

BOND ORDINANCE PROVIDING FOR ACQUISITION OF AIRPORT AND LAND OR INTEREST IN LAND FOR PRESERVATION (BLOCK 48, LOT 23; BLOCK 55, LOT 33; BLOCK 56, LOTS 1, 3, 6, & 8, BLOCK 39, LOT 24 AND BLOCK 67, LOT 2, OWNER: SOLBERG AVIATION/HROMOHO), IN AND BY THE TOWNSHIP OF READINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, APPROPRIATING \$22,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$21,700,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF

Ordinance #04-2006

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

SECTION 1. The improvement described in Section 3 of this bond ordinance is hereby authorized to be undertaken by the Township of Readington, New Jersey as a general improvement. For the improvement or purpose described in Section 3, there is hereby appropriated the sum of \$21,700,000, including the sum of \$300,000 to be used as a down payment on that portion of the project not being financed through grants or other sources. The remainder of the down payment is not required pursuant to *N.J.S.A. 40A:2-11(c)* as this bond ordinance authorizes obligations solely for a purpose described in *N.J.S.A. 40A:2-7(d)* as more fully explained in Section 6(e) of this ordinance.

SECTION 2. In order to finance the cost of the improvement or purpose not covered by application of the down payment, negotiable bonds are hereby authorized to be issued in the principal amount of \$21,700,000 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. (a) The improvement hereby authorized and the purpose for the financing of which the bonds are to be issued is for the acquisition of property consisting of Block 48, Lot 23; Block 55, Lot 33; Block 56, Lots 1, 3, 6, & 8 and Block 67, Lot 2, (Owner: Solberg Aviation /Hromoho) all as shown on and in accordance with the plans and specifications therefor on file in the office of the Clerk.

(b) The estimated maximum amount of bonds or notes to be issued for the improvement or purpose is as stated in Section 2 hereof.

(c) The estimated cost of the improvement or purpose is equal to the amount of the appropriation herein made therefor.

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 capital budget of the Township of Readington 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 of the Division of Local Government Services is on file with the Clerk and is available there for public inspection.

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

(a) The improvement or purpose described in Section 3 of this bond ordinance is not a current expense. It is an improvement or purpose that the Township may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the improvement or purpose within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this ordinance, is 40 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 the Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$21,700,000, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$1,000,000 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 purpose or improvement.

(e) This bond ordinance authorizes obligations of the Township solely for a purpose described in *N.J.S.A. 40A:2-7(d)*. This purpose is in the public interest and is

for the health, welfare, convenience or betterment of the inhabitants of the Township. The amounts to be expended for this purpose pursuant to this bond ordinance are not unreasonable or exorbitant, and the issuance of the obligations authorized by this bond ordinance will not materially impair the credit of the Township or substantially reduce its ability to pay punctually the principal of and the interest on its debts and to supply other essential public improvements and services. The Local Finance Board, in the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey has heretofore made a determination to this effect and has caused its consent to be endorsed upon a certified copy of this bond ordinance as passed upon first reading.

SECTION 7. Any grant moneys received for the purpose described in Section 3 hereof shall be applied either to direct payment of the cost of the improvement 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 chief financial officer of the Township 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 Township and to execute such disclosure document on behalf of the Township. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township 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 Township 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 Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 9. The full faith and credit of the Township 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 Township, and the Township shall be obligated to levy ad valorem taxes upon all the taxable real property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 10. The Mayor, Deputy Mayor, Township Administrator/Clerk and Township Attorney, as the case may be, are authorized pursuant to *N.J.S.A. 40A:12-1 et seq.*, and any other applicable law, to prepare and sign any and all necessary documentation to effectuate the acquisition as described herein, concerning the property known as Block 48, Lot 23; Block 55, Lot 33; Block 56, Lots 1, 3, 6, & 8 and Block 67, Lot 2, including, but not limited to, any contracts and amendments thereto and all closing documents needed to complete the purchase.

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.

ATTEST:

THE TOWNSHIP OF READINGTON

Vita Mekovetz, Municipal Clerk

BY:
Gerard J. Shamey, Mayor

I hereby certify that the attached ordinance is a true and correct copy of an ordinance entitled ***BOND ORDINANCE PROVIDING FOR ACQUISITION OF AIRPORT AND LAND OR INTEREST IN LAND FOR PRESERVATION (BLOCK 48, LOT 23; BLOCK 55, LOT 33; BLOCK 56, LOTS 1, 3, 6, & 8, BLOCK 39, LOT 24 AND BLOCK 67, LOT 2, OWNER: SOLBERG AVIATION/HROMOHO), IN AND BY THE TOWNSHIP OF READINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, APPROPRIATING \$22,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$21,700,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF*** which was introduced at the meeting of the Readington Township Committee on February 6, 2006 and was adopted at the meeting of the Readington Township Committee on February 21, 2006.

Vita Mekovetz, RMC\CMC
Municipal Clerk

ROLL CALL VOTE				
ORDINANCE: Acquisition of Airport & Land for Preservation - Block 48, Lot 23; Block 55, Lot 33; Block 56, Lots 1, 3, 6, & 8, Block 39, Lot 24 & Block 67, Lot 2, Solberg Aviation/Hromoho - \$22,000,000/\$21,700,000				
INTRODUCTION <input type="checkbox"/>				
MEETING DATE: February 6, 2006				
DATE ADVERTISED: February 9, 2006				
DATE SET FOR PUBLIC HEARING: February 21, 2006				
COMMITTEE MEMBER:	YES	NO	ABSTAIN	ABSENT
Allen	X			
Auriemma	X			
Gatti	X			
Muir	X			
Mayor Shamey	X			

ROLL CALL VOTE
ORDINANCE: Acquisition of Airport & Land for Preservation - Block 48, Lot 23; Block 55, Lot 33; Block 56, Lots 1, 3, 6, & 8, Block 39, Lot 24 & Block 67, Lot 2,

Solberg Aviation/Hromoho - \$22,000,000/\$21,700,000 #24-2005				
ADOPTION <input type="checkbox"/>				
MEETING DATE: February 21, 2006				
DATE ADVERTISED: March 1, 2006; March 2, 2006				
COMMITTEE MEMBER:	YES	NO	ABSTAIN	ABSENT
Allen	X			
Auriemma	X			
Gatti	X			
Muir	X			
Mayor Shamey	X			

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Vita Mekovetz, RMC\CMC
Municipal Clerk