

**TOWNSHIP OF NORTH BRUNSWICK
ORDINANCE 25-24**

BOND ORDINANCE PROVIDING FOR IMPROVEMENTS TO THE WATER TREATMENT PLANT AND DISTRIBUTION SYSTEM IN AND BY THE TOWNSHIP OF NORTH BRUNSWICK, IN THE COUNTY OF MIDDLESEX, NEW JERSEY, APPROPRIATING \$2,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,000,000 BONDS OR NOTES OF THE TOWNSHIP FOR FINANCING THE COST THEREOF, TO BE FUNDED IN PART THROUGH THE NEW JERSEY INFRASTRUCTURE BANK FINANCING PROGRAM

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

Section 1. The improvement described in Section 3 of this bond ordinance is hereby authorized to be undertaken by the Township. For the improvement or purpose described in Section 3(a), there is hereby appropriated the sum of \$2,000,000. No down payment is required as (i) the purpose authorized herein is deemed self-liquidating and the obligations authorized herein are deductible from the gross debt of the Township, as more fully explained in Section 6(e) of this bond ordinance and (ii) the project described in Section 3(a) is an environmental infrastructure project expected to be funded through the New Jersey Infrastructure Bank (the “NJIB”).

Section 2. In order to finance the cost of the improvement or purpose, negotiable bonds are hereby authorized to be issued in the principal amount of \$2,000,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law. The obligations authorized herein are expected to be funded through the NJIB Financing Program, consisting of low-interest or interest-free loans and, if applicable, any grants or principal forgiveness portions from the State of New Jersey and/or the NJIB.

Section 3. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement hereby authorized and the purpose for which the bonds or notes are to be issued is for improvements to the Water Treatment Plant and distribution system, including but not limited to meter replacement, replacement of the SCADA system, replacement of water mains, storage tanks, and including all equipment, materials, and work necessary therefor and incidental thereto, together with other purposes necessary, appurtenant or incidental thereto or thereof.

(b) The estimated maximum amount of bonds or notes to be issued for the improvement or purpose is \$2,000,000, as stated in Section 2 hereof.

(c) The estimated cost of the improvement or purpose is \$2,000,000.

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Section 4. The Township is hereby authorized to apply for and obtain financing from the NJIB and/or the State of New Jersey, and to execute and deliver any and all agreements, documents, and instruments in connection therewith, including loan agreements, escrow agreements, and any amendments thereto, all in accordance with applicable law. Any grants or low-interest loans received from the NJIB or any other governmental entity shall be applied toward the cost of the improvements described herein or the repayment of any obligations issued pursuant to this ordinance.

All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no bond anticipation note shall mature later than one year from its date, unless such bond anticipation notes are permitted to mature at such later date in accordance with applicable law. The bond anticipation notes shall bear interest at such rate or rates and be in such form as may be determined by the chief financial officer. The chief financial officer shall determine all matters in connection with bond anticipation notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law or other applicable law. The Chief Financial Officer is hereby authorized to sell all or any part of the bond anticipation notes from time to time at public or private sale and to deliver them to the purchasers upon receipt of payment of the purchase price plus accrued interest. The Chief Financial Officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes occurs, which report shall include the amount, description, interest rate, maturity schedule, price obtained, and purchaser name.

Section 5. The Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director of the Division of Local Government Services is on file with the Clerk and is available for public inspection.

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

(a) The improvement or purpose described in Section 3 hereof is not a current expense. It is an improvement or purpose that the Township may lawfully undertake as a self-liquidating purpose of a municipal public utility. No part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The period of usefulness of the improvement or purpose 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 15 years.

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(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and an electronic copy thereof has been filed in the office of the Director of the Division of Local Government Services. Such statement shows that the gross debt of the Township is increased by \$2,000,000 but the net debt is not increased because the obligations are self-liquidating.

(d) An aggregate amount not exceeding \$300,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost.

(e) This bond ordinance authorizes obligations solely for purposes described in N.J.S.A. 40A:2-7(h) and the obligations are to be issued for a purpose deemed to be self-liquidating pursuant to N.J.S.A. 40A:2-47(a) and deductible from gross debt pursuant to N.J.S.A. 40A:2-44(c).

Section 7. Any grant moneys received for the purpose described in Section 3(a) shall be applied either to direct payment of the cost or to payment of the obligations issued pursuant to this bond ordinance, with the amount of obligations authorized but not issued hereunder reduced accordingly.

Section 8. The Chief Financial Officer is hereby authorized to prepare and update, as necessary, a financial disclosure document in connection with the sale of obligations and to execute such document on behalf of the Township. The CFO is further authorized to enter into the appropriate undertaking to provide secondary market disclosure under SEC Rule 15c2-12 and to amend such undertaking as necessary.

Section 9. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3(a) of this bond ordinance. This Section 8 is a declaration of intent within the meaning and for purposes of the Treasury Regulations.

Section 10. The full faith and credit of the Township are pledged to the punctual payment of the principal of and interest on the obligations authorized herein, which shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy ad valorem taxes upon all taxable property for such payment without limitation as to rate or amount.

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