

ORDINANCE # O-17-6
TOWNSHIP COMMITTEE MEETING – MAY 23, 2017

BOND ORDINANCE AUTHORIZING VARIOUS CAPITAL IMPROVEMENTS IN AND FOR THE TOWNSHIP OF FREEHOLD, IN THE COUNTY OF MONMOUTH, NEW JERSEY, APPROPRIATING \$6,800,000.00 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$6,473,000.00 BONDS OR NOTES TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED, BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF FREEHOLD, IN THE COUNTY OF MONMOUTH, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1:

The improvements described in Section 3 of this bond ordinance (the “Improvements”) are hereby authorized to be undertaken by the Township of Freehold, New Jersey (the “Township”) as general improvements. For the said Improvements there is hereby appropriated the amount of \$6,800,000.00, such sum includes the sum of \$327,000.00 as the down payment (the “Down Payment”) required by the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended and supplemented (the “Local Bond Law”). The Down Payment is now available by virtue of provision in one or more previously adopted budgets for down payments or capital improvement purposes.

SECTION 2:

In order to finance the additional cost of the Improvements not covered by application of the Down Payment, negotiable bonds of the Township are hereby authorized to be issued in the principal amount of \$6,473,000.00 pursuant to the provisions of the Local Bond Law (the “Bonds”). In anticipation of the issuance of the Bonds and to temporarily finance said improvements or purposes, negotiable bond anticipation notes of the Township are hereby authorized to be issued in the principal amount not exceeding \$6,473,000.00 pursuant to the provisions of the Local Bond Law (the “Bond Anticipation Notes” or “Notes”).

SECTION 3:

(a) The Improvements authorized and the purposes for which obligations are to be issued, the estimated cost of each Improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each Improvement and the period of usefulness of each Improvement are as follows:

<u>Improvements</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
(a) Providing for the purchase of equipment, including but not limited to acquisition of computers, computer system upgrades and stationary license plate reader cameras for the Freehold Raceway Mall.	\$165,000	\$157,000	5 Years
(b) Providing for various municipal building improvements, including but not limited to new roof, gutters and electrical upgrades to various municipal buildings, various improvements to Public Works building, including but not limited to lighting, portable column lifts, oil reels and pumps, office partitions and furniture and paving for Fuel Island and Recycling Center, including all work and materials necessary therefore or incidental thereto.	1,010,000	961,000	13.72 Years
(c) Providing for road improvements, including but not limited to bituminous concrete overlay at various roads, culvert replacement at Hampton Drive, design of Three Brooks Road and GIS engineering database mapping, including all work and materials necessary therefore or incidental thereto.	2,786,000	2,653,000	10 Years
(d) UST remediation at Department of Public Works complex, including all work and materials necessary therefore or incidental thereto.	30,000	28,000	40 Years

<u>Improvements</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
(e) Providing for recreation improvements, including but not limited to ADA upgrades at Opatut Park, resurfacing various courts, replacement of bleachers, water fountains and irrigations improvements at various parks, various repairs to maintenance shop, office and pavilions, renovations to dugouts and ballfields at various parks, renovation of bathrooms at Michael J. Tighe Park and an addition to the Senior Center Building and expansion of Senior Center parking lot, including all work and materials necessary therefore or incidental thereto.	2,419,000	2,303,000	15 Years
(f) Providing for the purchase of various vehicles, including but not limited to dump truck, toro master, sand pro mowers, field sprayer, sport utility vehicle and lift gates for pickup truck.	390,000	371,000	5 Years
TOTAL	\$6,800,000	\$6,473,000	

(b) The estimated maximum amount of Bonds or Notes to be issued for the purpose of financing a portion of the cost of the Improvements is \$6,473,000.00.

(c) The estimated cost of the Improvements is \$6,800,000.00 which amount represents the initial appropriation made by the Township. The excess of the appropriations made for each of the Improvements over the estimated maximum amount of Bonds or Notes authorized to be issued therefor is the amount of the Down Payment for each purpose.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the chief financial officer of the Township (the "Chief Financial Officer"); provided that no Note shall mature later than one year from its date. The 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 Notes issued pursuant to this ordinance, and the signature of the Chief Financial Officer upon the Notes shall be conclusive evidence as to all such determinations. All Notes issued hereunder may be renewed from time to time subject to the provisions of Section 8(a) of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the Notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the Township Committee of the Township at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the Notes sold, the price obtained and the name of the purchaser.

SECTION 5:

The capital budget of the Township is hereby amended to conform with the provisions of this 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, Division of Local Government Services, Department of Community Affairs, State of New Jersey is on file with the Township Clerk and is available for public inspection.

SECTION 6:

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

(a) The Improvements described in Section 3 of this bond ordinance are not current expenses, and are capital improvements or properties that the Township may lawfully make or acquire as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of the Improvements, within the limitations of the Local Bond Law, taking into consideration the respective amounts of all obligations authorized for the several purposes, according to the reasonable life thereof computed from the date of the Bonds authorized by this bond ordinance, is 12.05 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Township Clerk and a complete executed duplicate thereof has been filed in the office of the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 and Notes provided in this bond ordinance by \$6,473,000.00 and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$1,000,000.00 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost of the Improvements, as indicated herein.

SECTION 7:

Any funds received from time to time by the Township as contributions in aid of financing the purposes described in Section 3 of this Ordinance shall be used for financing said Improvements by application thereof either to direct payment of the cost of said Improvements or to the payment or reduction of the authorization of the obligations of the Township authorized therefor by this Bond Ordinance. Any such funds received may, and all such funds so received which are not required for direct payment of the cost of said Improvements 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. 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 obligations and the interest thereon without limitation of rate or amount.

SECTION 9:

This Bond Ordinance constitutes a declaration of official intent under Treasury Regulation Section 1.150-2. The Township reasonably expects to pay expenditures with respect to the Improvements prior to the date that Township incurs debt obligations under this Bond Ordinance. The Township reasonably expects to reimburse such expenditures with the proceeds of debt to be incurred by the Township under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the costs of the Improvements is \$6,473,000.

SECTION 10:

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

TOWNSHIP OF FREEHOLD

ORDINANCE NO. O-17-7

TOWNSHIP MEETING DATE – May 23, 2017

AN ORDINANCE APPROPRIATING THE SUM OF \$250,000.00 CURRENTLY LOCATED WITHIN THE WATER AND SEWER UTILITY CAPITAL IMPROVEMENT FUND OF THE TOWNSHIP OF FREEHOLD FOR INTERCONNECTION WATER METERS, VALVE REPLACEMENTS, UPGRADES TO THE JACKSON MILLS WATER TREATMENT PLANT AND REBUILD A WET WELL AT ELTON CORNER PUMP STATION WITHIN THE WATER AND SEWER UTILITY DEPARTMENT

WHEREAS, there is currently within the Water and Sewer Utility Capital Fund of the Township of Freehold an item entitled Capital Improvement Fund; and

WHEREAS, there is in this Fund at least \$250,000.00; and

WHEREAS, it is deemed appropriate to make use of the \$250,000.00 for Interconnection Water Meters, Valve Replacements, Upgrades to the Jackson Mills Water Treatment Plant and Rebuild a Wet Well at Elton Corner Pump Station within the Water and Sewer Utility Department.

NOW THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Freehold, County of Monmouth, State of New Jersey, that:

SECTION 1. There is hereby appropriated from the Capital Improvement Fund contained within the Water and Sewer Utility Capital Budget of the Township of Freehold, the sum of \$250,000.00 for Interconnection Water Meters, Valve Replacements, Upgrades to the Jackson Mills Water Treatment Plant and Rebuild a Wet Well at Elton Corner Pump Station within the Water and Sewer Utility Department.

SECTION 2. In connection with the purpose and the amount authorized in Section 1 hereof, the Township of Freehold determines the purpose described in Section 1 is not a Current Expense and is an improvement which the Township of Freehold may lawfully make as a general improvement.

SECTION 3. All Ordinances or parts of Ordinances which are inconsistent with the terms of this Ordinance be and the same are hereby repealed to the extent of inconsistency.

SECTION 4. This Ordinance shall take effect immediately upon proper passage and publication in accordance with law.

EXPLANATION

The purpose is to make use of the \$250,000.00 from the Water and Sewer Capital Improvement Fund for Interconnection Water Meters, Valve Replacements, Upgrades to the Jackson Mills Water Treatment Plant and Rebuild a Wet Well at Elton Corner Pump Station within the Water and Sewer Utility Department