

2013-21 BOND ORDINANCE PROVIDING FOR VARIOUS CAPITAL IMPROVEMENTS IN AND BY PRINCETON, IN THE COUNTY OF MERCER, NEW JERSEY, APPROPRIATING \$3,699,900 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,838,229 BONDS OR NOTES TO FINANCE PART OF THE COST THEREOF.

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

Section 1. The several improvements described in Section 3 of this bond ordinance are hereby respectively authorized to be undertaken by Princeton, in the County of Mercer, New Jersey ("Princeton") as general improvements. For the several improvements or purposes described in Section 3, there are hereby appropriated the respective sums of money therein stated as the appropriation made for each improvement or purpose, such sums amounting in the aggregate to \$3,699,900, including a State of New Jersey Department of Transportation Grant in the amount of \$261,676 for the purpose in Section 3(B)(1) (the "State Grant") and a grant in the amount of \$500,000 for the purpose in 3(F) (the "Recreation Grant" and, together with the State Grant, the "Grants") and further including the aggregate sum of \$99,995 as the several down payments for the improvements or purposes required by the Local Bond Law. The amount of the down payment appropriated is at least 5% of the costs of the improvements which are not funded by the above referenced Grants (\$1,999,900). The down payments have been made available by virtue of provision for down payment or for capital improvement purposes in one or more previously adopted budgets. No

down payment is required pursuant to N.J.S.A. 40A:2-11(c) for the purpose or improvement described in Section 3(B)(1) since the improvement or purpose described in Section 3(B)(1) is being partially funded by the State Grant.

Section 2. In order to finance the cost of the several improvements or purposes not covered by application of the several down payments and the Grants, negotiable bonds are hereby authorized to be issued in the principal amount of \$2,838,229 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.

Section 3. The several improvements hereby authorized and the several purposes for which the bonds 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>Purpose</u>	<u>Appropriation &amp; Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds &amp; Notes</u>	<u>Period of Usefulness</u>
<b><u>A) Affordable Housing Department</u></b> Repairs to Griggs Farm, including all work and materials necessary therefor and incidental thereto.	\$24,250	\$23,037	10 years
<b><u>B) Engineering Department</u></b> 1) Reconstruction of Great Road West, including all work and materials necessary therefor and incidental thereto.	\$1,200,000 (includes \$261,676 State of New Jersey Department of Transportation Grant)	\$938,324	10 years

2) Milling and Overlay of Edgehill, including all work and materials necessary therefor and incidental thereto.	\$297,000	\$282,150	10 years
3) Bikeway and Pedestrian improvements and improvements to Terhune Road Bikepath, including all work and materials necessary therefor and incidental thereto.	\$147,000	\$139,650	15 years
4) Linestriping and signage improvements, improvements to Vandeventer/Nassau/WashNJDOT signal, and GIS mapping, including all work and materials necessary therefor and incidental thereto.	\$127,150	\$120,793	10 years
<b>C) Infrastructure Department</b>			
1) The acquisition of a Ford Television Inspection Truck and a trash truck, including all related costs and expenditures incidental thereto.	\$310,000	\$294,500	5 years
2) Replacement, repairs and rehabilitation of various sanitary sewer mains and laterals, spot repairs and the acquisition of materials and equipment for the Sanitary Sewer System, including all work and materials necessary therefor and incidental thereto and further including all related costs and expenditures incidental thereto.	\$285,000	\$270,750	15 years
3) The acquisition of various equipment, consisting of an emergency generator, a portable generator, garage equipment, Department of Public Works equipment, safety equipment, and a stream flow gauge, including all related costs and expenditures incidental thereto.	\$144,000	\$136,800	15 years

<p>4) Improvements to various public facilities, specifically the Senior Center, Witherspoon Building, Monument Hall, River Road Site, Witherspoon Fire House, Chestnut Firehouse, Harrison Street Firehouse and Harrison Street Facility, as well as other public facilities, including all work and materials necessary therefor and incidental thereto.</p>	<p>\$235,000</p>	<p>\$223,250</p>	<p>15 years</p>
<p>5) Landfill Management engineering, including all work and materials necessary therefor and incidental thereto.</p>	<p>\$20,000</p>	<p>\$19,000</p>	<p>15 years</p>
<p>6) Traffic light improvements at Paul Roberson Place and Chambers Street and the replacement and maintenance of street signs and paint, including all work and materials necessary therefor and incidental thereto.</p>	<p>\$22,500</p>	<p>\$21,375</p>	<p>10 years</p>
<p><b><u>D) IT Department</u></b>  The acquisition of computers, software licensing, servers, WIFI, police radios, television and plate, printer, DVD burner, touch screen monitors, and a mobile app and the rekeying at Monument Hall, including all related costs and expenditures incidental thereto.</p>	<p>\$236,000</p>	<p>\$224,200</p>	<p>5 years</p>
<p><b><u>E) Library</u></b>  Plumbing and electrical upgrades, the acquisition of an HVAC unit, and internet aggregation, including all work and materials necessary therefor and incidental thereto and further including all related costs and expenditures incidental thereto.</p>	<p>\$152,000</p>	<p>\$144,400</p>	<p>15 years</p>

<b>F) Recreation Department</b> The reconstruction of Mary Moss Park, including all work and materials necessary therefor and incidental thereto.	<u>\$500,000</u> (includes \$500,000 grant )	<u>\$0</u>	N/A
<b>TOTAL:</b>	<u>\$3,699,900</u>	<u>\$2,838,229</u>	

The excess of the appropriation made for each of the improvements or purposes aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the down payment for each purpose and the Grants.

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 bond anticipation note shall mature later than one year from its date. 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. The chief financial officer is hereby authorized to sell part or all of the bond anticipation 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 bond anticipation notes pursuant to this bond ordinance is made. Such report must include the amount, the description, the interest

rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

Section 5. Princeton hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of Princeton is hereby amended to conform with the provisions of this bond 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 improvements or purposes described in Section 3(a) of this bond ordinance are not current expenses. They are all improvements or purposes that Princeton may lawfully undertake as general improvements, and no part of the cost thereof has 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 life thereof within the limitations of the Local Bond Law, is 10.73 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. Such statement shows that the gross debt of Princeton as defined in the Local

Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$2,838,229, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$375,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements.

Section 7. Princeton hereby declares the intent of Princeton 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 or improvements described in Section 3 of this bond ordinance. This Section 7 is a declaration of intent within the meaning and for purposes of Treasury Regulations.

Section 8. Any grant moneys received for the purposes or improvements described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or, if other than the Grants referred to in Section 1 hereof, to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 9. The chief financial officer of Princeton 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 Princeton and to execute such disclosure document on behalf of Princeton. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of Princeton pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of

obligations of Princeton 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 Princeton fails to comply with its undertaking, Princeton 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 Princeton 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 Princeton, and Princeton shall be obligated to levy *ad valorem* taxes upon all the taxable real property within Princeton 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.

#### STATEMENT

The bond ordinance published herewith has been finally adopted by the Mayor and Council of Princeton on July 22, 2013 and the 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.



Kathleen K. Brzezynski  
Deputy Clerk