

NOTICE OF ADOPTION OF BOND RESOLUTION SUBJECT TO PERMISSIVE REFERENDUM. PLEASE TAKE NOTICE that the Board of Trustees of the Village of Scotia, Schenectady County, New York at a meeting held on June 14, 2017 adopted a bond resolution which is subject to permissive referendum, as follows:

BOND RESOLUTION OF THE VILLAGE OF SCOTIA, SCHENECTADY COUNTY, NEW YORK AUTHORIZING THE ISSUANCE OF \$2,470,000 SERIAL BONDS TO FINANCE IMPROVEMENTS TO THE VILLAGE WATER SYSTEM.

Moved by Trustee Tiberio, seconded by Trustee Rizzo that

BE IT RESOLVED by the Board of Trustees of the Village of Scotia, Schenectady County, New York (the "Village"), as follows:

Section 1. The acquisition, construction or reconstruction of or additions to the Village water supply and distribution system including original furnishings, equipment, machinery or apparatus required in connection therewith, or the replacement of such equipment, machinery or apparatus, is hereby authorized at a maximum estimated cost of \$2,470,000.

Section 2. It is hereby determined that the maximum estimated cost of the aforesaid class of objects or purposes is \$2,470,000, said amount is hereby appropriated therefor and the plan for the financing thereof shall consist of the issuance of not to exceed \$2,470,000 serial bonds of the Village (the "Bonds") authorized to be issued pursuant to this Resolution.

Section 3. It is hereby determined that the period of probable usefulness of the aforesaid specific objects or purposes is forty (40) years, pursuant to subdivision 1 of paragraph (a) of Section 11.00 of the Local Finance Law. The proposed maturity of the Bonds will be in excess of five years.

Section 4. Any grant funds obtained by the Village to fund the capital purposes described in Section 1 of this resolution shall be applied to pay the principal of and interest on the Bonds or any bond anticipation notes issued in anticipation of the Bonds, or, to the extent obligations shall not have been issued under this resolution, to reduce the maximum amount to be borrowed for such capital purposes.

Section 5. Pursuant to Section 107.00(d)(3)(a) of the Local Finance Law, current funds are not required to be provided prior to issuance of the Bonds or any bond anticipation notes issued in anticipation of issuance of the Bonds.

Section 6. The temporary use of available funds of the Village, not immediately required for the purpose or purposes for which the same were borrowed, raised or otherwise created, is hereby authorized pursuant to Section 165.10 of the Local Finance Law, for the capital purposes described in Section 1 of this Bond Resolution.

Section 7. The Bonds and any bond anticipation notes issued in anticipation of the Bonds shall contain the recital of validity prescribed by Section 52.00 of the Local Finance

Law and the Bonds, and any bond anticipation notes issued in anticipation of the Bonds, shall be general obligations of the Village, payable as to both principal and interest by a general tax upon all the real property within the Village without legal or constitutional limitation as to rate or amount. The faith and credit of the Village are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds, and any bond anticipation notes issued in anticipation of the Bonds, and provision shall be made annually in the budget of the Village by appropriation for (a) the amortization and redemption of the Bonds and bond anticipation notes to mature in such year, and (b) the payment of interest to be due and payable in such year.

Section 8. Subject to the provisions of this Bond Resolution and of the Local Finance Law, and pursuant to the provisions of Section 21.00, 30.00, 50.00 and 56.00 to 63.00 inclusive of the Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the Bonds herein authorized, including renewals of such notes, and the power to prescribe the terms, form and contents of the Bonds, and any bond anticipation notes, and the power to sell and deliver the Bonds and any bond anticipation notes issued in anticipation of the issuance of the Bonds, and the power to sell and deliver Bonds providing for substantially level or declining annual debt service, is hereby delegated to the Village Treasurer, the chief fiscal officer of the Village.

Section 9. This Bond Resolution is intended to constitute the declaration of the Village's "official intent" to reimburse the expenditures authorized by this Bond Resolution with the proceeds of the Bonds and bond anticipation notes authorized herein, as required by Treasury Regulation Section 1.150-2. Other than as specified in this Bond Resolution, no monies are, or are reasonably expected to be, reserved, allocated on a long term basis, or otherwise set aside with respect to the permanent funding of the objects or purposes described herein.

Section 10. The Village Treasurer, as Chief Fiscal Officer of the Village, is hereby authorized to enter into an undertaking for the benefit of the holders of the Bonds from time to time, and any bond anticipation notes issued in anticipation of the sale of the Bonds, requiring the Village to provide secondary market disclosure as required by United States Securities and Exchange Commission Rule 15c2-12.

Section 11. The Village Treasurer, as Chief Fiscal Officer of the Village, is further authorized to sell all or a portion of the Bonds to the New York State Environmental Facilities Corporation ("EFC") in the form prescribed in one or more financing or similar agreements between the Village and EFC; to execute and deliver on behalf of the Village one or more Financing Agreements with EFC and to execute such other documents, and take such other actions, as are necessary or appropriate to obtain a loan or loans from EFC for all or a portion of the costs of the expenditures authorized by this Bond Resolution, and perform the Village's obligations under its Bonds delivered to EFC and Financing Agreements.

Section 12. The validity of the Bonds authorized by this Bond Resolution and of any bond anticipation notes issued in anticipation of the Bonds may be contested only if:

(a) such obligations are authorized for an object or purpose for which the Village is not authorized to expend money; or

(b) the provisions of law which should be complied with at the date of the publication of this Bond Resolution are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty (20) days after the date of such publication; or

(c) such obligations are authorized in violation of the provisions of the Constitution of New York.

Section 13. This Bond Resolution, or a summary hereof, shall be published in the official newspaper of the Village, together with a notice of the Village Clerk in substantially the form provided in Section 81.00 of the Local Finance Law.

Section 14. The Board of Trustees hereby determines that the provisions of the State Environmental Quality Review Act and the regulations thereunder have previously been satisfied with respect to the expenditures authorized by this resolution.

Section 15. This Bond Resolution is adopted subject to permissive referendum in accordance with Section 36.00 of the Local Finance Law. This resolution shall take effect thirty (30) days after its adoption or if a petition is filed pursuant to Article 5-A of the Village Law, upon the affirmative vote of a majority of the qualified electors of the Village voting on the referendum.

Roll Vote:

Date: June 14, 2017

Mayor Kastberg – voting Yes
Trustee Mathes – voting Yes
Trustee Gifford – voting Yes
Trustee Tiberio – voting Yes
Trustee Rizzo – voting Yes

Maria Schmitz, Village Clerk