

BOROUGH OF NEW PROVIDENCE
Ordinance 2012-03

BOND ORDINANCE APPROPRIATING \$1,701,000 AND AUTHORIZING THE ISSUANCE OF \$1,615,450 BONDS OR NOTES OF THE BOROUGH OF NEW PROVIDENCE, IN THE COUNTY OF UNION, NEW JERSEY, TO PROVIDE FOR THE REAUTHORIZATION AND FUNDING OF VARIOUS GENERAL CAPITAL IMPROVEMENTS PREVIOUSLY AUTHORIZED AND SUPERSEDING NUMEROUS BOND ORDINANCES OF THE BOROUGH.

BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF NEW PROVIDENCE, IN THE COUNTY OF UNION, NEW JERSEY (the "Borough") (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. For the several improvements or purposes described in Section 3 of this bond ordinance which have previously been authorized by bond ordinances adopted as referenced herein, there are hereby reappropriated the respective sums of money therein stated as the appropriations made for the improvements or purposes previously authorized, such sums amounting in the aggregate to \$1,701,000, including several down payments for the improvements or purposes required by the Local Bond Law. The down payments have been made available by virtue of provisions for down payment or for capital improvement purposes in one or more previously adopted budgets or from cash on hand from various state grants received by the Borough in such amounts and as set forth in the previously adopted bond ordinances referenced in Section 3 hereof.

Section 2. In order to finance the cost of the several improvements or purposes not covered by application of the several down payments previously provided, negotiable bonds are hereby reauthorized to be issued in the principal amount of \$1,615,450 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby reauthorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. The purposes for which the bonds are to be issued, the bond ordinances superseded, the appropriation and the estimated cost for each improvement as previously referred to therein as well as the amounts appropriated for down

payments and the estimated maximum amount of bonds or notes to be issued, are respectively as follows:

ORIGINAL ORDINANCE NUMBER	PURPOSE AND DATE OF ORIGINAL ADOPTION	APPROPRIATION	DOWN PAYMENT	BONDS/ NOTES
#2006-16	Construction of a new rescue squad building, finally adopted August 7, 2006, supplementing Section 3(f) of bond ordinance 2003-06 and Section 3(f) of bond ordinance 2006-11, finally adopted June 9, 2003 and May 22, 2006, respectively.	\$700,000, supplements the \$800,000 appropriated by bond ordinance 2003-06 and the \$300,000 appropriated by bond ordinance 2006-11	\$35,000	\$665,000, supplements the \$760,000 authorized by bond ordinance 2003-06 and the \$288,000 authorized by bond ordinance 2006-11
#2008-12	Reconstruction of Academy Street and parking lot, finally adopted July 28, 2008, supplementing bond ordinance 2007-08, finally adopted April 23, 2007.	\$175,000, supplements the \$300,000 appropriated by bond ordinance 2007-08	\$8,750	\$166,250, supplements the \$120,000 authorized by bond ordinance 2007-08
#2008-13	Sidewalk and streetscape improvements within the Special Improvement District, finally adopted July 28, 2008, supplementing bond ordinance 2006-04, bond ordinance 2006-14 and bond ordinance 2007-13, finally adopted April 17, 2006, July 24, 2006 and June 11, 2007, respectively.	\$50,000, supplements the \$800,000 appropriated by bond ordinance 2006-04, the \$400,000 appropriated by bond ordinance 2006-14 and the \$200,000 appropriated by bond ordinance 2007-13	\$2,500	\$47,500, supplements the \$800,000 authorized by bond ordinance 2006-04, the \$380,000 authorized by bond ordinance 2006-14 and the \$190,000 authorized by bond ordinance 2007-13
#2010-13	Various capital improvements, finally adopted September 13, 2010. <ol style="list-style-type: none"> 1. Streets and Road Program. 2. Acquisition of a replacement pick-up truck and pucket power box. 3. Acquisition of VFD equipment. 4. Infiltration and inflow remediation projects. 5. Acquisition of servers and upgrade of the network. 6. Resurfacing of tennis courts. 7. Replacement of a roof at Senior Center. 8. Ordinance codification. 9. Acquisition of holsters and leather accessories. 10. Acquisition of mobile video cameras. 	\$666,000 \$204,608 \$46,037 \$61,382 \$204,608 \$10,230 \$56,267 \$40,922 \$25,576 \$5,117 \$11,253	\$33,300	\$632,700 \$194,378 \$43,735 \$58,313 \$194,378 \$9,719 \$53,454 \$38,876 \$24,297 \$4,859 \$10,691
#2010-19	Acquisition of lighting at Lieder Field, finally December 20, 2010.	\$110,000	\$6,000	\$104,000
TOTALS		<u>\$1,701,000</u>	<u>\$85,550</u>	<u>\$1,615,450</u>

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by 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 chief financial officer's signature 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 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 governing body 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 Borough hereby certifies that it has previously adopted capital budgets which reflected these capital projects to the extent that there is any inconsistency with any such prior capital budgets and the purposes referenced herein, then the capital budget of the Borough is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

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

(a) The purposes described in Section 3 of this bond ordinance are not current expenses. They are improvements that the Borough may lawfully undertake as general improvements and no part of the costs thereof have been or shall be specially assessed on property specially benefitted thereby.

(b) The average period of usefulness, computed on the basis of the respective amounts of obligations authorized for each purpose and the reasonable lives thereof within the limitations of the Local Bond Law, is 18.59 years. The period of usefulness for each such improvement is as follows:

<u>Bond Ordinance #</u>	<u>Useful Life</u>
2006-16	20 years
2008-12	15 years
2008-13	10 years
2010-13	19.29 years
2010-19	15 years

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the 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. This statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$1,615,450, but that this increase equals the \$1,615,450 bonds or notes previously authorized by the bond ordinances described in Section 3 hereof and superseded by this bond ordinance. There is, therefore, no overall increase in the gross debt of the Borough, and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) All ordinances or other proceedings making appropriations or authorizing the issuance of bonds or notes for the improvements or purposes described in Section 3 of this bond ordinance, including particularly the bond ordinances referred to in Section 3 are hereby repealed to the extent of any inconsistency herewith and to the extent, if any, that they authorize the issuance hereafter of bonds or notes for the purpose of financing such improvements or purposes or that they make appropriations for such improvements or purposes in excess of the amounts herein stated as the appropriations therefor. Any such bonds or notes heretofore issued and now outstanding pursuant to these bond ordinances, any moneys expended and any expenses incurred pursuant to appropriations made by these bond ordinances or other proceedings shall be accounted

and deemed to have been issued, expended or incurred pursuant to this bond ordinance.

(e) An aggregate amount not exceeding \$167,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 may be included as part of the costs of the purposes or improvements authorized herein and is included in the foregoing estimates thereof. Such amount is allocated to each such purpose or improvement as follows:

<u>Bond Ordinance #</u>	<u>Section 20 Costs</u>
2006-16	\$105,000
2008-12	\$25,000
2008-13	\$0
2010-13	\$15,000
2010-19	\$22,000

Section 7. Any grant moneys received for the purposes described in Section 3 hereof shall be applied either to direct payment of the costs of the improvements or to payment of the obligations issued pursuant to this ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 8. The Borough hereby declares the intent of the 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 Treasury Regulations.

Section 9. The chief financial officer of the Borough is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Borough and to execute such disclosure document on behalf of the Borough. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Borough pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of

obligations of the Borough and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Borough fails to comply with its undertaking, the Borough shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 10. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Borough, and the Borough is obligated to levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the obligations and the interest thereon without limitation of 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.

INTRODUCTION: February 27, 2012
PUBLIC HEARING: March 12, 2012
ADOPTION: March 12, 2012

BOROUGH OF NEW PROVIDENCE
COUNTY OF UNION
STATE OF NEW JERSEY

J. Brooke Hern, Mayor

Attest:

Wendi B. Barry, Borough Clerk