

MONROE TOWNSHIP, MIDDLESEX COUNTY

ORDINANCE NUMBER O-5-2016-016

BOND ORDINANCE AMENDING BOND ORDINANCE NUMBER O-8-2000-026 FINALLY ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY ON AUGUST 28, 2000 (WHICH PROVIDES FOR VARIOUS 2000 CAPITAL IMPROVEMENTS), AS AMENDED AND SUPPLEMENTED, TO INCREASE THE APPROPRIATION THEREIN BY \$3,640,000, TO INCREASE THE AUTHORIZATION OF BONDS AND NOTES THEREIN BY \$3,466,600, AND TO AMEND THE DESCRIPTION SET FORTH THEREIN TO INCLUDE NEW OPEN SPACE PROPERTY ACQUISITIONS

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-8-2000-026 finally adopted on August 28, 2000 by the Township of Monroe, in the County of Middlesex, State of New Jersey (the "Township") entitled, "BOND ORDINANCE PROVIDING FOR VARIOUS 2000 CAPITAL IMPROVEMENTS, ALL LAWFUL AND PUBLIC PURPOSES, BY AND IN THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY (THE "TOWNSHIP"); APPROPRIATING \$1,500,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,428,500 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF," as amended by bond ordinance number O-10-2001-035 finally on adopted by the Township Council on October 1, 2001, bond ordinance number O-12-2002-048 finally adopted by the Township Council on December 2, 2002, bond ordinance number O-8-2003-029 finally adopted by the Township Council on August 4, 2003, bond ordinance number O-12-2003-053 finally adopted by the Township Council on December 29, 2003, bond ordinance number O-12-2005-054 finally adopted by the Township Council on December 5, 2005, bond ordinance number O-6-2006-020 finally adopted by the Township Council on June 26, 2006, bond ordinance number O-9-2008-021 finally adopted by the Township Council on September 3, 2008, bond ordinance number O-8-2012-020 finally adopted by the Township Council on August 6, 2012, bond ordinance number O-4-2013-003 finally adopted by the Township Council on April 1, 2013, bond ordinance number O-8-2014-014 finally adopted by the Township Council on August 4, 2014

and bond ordinance number O-3-2016-012 finally adopted by the Township Council on April 4, 2016 (collectively the "Original Ordinance"), is hereby amended and supplemented to the extent and with effect as follows:

SECTION 1. For the improvements or purposes described in Section 3(a) of the Original Ordinance, as amended and supplemented hereby, there is hereby appropriated the additional aggregate sum of \$3,640,000, said sum being inclusive of \$173,400 as the amount of an additional aggregate 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 \$3,440,000 from \$11,650,000 and shall equal the amount of \$15,090,000, 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 \$163,850 from \$555,031 to equal \$718,881. The appropriation for the improvements or purposes contained in Section 3(a)(ii) of the Original Ordinance, as amended and supplemented hereby, shall be increased by \$200,000 from \$1,200,000 and shall equal the amount of \$1,400,000, 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)(ii), including the amount of down payment increased by \$9,550 from \$57,185 to equal \$66,735.

Therefore, the total appropriation contained in the Original Ordinance, as amended and supplemented hereby, shall be increased by \$3,640,000 from \$13,200,000 and shall equal the amount of \$16,840,000, said sum being inclusive of all appropriations heretofore made in the Original Ordinance, as amended and supplemented hereby, including the total amount of down payment increased by \$173,400 from \$628,900 to equal \$802,300. The total appropriation including the total amount of down payment is \$16,840,000.

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, additional negotiable bonds or notes

of the Township in the aggregate amount of \$3,466,600 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) of the Original Ordinance, as amended and supplemented hereby, shall be increased by \$3,466,600 from \$12,571,100 and shall equal the amount of \$16,037,700.

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 \$3,276,150 from \$11,094,969 and shall equal the amount of \$14,371,119. The total authorization of negotiable bonds or notes to be issued by the Township for the improvements or purposes stated in Section 3(a)(ii) of the Original Ordinance, as amended and supplemented hereby, shall be increased by \$190,450 from \$1,142,815 and shall equal the amount of \$1,333,265.

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 \$3,466,600 from \$12,571,100 and shall equal the amount of \$16,037,700.

SECTION 4. (a) Sections 3(a)(i) and 3(a)(ii) of the Original Ordinance are hereby amended in their entirety to read as follows:

<u>"Description</u>	<u>Appropriation</u>	<u>Authorization</u>	<u>Down Payment</u>	<u>Useful Life</u>
(i) Acquisition of various properties within the Township for open space purposes, including, but not limited to, as applicable, Block 1, Lot 7.02; Block 9, Lot 9.18; Block 18, Lots 17 and 18; Block 22, Lots 1 and 3; Block 25, Lot 19.4; Block 27.02, Lots 16 and 18.06; Block 27.2, Lots 17.1, 17.2, 18.4 and 18.5; Block 29, Lot 4; Block 31, Lots 11 and 14; Block 32, Lots 5, 10, 11.1, 19.2 and 20; Block 49, Lots 10 and 14; Block 60, Lots 17.03, 17.04, 18.07 and 21.01; Block 62, Lot 12.02; Block 68, Lot 44.04; Block 75, Lot 11; Block 76, Lots 21.02 and 23.06; Block 76.01, Lots 25.01 and 25.20; Block 77, Lots 2.3, 7, 10.01, 10.02, 10.03, 11.01 and 11.02; Block 106.20, Lots 1 through 21; Block 106.89, Lot 31; Block 106.91, Lot 47.01 on Pine View Court and as sometimes described as Lot 4.01; and Block 106.95, Lot 20, in accordance with the Township's Open Space Plan, as filed with the Middlesex County Open Space Committee, a lawful public purpose, including the acquisition of development rights therefor and open space mapping, all work and materials necessary therefor and 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, and	\$15,090,000	\$14,371,119	\$718,881	40 years
(ii) Acquisition of development rights to various properties within the Township for farmland preservation purposes, including, but not limited to, as applicable, Block 2, Lot 4.01; Block 11, Lot 5.14; Block 19, Lot 4; Block 20, Lots 12.03, 14.03 and 22; Block 22, Lots 2.03 and 2.04; Block 30, Lot 8.7; Block 31, Lot 13.02; Block 36, Lots 14 and 15; Block 54, Lot 7.1; Block 60, Lots 28.02 and 29.232; Block 81, Lots 4 and 5.01; and Block 83, Lot 6.09, including all work and materials necessary therefor and incidental thereto and all in accordance with the plans and specifications	\$1,400,000	\$1,333,265	\$66,735	40 years"

<u>"Description</u>	<u>Appropriation</u>	<u>Authorization</u>	<u>Down Payment</u>	<u>Useful Life</u>
therefor on file in the Office of the Clerk of the Township and available for public inspection and hereby approved; and				

(b) The aggregate estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$16,840,000.

(c) The aggregate estimated cost of said improvements or purposes is \$16,037,700, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor, being 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. 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. 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 \$3,466,600 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(b) The average period of usefulness of said improvements or purposes set forth in the Original Ordinance, as amended and supplemented hereby, within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of said bonds authorized by the Original Ordinance, as amended and supplemented hereby, is 37.22 years.

(c) For the improvements or purposes set forth in the Original Ordinance, as amended and supplemented hereby, an additional sum of \$500,000 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 \$1,700,000, 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 \$16,037,700. 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 bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

**ADOPTED ON FIRST READING
DATED: May 2, 2016**

**SHARON DOERFLER, Clerk
Township of Monroe**

**LESLIE KOPPEL, Council President
Township of Monroe**

**ADOPTED ON SECOND READING
DATED: June 8, 2016**

**SHARON DOERFLER, Clerk
Township of Monroe**

**LESLIE KOPPEL, Council President
Township of Monroe**

APPROVAL BY THE MAYOR ON THIS _____ DAY OF JUNE, 2016

**GERALD W. TAMBURRO,
Mayor**