

MONROE TOWNSHIP, MIDDLESEX COUNTY

ORDINANCE NUMBER O-3-2016-011

BOND ORDINANCE AMENDING AND SUPPLEMENTING BOND ORDINANCE NUMBER O-11-2015-021 FINALLY ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY (THE "TOWNSHIP") ON NOVEMBER 4, 2015 (WHICH PROVIDES FOR VARIOUS IMPROVEMENTS TO THE SOCCER COMPLEX AND TENNIS COURTS), TO INCREASE THE APPROPRIATION THEREIN BY \$600,000, TO INCREASE THE AUTHORIZATION OF BONDS OR NOTES THEREIN BY \$571,000 AND TO INCREASE THE TOTAL DOWN PAYMENT THEREIN BY \$29,000

BE IT ORDAINED AND ENACTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), AS FOLLOWS:

SECTION 1. Bond ordinance number O-11-2015-021 finally adopted on November 4, 2015 by the Township of Monroe, in the County of Middlesex, State of New Jersey (the "Township") entitled, "BOND ORDINANCE PROVIDING FOR VARIOUS IMPROVEMENTS TO THE SOCCER COMPLEX AND TENNIS COURTS WITHIN THE TOWNSHIP, ALL LAWFUL AND PUBLIC PURPOSES, BY AND IN THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY (THE "TOWNSHIP"); APPROPRIATING \$2,500,000 THEREFOR (INCLUDING A GRANT RECEIVED OR EXPECTED TO BE RECEIVED FROM THE COUNTY OF MIDDLESEX, NEW JERSEY IN THE AMOUNT OF \$1,000,000) AND AUTHORIZING THE ISSUANCE OF \$1,427,700 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE

COSTS THEREOF” (the “Original Ordinance”), is hereby amended and supplemented to the extent and with the effect as follows:

SECTION 2. For the improvements or purposes described in Section 3(a)(i) of the Original Ordinance, as amended and supplemented hereby, there is hereby appropriated the additional sum of \$600,000, said sum being inclusive of \$29,000 as the amount of an additional down payment as required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the “Local Bond Law”), now available therefor by virtue of a provision or provisions in a previously adopted budget or budgets of the Township for down payment or for capital improvement purposes. The appropriation for the improvements or purposes contained in Section 3(a)(i) of the Original Ordinance, as amended and supplemented hereby, shall be increased by \$600,000 from \$2,200,000 (including the grant in the amount of \$1,000,000 (the “Grant”) received or expected to be received from the County of Middlesex, State of New Jersey (the “County”)) and shall equal the amount of \$2,800,000, said sum being inclusive of all appropriations heretofore made in the Original Ordinance, as amended and supplemented hereby, for the improvements or purposes contained in said Section 3(a)(i), including the amount of down payment increased by \$29,000 from \$58,000 to equal \$87,000. Therefore, the total appropriation contained in the Original Ordinance, as amended and supplemented hereby, shall be increased by \$600,000 from \$2,500,000 and shall equal the amount of \$3,100,000, said sum being inclusive of all appropriations heretofore made in the Original Ordinance, as amended and supplemented hereby, including the Grant and the total amount of down payment increased by \$29,000 from \$72,300 to equal \$101,300. The total appropriation including the total amount of down payment is \$3,100,000.

SECTION 3. In order to finance the additional cost of the improvements or purposes set forth in Section 3(a) of the Original Ordinance, as amended and supplemented hereby, not covered by the additional down payment or the Grant, additional negotiable bonds or notes of the Township in the amount of \$571,000 are hereby authorized to be issued by the Township for such improvements or purposes in Section 3(a) of the Original Ordinance, as amended and supplemented, such that the total authorization of negotiable bonds or notes to be issued by the Township for the improvements or purposes stated in Section 3(a)(i) of the Original Ordinance, as amended and supplemented hereby, shall be increased by \$571,000 from \$1,142,000 and shall equal the amount of \$1,713,000. Therefore, the total authorization of negotiable bonds or notes to be issued by the Township for the improvements or purposes stated in Section 3(a) of the Original Ordinance, as amended and supplemented hereby, shall be increased by \$571,000 from \$1,427,700 and shall equal the amount of \$1,998,700.

SECTION 4. Section 3 of the Original Ordinance shall be amended to read in its entirety as follows:

“SECTION 3(a) The improvements hereby authorized and purposes for the financing of which said obligations are to be issued are various improvements to include, but are not limited to, the following:

<u>Description</u>	<u>Appropriation</u>	<u>Debt Authorization</u>	<u>Down Payment</u>	<u>Useful Life</u>
(i) Improvements to the recreational open space soccer complex within the Township, which soccer complex is subject to a shared service agreement with the County, including but not limited to, the	\$2,800,000 (including the \$1,000,000 Grant)	\$1,713,000	\$87,000	15 years

<u>Description</u>	<u>Appropriation</u>	<u>Debt Authorization</u>	<u>Down Payment</u>	<u>Useful Life</u>
acquisition and installation of lighting, an artificial turf surface, a concession/refreshment building, and restroom facilities; and				
(ii) The replacement of the tennis courts within the Township located on the property of Monroe Township High School, which tennis courts are subject to a shared service agreement with The Board of Education of the Township of Monroe, including but not limited to, the demolition of the existing courts and the replacement with new courts, including striping and netting.	\$300,000	\$285,700	\$14,300	15 years
TOTALS	<u>\$3,100,000</u>	<u>\$1,998,700</u>	<u>\$101,300</u>	15.00 years

(b) The aggregate estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$1,998,700.

(c) The aggregate estimated cost of said improvements or purposes is \$3,100,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor, being the Grant and the aggregate amount of the down payments available for said purposes.

(d) All such improvements or purposes set forth in Section 3(a) shall include, but are not limited to, all engineering and design work, consulting, surveying, construction planning, preparation of plans and specifications, permits, bid documents, construction inspection and contract administration, and also shall include all work,

materials, equipment, accessories, labor and appurtenances necessary therefor or incidental thereto and all in accordance with the plans and specifications therefor on file in the Office of the Clerk of the Township and available for public inspection and hereby approved.”

SECTION 5. Except for the Grant, in the event the United States of America, the State of New Jersey, and/or the County of Middlesex make a contribution or grant in aid to the Township for the improvements and purposes authorized in the Original Ordinance, as amended and supplemented hereby, and the same shall be received by the Township prior to the issuance of the bonds or notes authorized in Section 2 of the Original Ordinance, as amended and supplemented hereby, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey, and/or the County of Middlesex. Except for the Grant, in the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey, and/or the County of Middlesex shall be received by the Township after the issuance of the bonds or notes authorized in Section 2 of the Original Ordinance, as amended and supplemented hereby, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose. This Section 5 shall not apply, however, with respect to any contribution or grant in aid received by the Township as a result of using funds from this bond ordinance as “matching local funds” to receive such contribution or grant in aid.

SECTION 6. The capital budget of the Township is hereby amended, as necessary, to conform with the provisions of this amendatory and supplemental bond ordinance to the extent of any inconsistency herewith and a resolution in the form

promulgated by the Local Finance Board showing full detail of the amended capital budget and capital programs as approved by the Director of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is on file in the Office of the Clerk of the Township and is available for public inspection.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the Township and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and such statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this amendatory and supplemental bond ordinance by \$571,000 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(b) For the improvements or purposes set forth in the Original Ordinance, as amended and supplemented hereby, an additional sum of \$195,000 is hereby included for items of expense listed in and permitted under N.J.S.A. 40A:2-20, making the total amount for such items of expense equal to an aggregate amount not exceeding \$595,000, such total amount being included in the estimated cost indicated herein for the improvements or purposes set forth in the Original Ordinance, as amended and supplemented hereby.

SECTION 8. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by

the Original Ordinance, as amended and supplemented hereby. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the principal of the obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. The Township reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 of the Original Ordinance, as amended and supplemented hereby, and paid prior to the issuance of any bonds or notes authorized by the Original Ordinance, as amended and supplemented hereby, with the proceeds of such bonds or notes. This Section 9 is intended to be and hereby is a declaration of the Township's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 of the Original Ordinance, as amended and supplemented hereby, to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulations §1.150-2. 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 Internal Revenue Code of 1986, as amended (the “Code”). The proceeds of any bonds or notes authorized in the Original Ordinance, as amended and supplemented hereby, used to reimburse the Township for costs of the improvements or purposes described in Section 3 of the Original Ordinance, as amended and supplemented hereby, 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 any bonds or

notes authorized in the Original Ordinance, as amended and supplemented hereby, or another issue of debt obligations of the Township other than amounts deposited into a “bona fide debt service fund” (as defined in Treasury Regulations §1.148-1). The bonds or notes authorized in the Original Ordinance, as amended and supplemented hereby, to reimburse the Township for any expenditures toward the costs of the improvements or purposes described in Section 3 of the Original Ordinance, as amended and supplemented hereby, will be issued in an amount not to exceed \$1,998,700. The costs to be reimbursed with the proceeds of the bonds or notes authorized in the Original Ordinance, as amended and supplemented hereby, will be "capital expenditures" in accordance with the meaning of section 150 of the Code. All reimbursement allocations will occur not later than eighteen (18) months after the later of (i) the date the expenditure from a source other than any bonds or notes authorized in the Original Ordinance, as amended and supplemented hereby, is paid, or (ii) the date the improvements or purposes described in Section 3 of the Original Ordinance, as amended and supplemented hereby, is “placed in service” (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than three (3) years after the expenditure is paid.

SECTION 10. The Township covenants to maintain the exclusion from gross income under Section 103(a) of the Code of the interest on all bonds and notes issued under the Original Ordinance, as amended and supplemented hereby.

SECTION 11. Except as expressly amended hereby, the Original Ordinance shall remain in full force and effect.

SECTION 12. This amendatory and supplemental bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption, as provided by the Local Bond Law.

ADOPTED ON FIRST READING
DATED: March 7, 2016

SHARON DOERFLER, Clerk
Township of Monroe

LESLIE KOPPEL, Council President
Township of Monroe

ADOPTED ON SECOND READING
DATED: April 4, 2016

SHARON DOERFLER, Clerk
Township of Monroe

LESLIE KOPPEL, Council President
Township of Monroe

APPROVAL BY THE MAYOR ON THIS _____ DAY OF APRIL, 2016.

GERALD W. TAMBURRO, Mayor
Township of Monroe