

TOWNSHIP OF HARDYSTON

ORDINANCE NO. 2015-02

BOND ORDINANCE AUTHORIZING THE APPROPRIATION OF A SUM NOT TO EXCEED \$3,921,000 AND AUTHORIZING THE ISSUANCE OF REFUNDING BONDS AND/OR NOTES OF THE TOWNSHIP OF HARDYSTON, IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$3,921,000, TO REFUND, IN FULL OR IN PART, THE OUTSTANDING BALANCE OF GENERAL IMPROVEMENT BONDS, SERIES 2007A OF THE TOWNSHIP AND TO FINANCE THE COSTS OF ISSUANCE OF SUCH REFUNDING BONDS ON BEHALF OF THE TOWNSHIP AND TO PROVIDE FOR THE ISSUANCE OF SUCH REFUNDING BONDS

WHEREAS, the Township of Hardyston, County of Sussex, State of New Jersey (the "Township") issued \$4,825,000 General Obligation General Improvement Bonds, Series 2007A dated February 1, 2007, (the bond issues identified and set forth above are hereinafter referred as the "Outstanding Bonds") pursuant to the provisions of the Local Bond Law of New Jersey, N.J.S.A. 40A:2-1 et seq. (the "Law") for purposes of providing funds for various capital improvements in and for the Township; and

WHEREAS, the Outstanding Bonds maturing on or prior to February 1, 2016 are not subject to redemption prior to maturity, however there is the principal amount of \$3,655,000 of the Outstanding Bonds that remain outstanding and will mature in various amounts between February 1, 2017 and February 1, 2030 inclusive which are subject to redemption prior to maturity; and

WHEREAS, the Township now desires to authorize and issue refunding bonds to refund the principal amount of the Outstanding Bonds maturing in the years 2017 through the final maturity in 2030, to authorize the execution of a refunding agreement to provide for the acquisition of obligations of the United States of America, the principal of and interest on which shall provide for the payment of the principal of and interest on the Outstanding Bonds, and to pay the cost of issuance of such refunding bonds, in order to provide for debt service savings to the Township;

NOW THEREFORE BE ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF HARDYSTON, COUNTY OF SUSSEX, STATE OF NEW JERSEY (not less than two-third (2/3) of all members thereof affirming and concurring), **AS FOLLOWS:**

Section 1. The Township of Hardyston, in the County of Sussex, State of New Jersey, hereby authorize to an aggregate amount not to exceed \$3,921,000 for the payment, refunding or funding of all of part principal of and interest on the principal amount of \$3,655,000 outstanding Bonds of the Township maturing in the years 2017 through 2030.

Section 2. An aggregate amount not exceeding \$70,000 for items of expense listed and permitted under Section 40A:2-51(b) and 40A:2-53(a) of the Law has been reserved for the

cost of issuance expenses relating to the refunding bonds authorized herein.

Section 3. In order to finance the cost of refunding the Outstanding Bonds in the aggregate principal amounts stated in Section 1 hereof, negotiable refunding bonds are hereby authorized to be issued in the aggregate principal amount not exceeding \$3,921,000 pursuant to the Law (the "Refunding Bonds"), consisting of one issue of general improvement refunding bonds in the principal amount not exceeding \$3,921,000. The Refunding Bonds shall pay interest at a rate or rates per annum as may be hereinafter determined within the limitation prescribed by Law. Said issue of general improvement refunding bonds shall mature in annual installments which may not exceed the limitations prescribed in Section 40A:2-26(b) of the Local Bond Law, and as set forth in N.J.A.C.5:30-2.5 of the regulations issued pursuant thereto. In addition, the Outstanding Bonds shall be paid and redeemed on the next call date after issuance of same through the proceeds from the sale held in escrow pledged to the payment of the principal and interest on the Outstanding Bonds to be refunded. The Refunding Bonds shall be sold at private sale by resolution of the Township Council to RBC Capital Markets, LLC. All matters with respect to Refunding Bonds not determined by this ordinance or a resolution of the Township Council shall be determined by the Chief Financial Officer in accordance herewith, and with the Local Bond Law.

Section 4. The Chief Financial Officer of the Township is directed to report in writing to the Township Council at the meeting next succeeding the date when any sale or delivery of Refunding Bonds pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate, the maturity schedule of the Refunding Bonds sold, the price obtained, and the terms of the escrow, as well as any other material terms of the transaction.

Section 5. The Chief Financial Officer of the Township is hereby authorized to determine such details relating to the issuance of the Refunding Bonds and is directed to provide such details to the Township Council and the Director of the Division of Local Government Services for the Director's approval, including the final maturity schedule, the terms of the redemption of the Outstanding Bonds, the deposit, securing, regulations, escrow investments, disposition or application of refunding bond proceeds pending such escrow and redemption and the specific terms and conditions relating thereto and any information required by law, or resolution of the Local Finance Board.

Section 6. The Chief Financial Officer is further authorized to determine the terms of any contract with the holders of the Refunding Bonds with respect to the establishment of, and the making of provisions for the funding of the escrow fund and the amount, source, securing, regulation and disposition thereof for escrow and redemption of the Outstanding Bonds, and enter into any contracts or agreements to implement the refunding program, including agreements for bond, insurance, rating agencies, investment banking, printing, legal services and financial advisor services, which terms and agreements shall not be inconsistent herewith.

Section 7. A certified copy of this Refunding Bond Ordinance as adopted on first reading shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs, of the State of New Jersey prior to final adoption, together with a complete statement in the form prescribed by the Director and signed by the Chief

Financial Officer of the Township as to the indebtedness to be financed by the issuance of the Refunding Bonds authorized herein.

Section 8. This Bond Ordinance shall take effect twenty (20) days after the first publication thereof after final adoption, as provided by the Local Bond Law.

ATTEST: _____ APPROVED: _____
JANE BAKALARCZYK Carl B. Miller, Mayor
Township Clerk

STATEMENT

The bond ordinance published herewith has been finally adopted by the governing body of the Township of Hardyston, County of Sussex, in the State of New Jersey, by the recorded affirmative votes of at least two-thirds (2/3rds) of the full membership of the governing body on February 25, 2015, and the twenty (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.

_____ (SEAL)
JANE BAKALARCZYK
Township Clerk
Township of Hardyston
County of Sussex, New Jersey