

BOND ORDINANCE APPROPRIATING \$2,150,000 AND AUTHORIZING \$2,150,000 BONDS OR NOTES OF THE TOWNSHIP OF NORTH BRUNSWICK, IN THE COUNTY OF MIDDLESEX, NEW JERSEY FOR THE REPLACEMENT OF WATER SUPPLY LINES AND DIRECTING THE SPECIAL ASSESSMENT OF THE COST THEREOF.

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

Section 1. The improvement described in Section 3 of this bond ordinance is hereby authorized as a local improvement to be made or acquired by the Township of North Brunswick, in the County of Middlesex, New Jersey (the "Township"). For the improvement or purpose stated in said Section 3, there is hereby appropriated the sum of \$2,150,000, said sum being inclusive of all appropriations heretofore made therefor.

Section 2. For the financing of said improvement or purpose and to meet the part of said \$2,150,000 appropriation and cost of said improvement expected to be met from special assessments on property specially benefitted by said improvement, negotiable bonds of the Township, each to be known as "Water Assessment Bonds", are hereby authorized to be issued in the principal amount of \$2,150,000 pursuant to the Local Bond Law of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes (the "Local Bond Law"). In anticipation of the issuance of said bonds and to finance temporarily said improvement or purpose, negotiable notes of the Township in a principal amount not exceeding \$2,150,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. (a) The improvement hereby authorized, and the purpose for the financing of which said obligations are to be issued, is the replacement of the remaining underground polybutylene water supply lines to in and along the streets or locations in the Township as follows: 1002 through 1167 Schmidt Lane, which is also known as Belcourt at Hidden Lake, including, for the aforesaid improvement, all necessary restoration or replacement of pavement or road surface

and all work and materials necessary therefor and incidental thereto, all as shown on and in accordance with the plans and specifications therefor on file in the office of the Township Clerk, which plans and specifications are hereby approved.

(b) The estimated cost of the improvement or purpose described in Section 3 of this bond ordinance is equal to the amount of the appropriation herein made therefor.

(c) The estimated maximum amount of bonds or notes to be issued for the improvement or purpose is as stated in Section 2 hereof.

Section 4. Notice is hereby given to the owners of all lots and parcels of real estate benefitted by the improvement described in Section 3 of this bond ordinance and affected by the improvement described herein that the Township intends to make and to levy special assessments against all such lots and parcels of real estate in an aggregate amount not to exceed \$2,150,000. Such special assessments shall be made and levied in the manner provided by law, and shall be as nearly as possible in proportion to and not in excess of the peculiar benefits, advantages or increases in value that the respective lots and parcels of real estate shall be deemed to receive by reason of the improvement. It is expected that the Township will contribute an amount equal to zero percent (0%) of the cost of the improvement.

Section 5. The owner of any lot or parcel of real estate upon which an assessment for the improvement shall have been made may pay such assessment in the number of equal yearly installments determined herein with legal interest on the unpaid balance of the assessment. The first of such installments shall be due and payable two months after the confirmation of the assessment, and each subsequent annual installment and interest shall be payable in each successive year at such time as the governing body of the Township shall determine by resolution, provided that any owner of any lot or parcel of real estate so assessed shall have the right to pay the whole of any assessment or any balance of installments with accrued interest thereon at one time. In case any such installment shall remain unpaid for thirty (30) days after the time it shall become due and

payable, the whole assessment or the balance thereof shall accrue interest at the rate imposed upon the arrearages of taxes in the Township and shall be collected in the same manner as provided by law for other past due assessments. Such assessment shall remain a lien upon the lots or parcels of real estate described herein until the assessment, with accrued interest thereon, shall be paid and satisfied. Notwithstanding anything herein contained to the contrary, the Township shall have the right to waive any default as may be permitted by applicable law.

Section 6. The following matters are hereby determined, declared, recited and stated:

(a) The purpose described in Section 3 of this bond ordinance is not a current expense. It is an improvement that the Township may lawfully make or acquire as a local improvement, a portion of the cost of which shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the purpose described in Section 3 of this bond ordinance, within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this bond ordinance, is 40 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the office of the Township Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey, and such statement shows that while the net debt of the Township as defined in the Local Bond Law is not increased by the bond ordinance, the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance by \$2,150,000, and the said obligations authorized by this bond ordinance are permitted by the exception contained in paragraph (h) of Section 40A:2-7 of the Local Bond Law and will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$550,000 for interest on said obligations, costs of issuing said obligations, engineering costs and other items of expense listed in and permitted under Section 40A:2-20 of the Local Bond Law is included as part of the estimated costs of the improvement or purpose described in Section 3 of this bond ordinance.

(e) This bond ordinance authorizes obligations of the Township solely for purposes described in paragraph (h) of Section 40A:2-7 of the Local Bond Law, and the obligations authorized by this bond ordinance are to be issued for purposes that are "self-liquidating" within the meaning and limitations of Section 40A:2-45 of the Local Bond Law, and are deductible from the gross debt of the Township pursuant to paragraph (c) of Section 40A:2-44 of the Local Bond Law.

(f) The number of annual installments within which the special assessments are to be levied on the lots and parcels of real estate benefitted by the improvement described in Section 3 of this bond ordinance is twenty (20); provided, however, that certain assessments may be deferred pursuant to the provisions of the Farmland Assessment Act of 1964, constituting Chapter 48 of the Pamphlet Laws of 1964 of New Jersey, as amended.

Section 7. Any funds from time to time received by the Township from the State of New Jersey or agencies thereof as grants in aid of financing the improvement or purpose described in Section 3 of this bond ordinance shall be used for financing said improvement or purpose by application thereof either to direct payment of the costs of said improvement or purpose or to payment or reduction of the authorization of the obligations of the Township authorized therefor by this bond ordinance. Any such funds so received may, and all such funds so received that are not required for direct payment of the costs of said improvement or purpose shall, be held and applied by the Township as funds applicable only to the payment of obligations of the Township authorized by this bond ordinance.

Section 8. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and interest on the obligations authorized by this bond ordinance. Said

obligations shall be direct, unlimited obligations of the Township, and, unless paid from revenues of the water-sewer system of the Township, the Township shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of said obligations and interest thereon, without limitation as to rate or amount.

Section 9. The capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith, and the resolutions promulgated by the Local Finance Board showing all detail of the amended capital budget and capital program as approved by the Director of the Division of Local Government Services are on file with the Township Clerk and are available for public inspection.

Section 10. The Township intends to issue bonds or notes to finance the cost of the improvement described in Section 3 of this bond ordinance. The Township expects that the maximum principal amount of bonds or notes that will be issued to finance the cost of the improvement described in Section 3 of this bond ordinance is \$2,150,000. If the Township incurs any such costs prior to the issuance of its bonds or notes, the Township intends to reimburse itself for such expenditures with the proceeds of such bonds or notes.

Section 11. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption, as provided by the Local Bond Law.

9-17-07

RECORDED VOTE:

10-1-07

COUNCIL MEMBER	YES	NO
ANDREWS	✓	
CORBIN <i>Absent</i>		
LYLES	✓	
NICOLA	✓	
SOCIO <i>2</i>	✓	
DAVIS <i>1</i>	✓	

COUNCIL MEMBER	YES	NO
ANDREWS <i>2</i>	✓	
CORBIN	✓	
LYLES <i>Absent</i>		
NICOLA	✓	
SOCIO <i>1</i>	✓	
DAVIS	✓	

CERTIFICATION

I hereby certify that the above Resolution was duly adopted by the Township Council of the Township of North Brunswick, County of Middlesex, at its meeting held on 9-17, 2007.

Lisa Russo

Lisa Russo, Township Clerk

*Approved -
For Work
10-1-07*

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STATEMENT

The Bond Ordinance published herewith has been finally adopted on October 1, 2007 and the 20 day period of limitation within which a suit, action, or proceeding questioning the validity of such ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this statement.

Lisa Russo
Municipal Clerk