

ORDINANCE 58-2008

BOND ORDINANCE TO MAKE VARIOUS AMENDMENTS TO THE BOND ORDINANCE (ORD. NO. 42-2005) ENTITLED: "BOND ORDINANCE TO AUTHORIZE THE MAKING OF VARIOUS PUBLIC IMPROVEMENTS AND THE ACQUISITION OF NEW FIRE ENGINES, INCLUDING ORIGINAL APPARATUS AND EQUIPMENT, IN, BY AND FOR THE BOROUGH OF MADISON, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF \$20,492,000 TO PAY THE COST THEREOF, TO MAKE A DOWN PAYMENT, TO AUTHORIZE THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION AND TO PROVIDE FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS," ADOPTED JULY 25, 2005.

BE IT ORDAINED by the Borough Council of the Borough of Madison, in the County of Morris, State of New Jersey, as follows:

Section 1. Section 2 of Ordinance No. 42-2005 entitled:

"BOND ORDINANCE TO AUTHORIZE THE MAKING OF VARIOUS PUBLIC IMPROVEMENTS AND THE ACQUISITION OF NEW FIRE ENGINES, INCLUDING ORIGINAL APPARATUS AND EQUIPMENT, IN, BY AND FOR THE BOROUGH OF MADISON, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF \$20,492,000 TO PAY THE COST THEREOF, TO MAKE A DOWN PAYMENT, TO AUTHORIZE THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION AND TO PROVIDE FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS"

adopted by the Borough Council of the Borough of Madison, in the County of Morris, New Jersey (the "Borough") on July 25, 2005 (the "Prior Ordinance") is hereby amended to add a reference to the various grants being appropriated as a source of funding for the purposes authorized by the ordinance, and shall hereafter read as follows:

"Section 2. There is hereby appropriated to the payment of the cost of making the improvements described in Sections 1 and 4

hereof (hereinafter referred to as "purposes"), the respective amounts of money hereinafter stated as the appropriation for said respective purposes. Said appropriation shall be met from the proceeds of the sale of the bonds authorized, and the down payment and various grants appropriated, by this ordinance. Said improvements shall be made as general improvements and no part of the cost thereof shall be assessed against property specially benefited."

Section 2. Section 4 of the Prior Ordinance is hereby amended to (A) add a reference to grants appropriated as information to be provided in the "Schedule of Improvements, Purposes and Amounts"; (B) (i) increase the appropriation and estimated cost in Section 4.A. from \$11,770,000 to \$12,270,000 (an increase of \$500,000); (ii) increase the down payment appropriated in Section 4.A. from \$561,000 to \$585,000 (an increase of \$24,000); and (iii) increase the bonds and notes authorized in Section 4.A. from \$11,209,000 to \$11,685,000 (an increase of \$476,000); (C) (i) increase the appropriation and estimated cost in Section 4.B. from \$7,165,000 to \$9,540,000 (an increase of \$2,375,000); (ii) increase the down payment appropriated in Section 4.B. from \$342,000 to \$398,000 (an increase of \$56,000); (iii) increase the bonds and notes authorized in Section 4.B. from \$6,823,000 to \$7,942,000 (an increase of \$1,119,000); and (iv) add a \$1,200,000 appropriation of various grants to the funding sources listed in Section 4.B.; (D) (i) decrease the down payment appropriated in Section 4.C. from \$839,000 to \$759,000 (a decrease of \$80,000); and (ii) increase the bonds and notes authorized in Section 4.C. from \$718,000 to \$798,000 (an increase of \$80,000); and (E) (i) increase the aggregate appropriation and estimated cost in Section 4 from \$20,492,000 to \$23,367,000 (an increase of \$2,875,000); (ii) increase the aggregate grants appropriated in Section 4 from \$-0- to \$1,200,000 (an increase of \$1,200,000); and (iii) increase the aggregate amount of bonds and notes authorized in Section 4 from \$18,750,000 to \$20,425,000 (an increase of \$1,675,000); and shall hereafter read as follows:

"Section 4. The several purposes hereby authorized for the financing of which said obligations are to be issued are set forth in the following "Schedule of Improvements, Purposes and Amounts" which schedule also shows (1) the amount of the appropriation and the estimated cost of each such purpose, and (2) the amount of each sum which is to be provided by the grants hereinafter appropriated, and (3) the amount of each sum which is to be provided by the down payment hereinafter appropriated to finance such purposes, and (4) the estimated maximum amount

of bonds and notes to be issued for each such purpose, and (5) the period of usefulness of each such purpose, according to its reasonable life, computed from the date of said bonds:

SCHEDULE OF IMPROVEMENTS, PURPOSES AND AMOUNTS

A. Construction of a new Police/Fire Facility to be located on Borough property at the intersection of Prospect Street and Kings Road, including the acquisition of original furnishings and equipment, related site improvements and relocation expenses. It is hereby determined and stated that such public building to be constructed will be of "Class B" or equivalent construction as defined in Section 22 of the Local Bond Law (Chapter 2 of Title 40A of the New Jersey Statutes, as amended; the "Local Bond Law").

Appropriation and Estimated Cost \$12,270,000

Down Payment Appropriated \$ 585,000

Bonds and Notes Authorized \$11,685,000

Period of Usefulness 30 years

B. Renovation of the Hartley Dodge Memorial, including Americans with Disabilities Act ("ADA") compliance improvements and other interior renovations and improvements, upgrading of building systems, environmental remediation, construction of a new employee parking lot on Maple Avenue, acquisition of new furnishings and equipment for the renovated building and relocation expenses. It is hereby determined and stated that said public building being improved is of "Class A" or equivalent construction as defined in Section 22 of the Local Bond Law.

Appropriation and Estimated Cost \$ 9,540,000

Grants Appropriated \$ 1,200,000

Down Payment Appropriated \$ 398,000

Bonds and Notes Authorized \$ 7,942,000

Period of Usefulness 20 years

C. Acquisition of a new pumper fire engine and a new aerial fire engine, including original apparatus and equipment.

Appropriation and Estimated Cost \$ 1,557,000

Down Payment Appropriated \$ 759,000

Bonds and Notes Authorized \$ 798,000

Period of Usefulness 10 years

Aggregate Appropriation and

Estimated Cost \$23,367,000

Aggregate Grants Appropriated \$ 1,200,000

Aggregate Down Payment Appropriated \$ 1,742,000

Aggregate Amount of Bonds and Notes

Authorized \$20,425,000."

Section 3. Section 5 of the Prior Ordinance is hereby amended to increase the estimated amount of statutorily permitted expenses included in the amount appropriated from \$500,000 to \$1,100,000 (an increase of \$600,000), and shall hereafter read as follows:

"Section 5. The cost of such purposes, as hereinbefore stated, includes the aggregate amount of \$1,100,000 which is estimated to be necessary to finance the cost of such purposes, including architect's fees, accounting, engineering and inspection costs, legal expenses and other expenses, including interest on such obligations to the extent permitted by Section 20 of the Local Bond Law."

Section 4. A new Section 6 is hereby added to appropriate a \$600,000 New Jersey Historic Trust grant received by the Borough for the renovation of the Hartley Dodge Memorial authorized in Section 4.B., as amended, and shall hereafter read as follows:

"Section 6. The sum of \$600,000 received or to be received as a New Jersey Historic Trust grant is hereby appropriated to the payment of the cost of the renovation of the Hartley Dodge Memorial authorized in Section 4.B. above."

Section 5. A new Section 7 is hereby added to appropriate a \$420,000 Hartley Dodge Memorial Trustees grant received by the Borough for the renovation of the Hartley Dodge Memorial authorized in Section 4.B., as amended, and shall hereafter read as follows:

"Section 7. The sum of \$420,000 received or to be received as a Hartley Dodge Memorial Trustees grant is hereby appropriated to the payment of the cost of the renovation of the Hartley Dodge Memorial authorized in Section 4.B. above."

Section 6. A new Section 8 is hereby added to appropriate a \$150,000 Morris County Historic Preservation Trust Fund grant received by the Borough for the renovation of the Hartley Dodge Memorial authorized in Section 4.B., as amended, and shall hereafter read as follows:

"Section 8. The sum of \$150,000 received or to be received as a Morris County Historic Preservation Trust Fund grant is hereby appropriated to the payment of the cost of the renovation of the Hartley Dodge Memorial authorized in Section 4.B. above."

Section 7. A new Section 9 is hereby added to appropriate a \$30,000 New Jersey Statewide Livable Communities grant received

by the Borough for the renovation of the Hartley Dodge Memorial authorized in Section 4.B., as amended, and shall hereafter read as follows:

"Section 9. The sum of \$30,000 received or to be received as a New Jersey Statewide Livable Communities grant is hereby appropriated to the payment of the cost of the renovation of the Hartley Dodge Memorial authorized in Section 4.B. above."

Section 8. Sections 6 to 16, inclusive, of the Prior Ordinance are hereby renumbered Sections 10 to 20, inclusive.

Section 9. Section 11 of the Prior Ordinance, as renumbered, is hereby amended to increase the amount of bonds authorized from \$18,750,000 to \$20,425,000 (an increase of \$1,675,000), and shall hereafter read as follows:

"Section 11. To finance said purposes, bonds of said Borough of an aggregate principal amount not exceeding \$20,425,000 are hereby authorized to be issued pursuant to the Local Bond Law. Said bonds shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law. All matters with respect to said bonds not determined by this ordinance shall be determined by resolutions to be hereafter adopted."

Section 10. Section 12 of the Prior Ordinance, as renumbered, is hereby amended to increase the amount of bond anticipation notes authorized from \$18,750,000 to \$20,425,000 (an increase of \$1,675,000), and shall hereafter read as follows:

"Section 12. To finance said purposes, bond anticipation notes of said Borough of an aggregate principal amount not exceeding \$20,425,000 are hereby authorized to be issued pursuant to the Local Bond Law in anticipation of the issuance of said bonds. In the event that bonds are issued pursuant to this ordinance, the aggregate amount of notes hereby authorized to be issued shall be reduced by an amount equal to the principal amount of the bonds so issued. If the aggregate amount of outstanding bonds and notes issued pursuant to this ordinance shall at any time exceed the sum first mentioned in this section, the moneys raised by the issuance of said bonds shall, to not less than the amount of such excess, be applied to the payment of such notes then outstanding."

Section 11. Section 14 of the Prior Ordinance, as renumbered, is hereby amended to decrease the average period of usefulness of the purposes authorized from 25.59 years to 25.33 years (a decrease of 0.26 years), and shall hereafter read as follows:

"Section 14. It is hereby determined and declared that the average period of usefulness of said purposes, according to their reasonable lives, taking into consideration the respective amounts of bonds or notes authorized for said purposes, is a period of 25.33 years computed from the date of said bonds."

Section 12. Section 15 of the Prior Ordinance, as renumbered, is hereby amended to increase the amount of gross debt of the Borough shown on the Supplemental Debt Statement filed for the ordinance, as amended, from \$18,750,000 to \$20,425,000 (an increase of \$1,675,000), and shall hereafter read as follows:

"Section 15. It is hereby determined and stated that the Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the office of the Borough Clerk of said Borough, and that such statement so filed shows that the gross debt of said Borough, as defined in Section 43 of the Local Bond Law, is increased by this ordinance by \$20,425,000 and that the issuance of the bonds and notes authorized by this ordinance will be within all debt limitations prescribed by said Local Bond Law."

Section 13. Section 16 of the Prior Ordinance, as renumbered, is hereby amended to add a reference to the various grants previously appropriated in the ordinance in order to explain how such grant funds are to be applied, and shall hereafter read as follows:

"Section 16. Any funds received from private parties, the County of Morris, the State of New Jersey or any of their agencies or any funds received from the United States of America or any of its agencies in aid of such purposes (other than the various grants hereinbefore appropriated which shall be applied to the cost of such purposes, but shall not be applied to the payment of outstanding bond anticipation notes and the reduction of the amount of bonds authorized), shall be applied to the payment of the cost of such purposes, or, if bond anticipation notes have been issued, to the payment of the bond anticipation notes, and the amount of bonds authorized for such purposes shall be reduced accordingly."

Section 14. The capital budget is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency therewith and the resolutions 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, is on file with the Borough Clerk and is available for public inspection.

Section 15. This ordinance shall take effect twenty days after the first publication thereof after final passage.