

BOND ORDINANCE PROVIDING AN APPROPRIATION OF \$14,465,148 FOR VARIOUS IMPROVEMENTS AND PURPOSES FOR AND BY THE COUNTY OF SOMERSET, NEW JERSEY, AND AUTHORIZING THE ISSUANCE OF \$13,741,891 BONDS OR NOTES OF SOMERSET COUNTY FOR FINANCING PART OF THE COST THEREOF

BE IT ORDAINED, BY THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF SOMERSET, 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 County of Somerset, New Jersey (the “County”) as general improvements. For the said Improvements there is hereby appropriated the amount of \$14,465,148 including the sum of \$723,257 as the down payment (the “Down Payment”) for the Improvements 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 cost of the Improvements not covered by the application of the Down Payment, negotiable bonds of the County are hereby authorized to be issued in the principal amount of \$13,741,891 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 County are hereby authorized to be issued in the principal amount not exceeding \$13,741,891 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 hereunder, the estimated cost of each Improvement, the appropriation therefore and the estimated maximum amount of Bonds or Notes to be issued for each Improvement are as set forth in Exhibit 1 attached hereto.

(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 \$13,741,891.

(c) The estimated cost of the improvements is \$14,465,148, which amount represents the initial appropriation made by the County. The excess of the appropriations made for each of the Improvements over the estimated maximum amount of Bonds or Notes authorized to be issued therefore is the Down Payment.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the County (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 Board of Chosen Freeholders of the County 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 County 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 Clerk of the Board of Chosen Freeholders 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 County 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 12.29 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the Office of the Clerk of the Board of Chosen Freeholders 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 County, as defined in the Local Bond Law, is increased by the authorization of Bonds and Notes provided in this bond ordinance by \$13,741,891 and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$2,500,000 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 County 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 County authorized therefore 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 County as funds applicable only to the payment of obligations of the County authorized by this Bond Ordinance.

SECTION 8:

The full faith and credit of the County 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 County, and the County shall be obligated to levy ad valorem taxes upon all the taxable property within the County 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 County reasonably expects to pay expenditures with respect to the Improvements prior to the date that County incurs debt obligations under this Bond Ordinance. The County reasonable expects to reimburse such expenditures with the proceeds of debt to be incurred by the County under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the costs of the Improvements is \$13,741,891.

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.

EXHIBIT 1

Improvement	Appropriation	Bonds Authorized
Highway Reconstruction – Class “A” reconstruction to County Route 514 in Franklin Township from Wortman to Elizabeth Avenue, and including signals at Mettlers and Elizabeth Ave and design of future improvements to CR 514 in Franklin Township from Demott to Veronica, Traffic Safety Improvements	\$200,000	\$190,000
Highway Resurfacing – Class “B” reconstruction of various County Roads, including but not limited to Lamington Road (CR665) from Easton Turnpike to Lamington Bridge (6,300lf), Branchburg Township; South Maple Ave (CR657) from West Oak Street to County Line Bridge (11,000lf), Bernards Township; Washington Valley Road (CR 616) from Morning Glory Way to Top of the World Way (3,000 lf), Warren Township; Mountain Ave (CR643) from Route 22 to Route 28 (3,600lf), Somerville Borough; Mountain Ave (CR643) from Route 28 to Somerset Street, Somerville Borough; Somerset Street (CR626) small location by Mountain Ave (150lf), Somerville Borough; Burnt Mills Road (CR620) Route 78 overpass bridge to Route 202 (4,500lf), Bedminster Township; Washington Valley Road (CR 620) from Route 202 to Mount Prospect Road (2,800lf) Bedminster Township; Washington Valley Road (CR620) patches from Mt. Prospect Road to Spring Run Lane (various), Bridgewater Township; New Centre Road (CR 627) from Dukes Parkway to Micromilled Pavement (3,500 lf), Hillsborough Township; East Street (CR689) from Union Ave to East Second Street (1,800lf) Bound Brook Borough; East High Street (CR654) from East Street to Talmage Ave (1,200lf) Bound Brook Borough; South Main Street (CR527) from Davidson Ave to Queens Bridge (6,200lf) South Bound Brook Borough; Edgewood Terrace (CR610) from Canal Road to Elizabeth Ave (3,100lf) South Bound Brook Borough; Edgewood Terrace (CR610) from Elizabeth Ave to South Main Street (2,500lf) South Bound Brook Borough; River Road (CR605) from Crescent Ave to Somerset County Line (5,000lf) Montgomery Township; Cedar Grove Lane (CR619) from Easton Ave to New Brunswick Road (7,000lf) Franklin Township; South Finley Ave (CR613) from NJ Transit Bridge overpass to Cross Road, (700lf) Bernards Township; Van Veghten Jug Handle Finderne Ave (CR533) and Ramp from Finderne Ave to Van Veghten Drive, Bridgewater Township; Somerset County Educational Services Center Parking Lot, Bridgewater Township; Somerset County Traffic Parking Lot, Bridgewater Township; Crack Sealing Various Roads in Hillsborough Township and Franklin Township; Crack Sealing Various Roads in Rest of County and High Friction Surface Treatment on various roads within the County; Bridge Deck Approaches for Various Bridges, Various Locations and Richard Hall Mental Health Center Parking Lot, Bridgewater Township and additional work as possible within various municipalities at various locations on county or municipal roads throughout the County.	\$5,200,000	\$4,940,000
Traffic Safety Improvements on various County Roads, including but not limited to Chimney Rock Road Interchange Rail Connection and Griggstown Causeway Study and	\$259,010	\$246,059

additional work as possible within various municipalities at various locations on county or municipal roads throughout the County		
Bridge Improvements, including but not limited to Cloverleaf Drive Pedestrian Bridge F0817 (design); Painting of Bi-County Bridge T-36-S (Hunterdon) (construction); Hollow Road Bridge C0302, Montgomery (inspection and SNS); Hawthorne Avenue Bridge H0814, Bridgewater (Inspection and SNS); Wertsville Road Bridge B0402/B0403, Hillsborough (Inspection and SNS) and additional work as possible within various municipalities at various locations on county bridges throughout the County	\$561,138	\$533,081
Design, installation and construction of ADA compliant ramps within various municipalities at various locations on county and municipal roads	\$1,400,000	\$1,330,000
Improvements to various County Buildings, including but not limited to improvements consisting of overhaul of Air Handlers and Controls in County Jail facility , construction of entry in New Courthouse, upgrade of elevator mechanicals in New Court House, installation of HVAC controls in New Court House, repairs and painting of Van Horne House, Upgrade of HVAC for in Bay Area of Vehicle Maintenance building for improved ventilation, investigation and evaluation of Jail Water Pipes and Fittings and design of HVAC Upgrades for Air Handler Replacement for Vehicle Maintenance Building, all as shown on and in accordance with the plans and specifications therefore on file in the Office of the Clerk of the Board of Chosen Freeholders and hereby approved	\$6,845,000	\$6,502,750
TOTALS	\$14,465,148	\$13,741,891

I, Kathryn A. Quick, Clerk of the Board of Chosen Freeholders of the County of Somerset in the State of New Jersey, do hereby certify that the foregoing is a true copy of an Ordinance adopted by said Board of Chosen Freeholders at its regularly scheduled meeting of February 13, 2018.

Kathryn A. Quick, Deputy Clerk of the Board

