote of 109 to 18.

I hereby certify that the foregoing is a true statement of the results of the election. I am aware if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Manalapan Township Board of Fire  
Commissioners District No. 1

  
Kenneth Kelly, Clerk

Dated 12/2/15

MANALAPAN TOWNSHIP BOARD OF FIRE COMMISSIONERS  
DISTRICT NO. 1

**MEMORIALIZING RESOLUTION TO PURCHASE FIRE TRUCK**

**Commissioner Spector** offered the following Resolution and moved its adoption which was seconded by Commissioner Kelly.

WHEREAS, the Manalapan Township Board of Fire Commissioners District No. 1 has determined it is necessary to purchase a new fire truck to replace a truck which is out of date and no longer serviceable; and

WHEREAS, it is required by applicable New Jersey statutes that the Board submit the issue to the voters of Manalapan Fire District No.1 in the form of a question at the February 21, 2015 annual election, and, if the purchase is approved by the eligible voters of Fire District No.1, to also submit the issue to the N.J. Department of Community Affairs Local Finance Board; and

WHEREAS, the Board intends to enter into an Interlocal Contract For Cooperative Purchasing with HGAC, Houston, Texas, as permitted by applicable New Jersey and Texas statutes in order to purchase the fire truck by the most cost effective manner currently available.

NOW, THEREFORE, BE IT RESOLVED by the Manalapan Township Board of Fire Commissioners District No. 1 that the Board shall purchase a new rescue/pumper fire truck for a purchase price not to exceed \$750,000.00 subject to the approval of the eligible voters of Fire District No.1 at the annual election and further subject to the approval of New Jersey Department of Community Affairs Local Finance Board, and the approval of any other governmental agencies with jurisdiction.

AND BE IT FURTHER RESOLVED that the Board authorizes and directs the Chairman, Clerk and Commissioners, and the Board's attorney to take all actions necessary to purchase the fire truck through the HGAC Cooperative, including, but not limited to, submitting the issue to the eligible voters at the annual fire district election and to the NJ DCA Local Finance Board.

AND BE IT FURTHER RESOLVED that a copy of this Resolution certified to be a true copy is to be retained in the permanent files of the Board.

ROLL CALL

	<u>Yes</u>	<u>No</u>
Alan Spector	X	
Kenneth Kelly	X	
George Schmatz	X	
Lou Caruana	X	
Daniel LaRocca	X	

ABSENT: 0

ABSTAINED: 0

DISQUALIFIED: 0

DATED: December 2, 2015

I hereby certify that the foregoing is a true copy of a Memorializing Resolution of the Board adopted at the Board's December 2, 2015 meeting which memorializes the Resolution of the Board adopted at its December 3, 2014 meeting.

  
\_\_\_\_\_  
Alan Spector  
Chairman  
Manalapan Township  
Board of Fire Commissioners  
District No. 1

12/2/15  
\_\_\_\_\_  
Date

### PART III

(part III)

TRANSACTIONS TO FINANCE THE CONSTRUCTION OR ACQUISITION OF  
FACILITIES, INFRASTRUCTURE, EQUIPMENT, ETC.

1) Description of Proposed Project:

FINANCING Purchase of 2016 RESCUE/PUMPER  
FIRE TRUCK.

2) Who will:

a) Use the Facilities

MANALAPAN Twp. Bd. FIRE COMMISSIONERS  
DISTRICT NO. 1

b) Operate the Facilities

SAME

c) Own the Facilities

SAME

3) When will the facilities be fully acquired or completed?

Completed - 2016

Acquired - 2016

4) Provide a breakdown of the hard cost of the proposed project being constructed,  
acquired, etc. EXCLUDING financing costs, such as capitalized interest, cost of  
issuance, etc.

\$ 741,769.00

(part III)

5) Schedule of Project Permits      *N/A*

<u>PERMITS REQUIRED</u>	<u>DATE OF APPLIC.</u>	<u>DATE OF APPROVAL</u>	<u>APPLIC. PENDING</u>	<u>APPLIC. DENIED</u>	<u>NOT YET APPLIED</u>
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**Federal:**

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**State:**

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**Local:**



## PART IV

(part IV)

REFUNDING ISSUE *N/A*

1) Purpose of advance or current refunding (check one or more)

- ☐ Generate debt service saving
- ☐ Modify bond covenants  
If yes: Provide an attachment describing the nature and the reason for the change
- ☐ Reschedule debt service
- ☐ Other (describe)  
\_\_\_\_\_  
\_\_\_\_\_

2) Amortization of Refunding Obligations Generating Present Value Savings will be Structured to Provide: (check one)

- ☐ Annual Debt Service Savings
- ☐ Front Loaded Savings
- ☐ Other (describe)  
\_\_\_\_\_

3) Are issues to be refunded: (check one)

- ☐ Callable
- ☐ Non Callable

4) Complete the following table:

	<u>Obligations to be Refunded</u>	<u>Refunding Obligations</u>
a) Par Amount	\$ _____	\$ _____
b) Interest Rates	_____ % to _____ %	_____ % to _____ %
c) True Interest Cost	_____ %	_____ %
d) Maturity	_____	_____
e) Call Provisions	_____ @ _____	_____ @ _____
	_____	_____
	_____	_____
	_____	_____

(part IV)

5) Estimated Present Value Savings

a) Present Value Savings \$ \_\_\_\_\_

b) Present Value Savings as a %  
of Refunded Obligations \$ \_\_\_\_\_

6) Fund Balance

a) Provide a detailed breakdown of the Fund balance  
for the previous four years.

YEAR	BALANCE FY ENDING	UTILIZED IN SUCCEEDING BUDGET
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

b) If application is for a Tax Appeal – indicate amounts  
previously set aside as a “Reserve for Tax Appeals Pending”

YEAR	BALANCE FY ENDING
_____	_____
_____	_____
_____	_____
_____	_____

7) Impact on Local Tax Rate (if applicable)

a) If proposed refunding approved \_\_\_\_\_

b) If proposed refunding denied \_\_\_\_\_

Note – base impact on local tax rate on \$100 assessed  
valuation of local property.

c) What is percentage of equalized value of real property  
within local government jurisdiction \_\_\_\_\_%

**(part IV)**

d) Provide a breakdown of the assessed value of real property for the previous four years.

YEAR	LAND	IMPROVEMENTS	EXEMPTIONS	MACHINERY	TAXABLE VALUE
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

e) Provide the percentage of current tax collections for the previous four years.

YEARS	PERCENTAGE
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

**(part IV)**

- f) Provide the average assessed value and tax on a typical six room residence (if applicable).

Assessed Value \$ \_\_\_\_\_

Local Tax Rate \$ \_\_\_\_\_

- g) Provide a breakdown of the five largest tax appeals which remain unsettled at this time (if applicable).

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

- h) What was the date of the last revaluation?

\_\_\_\_\_

## PART V

(part V)

**PROPOSED FINANCING AGREEMENT**

**PROPOSED SERVICE AGREEMENT**

- A) Provide a copy of the proposed authority resolution authorizing the adoption of the financing agreement and/or security agreement for project financing by the authority. *SEE ATTACHED.*
- B) Provide a copy or copies of the proposed municipal or county ordinance(s) or resolution(s) authorizing a financing agreement and/or security agreement by a local unit or units for project financing by an authority. *N/A*
- C) Provide a statement of the impact on the local unit or units' budget, debt service requirements, debt service ratings, local tax rate and service fees if the financing agreement and/or service agreement are implemented. *SEE ATTACHED.*
- D) Provide a breakdown of the current existing overriding Guarantee of Debt by project. *N/A.*

	PROJECT	PROJECT DEBT	LOCAL UNIT GUARANTEE
Total Current Guarantee			
Proposed Project Guarantee			
Total Proposed Guarantee			

(part V)

### PROPOSED FEE SCHEDULE

	NAME	AMOUNT
Financial Advisor:	_____	\$ _____
Bond Counsel:	_____	\$ _____
Local Attorney:	_____	\$ _____
Engineer:	_____	\$ _____
Architect:	_____	\$ _____
Accountant:	_____	\$ _____
Auditor:	_____	\$ _____
Underwriter:	_____	\$ _____
Appraiser:	_____	\$ _____
Trustee:	_____	\$ _____
Special Consultants:	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
Other Expenses:	_____	\$ _____
	Total Fees	\$ <u>0</u>



## PART VI

(part VI)

CREATION OF AN AUTHORITY      N/A

- A) Provide a copy or copies of the proposed ordinance(s) or resolution(s) of the local unit for the creation of the authority.
- B) Provide a statement, in brief and general terms, of the project or projects to be undertaken, the estimated project cost including, but not limited to cost of appraisals, engineering design, environmental impact and feasibility studies, financing and construction, the manner of proposed project financing, and the area to be served by the project.
- C) Provide copies of any appraisals, estimates, computations or calculations made in connection with the estimated cost of construction or acquiring and financing the proposed project or projects.
- D) Provide a proposed budget of operating costs, including depreciation on physical assets, for the first year of the authority operations, and the proposed source or sources of the authority's funding of such operations (such as user fees, rentals, service contracts, etc.).
- E) Provide a table of organization, indicating proposed personnel requirements and the level of staff required for supervision of the operation of the authority.
- F) Provide a statement indicating that the local unit or units have considered alternate means, including but not limited to private enterprise, of undertaking and financing the proposed project or projects and have determined that the creation of the authority is the most feasible means of providing services and financing the proposed project or projects.

(part VI)

### Proposed Creation Costs

	Name	Amount
Financial Advisor:	_____	\$ _____
Bond Counsel:	_____	\$ _____
Local Attorney:	_____	\$ _____
Engineer:	_____	\$ _____
Architect:	_____	\$ _____
Accountant:	_____	\$ _____
Auditor:	_____	\$ _____
Underwriter:	_____	\$ _____
Appraiser:	_____	\$ _____
Trustee:	_____	\$ _____
Special Consultants:	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
Other Expenses:	_____	\$ _____
	Total Creation Costs	\$ _____

## PART VII

(part VII)

**DISSOLUTION OF AUTHORITY**    *N/A*

- (A) Provide a copy of the proposed ordinance(s) or resolution(s) to dissolve the authority. The ordinance(s) or resolution(s) shall make adequate provision in accordance with a financing agreement and/or security agreement or otherwise for the payment of all creditors or obligees of the authority and assure that adequate provision for the assumption of those services provided by the authority which are necessary for the health, safety and welfare of the recipients of those services will be maintained.**
- (B) Provide a statement signed by the chairman and certified by the treasurer of the authority, identifying the amounts owing to creditors and obligees of the authority. This statement must be prepared by a date not more than thirty days preceding the submission to the Local Finance Board.**
- (C) Provide a statement of the impact on the local unit or units budget, debt service requirements, debt service ratings, local tax rate and service fees if the dissolution of the authority is implemented.**
- (D) Provide a statement of the description and the amount of permissible expenditures, if any, requested to be transferred to the local unit or units' budget and certified by the Local Finance Board.**
- (E) Provide a copy or copies of the bond ordinance(s) or resolution(s) proposed to be adopted by the local unit or units authorizing the issuance of obligations in furtherance of the dissolution of the authority.**

## PART VIII

(part VIII)

QUALIFIED BOND ISSUE

N/A

- A) Provide a breakdown of applications submitted to the Local Finance Board for the previous four years.

DATE  
APPROVED

AMOUNT  
APPROVED

AMOUNT  
ISSUED

\_\_\_\_\_  
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- B) What is the amount of annual Qualified Bond debt service payments prior to this issue \$\_\_\_\_\_.
- C) What is the amount of the proposed annual Qualified Bond debt service payments if this issue is approved \$\_\_\_\_\_.
- D) What is the amount of Qualified Bond revenues eligible to be pledged against debt service payments \$\_\_\_\_\_.
- E) Have the required Qualified Bond reports been submitted to the Division of Local Government Services, pursuant to the Local Finance Board resolution.

\_\_\_\_\_  
(yes/no)

If not explain reason.

## PART IX



MUNICIPAL APPLICATION *N/A*

- A) MUNICIPAL AID APPLICATION
- B) MUNICIPAL AND COUNTY BUDGET REQUIREMENTS AND EXCEPTIONS

## PART X

APPEALS OF DIRECTOR'S DECISION *N/A*

## PART XI

SCHOOL BOND ISSUE *N/A*

## PART XII

**LOCAL FINANCE BOARD: PART XII**  
**NEW JERSEY WATER SUPPLY PUBLIC-PRIVATE CONTRACTING ACT**  
**APPLICATION REQUIREMENTS**  
**N.J.S.A. 58:26-19**

N/A

1. Copy of the proposed contract and identification of specific sections addressing the following provisions:

<u>Contract Provision</u>	<u>Please Indicate Page Reference in Contract</u>
* The allocation of the risks of operating and maintaining the water supply facility.	_____
* The allocation of the risks associated with circumstances or occurrences beyond the control of the parties to the contract.	_____
* The defaulting and termination of the contract.	_____
* The private firm's authority and the extent, or the procedures for the use, of that authority to initiate, negotiate and finalize the terms for a bulk sale of surplus water. The contract shall either grant the private firm such authority or specifically state that the firm is denied that authority.	_____
* The requirements for the provision of a performance bond by the private firm, if so required by the public entity.	_____

2. Copy of resolution or ordinance adopted by the governing body approving the proposed contract.
3. Statement of reasons for selecting the proposal submitted by the private firm with which the municipality has negotiated a contract.
4. Verbatim record of the public hearing and any written statements submitted by interested parties.

5. Statement prepared by the municipality summarizing the major issues raised at the public hearing and the municipality's specific response to those issues.
6. Copy of bond counsel's written opinion as to the effect of the contract on the tax exempt status of existing and future financing instruments executed by the municipality given the terms of the contract and the federal laws or regulations concerning this matter.
7. Appropriate information to affirm that the terms of the proposed contract do not materially impair the municipality's ability to punctually pay principal and interest due on its outstanding indebtedness and to supply other essential public improvements and services.
8. Amount of the concession fee or any other monetary benefit paid by a private firm and statement of how such fee will be used by the municipality for the purpose of reducing or offsetting property taxes.
9. Please complete Parts II, III, and V of the Local Finance Board application if the public entity is executing a financing instrument at this time.



### PART XIII

**LOCAL FINANCE BOARD: PART XIII**  
**NEW JERSEY WASTEWATER TREATMENT PUBLIC-PRIVATE**  
**CONTRACTING ACT**  
**APPLICATION REQUIREMENTS**  
N.J.S.A. 58:27-19

N/A

1. Copy of the proposed contract and identification of specific sections addressing the following provisions:

<u>Contract Provision</u>	<u>Please Indicate Page Reference in Contract</u>
* The charges, rates, fees or formulas to be used to determine the charges, rates, or fees to be charged by the public entity for the wastewater treatment services to be provided;	_____
* The allocation of the risks of financing and constructing planned capital additions or upgrades to existing wastewater treatment systems;	_____
* The allocation of the risks of operating and maintaining the wastewater treatment system;	_____
* The allocation of the risks associated with circumstances or occurrences beyond the control of the parties to the contract.	_____
* The defaulting and termination of the contract;	_____
* The employment of current employees of the public entity whose positions or employment will be affected by the terms of the contract;	_____
* The requirements for the provision of a performance bond by the private firm or public authority, if so required by the public entity; and	_____
* The financial cost of compliance with all relevant permits.	_____

2. Copy of resolution or ordinance adopted by the governing body approving the proposed contract.
3. Statement of reasons for selecting the proposal submitted by the private firm with which the municipality has negotiated a contract.
4. Verbatim record of the public hearing and any written statements submitted by interested parties.
5. Statement prepared by the municipality summarizing the major issues raised at the public hearing and the municipality's specific response to those issues.
6. Copy of bond counsel's written opinion as to the effect of the contract on the tax exempt status of existing and future financing instruments executed by the municipality given the terms of the contract and the federal laws or regulations concerning this matter.
7. Appropriate information to affirm that the terms of the proposed contract do not materially impair the municipality's ability to punctually pay principal and interest due on its outstanding indebtedness and to supply other essential public improvements and services.
8. Amount of the concession fee or any other monetary benefit paid by a private firm and statement of how such fee will be used by the municipality for the purpose of reducing or offsetting property taxes, wastewater treatment service rates, or for one time non-recurring expenses or capital asset expenditures. In addition, please address how payment of the concession fee is in the best interest of the parties to the contract.
9. Please complete Parts II, III, and V of the Local Finance Board application if the public entity is executing a financing instrument at this time.



INTERLOCAL CONTRACT  
FOR COOPERATIVE PURCHASING

ILC 15-4912  
No.:  
Permanent Number assigned by H-GAC

THIS INTERLOCAL CONTRACT ("Contract"), made and entered into pursuant to the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code (the "Act"), by and between the Houston-Galveston Area Council, hereinafter referred to as "H-GAC," having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, and \* Manalapan Township Board of Fire Commissioners District No. 1 (N.J.), a local government, a state agency, or a non-profit corporation created and operated to provide one or more governmental functions and services, hereinafter referred to as "End User," having its principal place of business at \* 683 Tennent Road, P.O. Box 395, Manalapan, N.J. 07

WITNESSETH

WHEREAS, H-GAC is a regional planning commission and political subdivision of the State of Texas operating under Chapter 391, Texas Local Government Code; and

WHEREAS, pursuant to the Act, H-GAC is authorized to contract with eligible entities to perform governmental functions and services, including the purchase of goods and services; and

WHEREAS, in reliance on such authority, H-GAC has instituted a cooperative purchasing program under which it contracts with eligible entities under the Act; and

WHEREAS, End User has represented that it is an eligible entity under the Act, that its governing body has authorized this Contract on \* Oct 07, 2015 (Date), and that it desires to contract with H-GAC on the terms set forth below;

NOW, THEREFORE, H-GAC and the End User do hereby agree as follows:

**ARTICLE 1: LEGAL AUTHORITY**

The End User represents and warrants to H-GAC that (1) it is eligible to contract with H-GAC under the Act because it is one of the following: a local government, as defined in the Act (a county, a municipality, a special district, or other political subdivision of the State of Texas or any other state), or a combination of two or more of those entities, a state agency (an agency of the State of Texas as defined in Section 771.002 of the Texas Government Code, or a similar agency of another state), or a non-profit corporation created and operated to provide one or more governmental functions and services, and (2) it possesses adequate legal authority to enter into this Contract.

**ARTICLE 2: APPLICABLE LAWS**

H-GAC and the End User agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, and ordinances and laws in effect or promulgated during the term of this Contract.

**ARTICLE 3: WHOLE AGREEMENT**

This Contract and any attachments, as provided herein, constitute the complete contract between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein.

**ARTICLE 4: PERFORMANCE PERIOD**

The period of this Contract shall be for the balance of the fiscal year of the End User, which began \* Jan 01, 2015 and ends \* Dec 31, 2015. This Contract shall thereafter automatically be renewed annually for each succeeding fiscal year, provided that such renewal shall not have the effect of extending the period in which the End User may make any payment due an H-GAC contractor beyond the fiscal year in which such obligation was incurred under this Contract.

**ARTICLE 5: SCOPE OF SERVICES**

The End User appoints H-GAC its true and lawful purchasing agent for the purchase of certain products and services through the H-GAC Cooperative Purchasing Program. End User will access the Program through HGACBuy.com and by submission of any duly executed purchase order, in the form prescribed by H-GAC to a contractor having a valid contract with H-GAC. All purchases hereunder shall be in accordance with specifications and contract terms and pricing established by H-GAC. Ownership (title) to products purchased through H-GAC shall transfer directly from the contractor to the End User.

(over)

#### ARTICLE 6: PAYMENTS

H-GAC will confirm each order and issue notice to contractor to proceed. Upon delivery of goods or services purchased, and presentation of a properly documented invoice, the End User shall promptly, and in any case within thirty (30) days, pay H-GAC's contractor the full amount of the invoice. All payments for goods or services will be made from current revenues available to the paying party. In no event shall H-GAC have any financial liability to the End User for any goods or services End User procures from an H-GAC contractor.

#### ARTICLE 7: CHANGES AND AMENDMENTS

This Contract may be amended only by a written amendment executed by both parties, except that any alterations, additions, or deletions to the terms of this Contract which are required by changes in Federal and State law or regulations are automatically incorporated into this Contract without written amendment hereto and shall become effective on the date designated by such law or regulation.

H-GAC reserves the right to make changes in the scope of products and services offered through the H-GAC Cooperative Purchasing Program to be performed hereunder.

#### ARTICLE 8: TERMINATION PROCEDURES

H-GAC or the End User may cancel this Contract at any time upon thirty (30) days written notice by certified mail to the other party to this Contract. The obligations of the End User, including its obligation to pay H-GAC's contractor for all costs incurred under this Contract prior to such notice shall survive such cancellation, as well as any other obligation incurred under this Contract, until performed or discharged by the End User.

#### ARTICLE 9: SEVERABILITY

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

#### ARTICLE 10: FORCE MAJEURE

To the extent that either party to this Contract shall be wholly or partially prevented from the performance within the term specified of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the party's control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed; provided, however, force majeure shall not excuse an obligation solely to pay funds. Determination of force majeure shall rest solely with H-GAC.

#### ARTICLE 11: VENUE

Disputes between procuring party and Vendor are to be resolved in accord with the law and venue rules of the State of purchase.

THIS INSTRUMENT HAS BEEN EXECUTED IN TWO ORIGINALS BY THE PARTIES HERETO AS FOLLOWS:

\* Manalapan Twp. Bd. Fire Comm. Dist. No. 1

Name of End User (local government, agency, or non-profit corporation)

\* 683 Tennent Rd., P.O. Box 395

Mailing Address

\* Manalapan, N.J. 07726

City

State

ZIP Code

\*By:

Signature of chief elected or appointed official

\* Allen Specter Commissioner

Typed Name & Title of Signatory

Date

**Houston-Galveston Area Council**

3555 Timmons Lane, Suite 120, Houston, TX 77027

By:

Executive Director

Attest:

Manager

Date:

\*Denotes required fields

rev. 03/11