

Mayor Nolan offered the following Bond Ordinance pass final reading and moved on its adoption:

**BOROUGH OF HIGHLANDS
BOND ORDINANCE NUMBER O-16-7**

BOND ORDINANCE PROVIDING FOR THE PRELIMINARY AND OTHER COSTS ASSOCIATED WITH THE CONSTRUCTION OF A NEW BOROUGH HALL – PHASE I, BY AND IN THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, APPROPRIATING \$3,000,000 (INCLUDING A \$1,200,000 REIMBURSEMENT FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY) THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,710,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED AND ENACTED BY THE BOROUGH COUNCIL OF THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the Borough of Highlands, in the County of Monmouth, State of New Jersey (the “Borough”). For the said improvements or purposes stated in Section 3 hereof, there is hereby appropriated the sum of \$3,000,000, said sum being inclusive of a reimbursement expected to be received from the Federal Emergency Management Agency in the amount of \$1,200,000 (the “FEMA Reimbursement”) and a down payment in the amount of \$90,000 now available for said improvements or purposes as required by the Local Bond Law, as amended and supplemented (N.J.S.A. 40A:2-1 et seq.) (the “Local Bond Law”). Said down payment is now available therefor by virtue of a provision or

provisions in a previously adopted budget or budgets of the Borough for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said \$3,000,000 appropriation not provided for by application of said down payment and the FEMA Reimbursement, negotiable bonds of the Borough are hereby authorized to be issued in the principal amount of \$1,710,000 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the Borough in a principal amount not exceeding \$1,710,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The improvements hereby authorized and purposes for the financing of which said bonds or notes are to be issued are the Preliminary and Other Costs Associated with the Construction of a New Borough Hall – Phase I, such improvements shall include, but are not limited to, the acquisition and the payment of the purchase price of all or any portion of real property, a lawful public purpose, such real property currently anticipated to be the real property designated as Block 37, Lot 12.01 and Block 37, Lot 13 on the Official Tax Map of the Borough, and being commonly known as 159 Navesink Avenue, Highlands, New Jersey, and all improvements and buildings thereon (the “Property”), the demolition of all or any portion of the Property and debris removal and disposal associated therewith, environmental work, grading work, utility work, the construction of all or any portion of the New Borough Hall building and any other improvements on said Property, also including, but not limited to, surveying, title searches, engineering and design work, construction planning, preparation of plans and

specifications, permits, bid documents, construction inspection and contract administration, and all work, materials, equipment, labor and appurtenances necessary therefor or incidental thereto.

(b) The estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$1,710,000.

(c) The estimated cost of said improvements or purposes is \$3,000,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor is the FEMA Reimbursement for said purpose in the amount of \$1,200,000 and the down payment for said purpose in the amount of \$90,000.

SECTION 4. Except for the FEMA Reimbursement, in the event the United States of America, the State of New Jersey, and/or the County of Monmouth make a contribution or grant in aid to the Borough, for the improvement and purpose authorized hereby and the same shall be received by the Borough prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey and/or the County of Monmouth. Except for the FEMA Reimbursement, in the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey and/or the County of Monmouth, shall be received by the Borough after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the Borough, provided

that no note shall mature later than one (1) year from its date or otherwise authorized by the Local Bond Law. 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 the notes issued pursuant to this bond 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 in accordance with 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 purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon 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 bond ordinance is made. Such report must include the principal amount, the description, the interest rate, and the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 6. The Capital Budget of the Borough is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. In the event of any such inconsistency, a resolution in the form promulgated by the Local Finance Board showing full detail of the amended Capital Budget and capital programs as approved by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs will be on file in the office of the Clerk and will be available for public inspection.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses and are improvements or purposes which the Borough may lawfully undertake as general improvements or purposes, 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 said improvements or purposes within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is thirty (30) years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the Borough and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, and such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this bond ordinance by \$1,710,000 and the said bonds or notes authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$750,000 for items of expense listed in and permitted under section 20 of the Local Bond Law is included in the estimated cost indicated herein for the purpose or improvement hereinbefore described.

SECTION 8. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the bonds or notes authorized by this bond ordinance. The bonds or notes shall be direct, unlimited obligations of the Borough, and the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Borough for the payment of the bonds or notes and the interest thereon without limitation as to rate or amount.

SECTION 9. The Borough hereby declares the intent of the Borough to issue the bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use proceeds to payor reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 9 is a declaration of intent within the meaning and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

SECTION 10. The Borough Chief Financial Officer 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 Borough and to execute such disclosure document on behalf of the Borough. The Borough Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Borough 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 Borough 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 Borough fails to comply with its

undertaking, the Borough shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 11. The Borough is hereby authorized to acquire the Property and to negotiate an agreement of sale for the aforesaid acquisition. The Mayor, Administrator, Chief Financial Officer, Borough Attorney, Borough Clerk and Governing Body are each hereby authorized, as applicable, to negotiate, approve, execute, attest, deliver and perform said agreement of sale and any and all documents necessary to acquire said Property.

SECTION 12. The Borough covenants to maintain the exclusion from gross income under section 103(a) of the Code of the interest on all bonds and notes issued under this ordinance.

SECTION 13. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

Seconded by Ms. Broullon and adopted on the following roll call vote:

ROLL CALL:

AYE: Ms. Broullon, Ms. D'Arrigo, Mrs. Wells, Mayor Nolan
NAY: None
ABSENT: Mr. Card
ABSTAIN: None

DATE: April 6, 2016

Carolyn Cummins, Borough Clerk

I hereby certify this to be a true copy of Bond Ordinance O-16-7 adopted by the Governing Body of the Borough of Highlands on April 6, 2016.

Borough Clerk/Deputy Clerk

HIGHLANDS.NJ.COM

ADOPTED ON FIRST READING
DATED: March 2, 2016

CAROLYN CUMMINS,
Borough Clerk

ADOPTED ON SECOND READING
DATED: March 16, 2016

CAROLYN CUMMINS,
Borough Clerk

APPROVAL BY THE MAYOR ON THIS ____ DAY OF _____, 2016.

FRANK NOLAN
Mayor

BOROUGH OF HIGHLANDS
PUBLIC NOTICE
NOTICE OF PENDING BOND ORDINANCE AND SUMMARY
O-16-7

The bond ordinance, the summary terms of which are included herein, was introduced and passed upon first reading at a meeting of the governing body of the Borough of Highlands, in the County of Monmouth, State of New Jersey, on March 2, 2016. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held at the Highlands Community Center, 22 Snug Harbor Avenue, Highlands, in said County on March 16, 2016 at 8:00 p.m. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the Clerk's office for the members of the general public who shall request the same. The summary of the terms of such bond ordinance follows:

Title: BOND ORDINANCE PROVIDING FOR THE PRELIMINARY AND OTHER COSTS ASSOCIATED WITH THE CONSTRUCTION OF A NEW BOROUGH HALL – PHASE I, BY AND IN THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, APPROPRIATING \$3,000,000 (INCLUDING A \$1,200,000 REIMBURSEMENT FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY) THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,710,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF

Purpose(s): Preliminary And Other Costs Associated With The Construction Of A New Borough Hall – Phase I, Such Improvements Shall Include, But Are Not Limited To, The Acquisition And The Payment Of The Purchase Price Of All Or Any Portion Of Real Property, A Lawful Public Purpose, Such Real Property Currently Anticipated To Be The Real Property Designated As Block 37, Lot 12.01 And Block 37, Lot 13 On The Official Tax Map Of The Borough, And Being Commonly Known As 159 Navesink Avenue, Highlands, New Jersey, And All Improvements And Buildings Thereon (The "Property"), The Demolition Of All Or Any Portion Of The Property And Debris Removal And Disposal Associated Therewith, Environmental Work, Grading Work, Utility Work, The Construction Of All Or Any Portion Of The New Borough Hall Building And Any Other Improvements On Said Property

Appropriation: \$3,000,000

Bonds/Notes Authorized: \$1,710,000

Grants Appropriated: \$1,200,000 Reimbursement Expected To Be Received From The Federal Emergency Management Agency

Section 20 Costs: \$750,000

Useful Life: 30 years

CAROLYN CUMMINS,
Clerk of the Borough of Highlands

BOROUGH OF HIGHLANDS
PUBLIC NOTICE
BOND ORDINANCE STATEMENTS AND SUMMARY

The bond ordinance, the summary terms of which are included herein, has been finally adopted by the Borough of Highlands, in the County of Monmouth, State of New Jersey on March 16, 2016, 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. Copies of the full ordinance are available at no cost and during regular business hours, at the Clerk's office for members of the general public who request the same. The summary of the terms of such bond ordinance follows:

Title: BOND ORDINANCE PROVIDING FOR THE PRELIMINARY AND OTHER COSTS ASSOCIATED WITH THE CONSTRUCTION OF A NEW BOROUGH HALL – PHASE I, BY AND IN THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, APPROPRIATING \$3,000,000 (INCLUDING A \$1,200,000 REIMBURSEMENT FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY) THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,710,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF

Purpose(s): Preliminary And Other Costs Associated With The Construction Of A New Borough Hall – Phase I, Such Improvements Shall Include, But Are Not Limited To, The Acquisition And The Payment Of The Purchase Price Of All Or Any Portion Of Real Property, A Lawful Public Purpose, Such Real Property Currently Anticipated To Be The Real Property Designated As Block 37, Lot 12.01 And Block 37, Lot 13 On The Official Tax Map Of The Borough, And Being Commonly Known As 159 Navesink Avenue, Highlands, New Jersey, And All Improvements And Buildings Thereon (The “Property”), The Demolition Of All Or Any Portion Of The Property And Debris Removal And Disposal Associated Therewith, Environmental Work, Grading Work, Utility Work, The Construction Of All Or Any Portion Of The New Borough Hall Building And Any Other Improvements On Said Property

Appropriation: \$3,000,000

Bonds/Notes Authorized: \$1,710,000

Grants Appropriated: \$1,200,000 Reimbursement Expected To Be Received From The Federal Emergency Management Agency

Section 20 Costs: \$750,000

Useful Life: 30 years

CAROLYN CUMMINS,
Clerk of the Borough of Highlands

CERTIFICATE OF INTRODUCTION

I, the undersigned Clerk of the Borough of Highlands, in the County of Monmouth, State of New Jersey, DO HEREBY CERTIFY that the foregoing is an extract from the Minutes of a meeting of the governing body of the Borough duly called and held on March 2, 2016 at 8:00 p.m. at the Highlands Community Center, 22 Snug Harbor Avenue, Highlands, in said County, and that the following was the roll call:

Present:

Absent:

I FURTHER CERTIFY that the foregoing extract has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body of the Borough and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Borough as of this ____ day of _____, 2016.

(SEAL)

CAROLYN CUMMINS,
Clerk of the Borough of Highlands

CERTIFICATE OF FINAL ADOPTION

I, the undersigned Clerk of the Borough of Highlands, in the County of Monmouth, State of New Jersey, DO HEREBY CERTIFY that the foregoing is an extract from the Minutes of a meeting of the governing body of the Borough duly called and held on March 16, 2016 at 8:00 p.m. at the Highlands Community Center, 22 Snug Harbor Avenue, Highlands, in said County, and that the following was the roll call:

Present:

Absent:

I DO FURTHER CERTIFY that the foregoing extract has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body of the Borough and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Borough as of this ____ day of _____, 2016.

(SEAL)

CAROLYN CUMMINS,
Clerk of the Borough of Highlands

CLERK'S CERTIFICATE

I, CAROLYN CUMMINS, DO HEREBY CERTIFY that I am the Clerk of the Borough of Highlands, in the County of Monmouth (the "Borough"), State of New Jersey, and that as such I am duly authorized to execute and deliver this certificate on behalf of the Borough. In such capacity, have the responsibility to maintain the minutes of the meetings of the governing body of the Borough and the records relative to all resolutions and ordinances of the Borough. The representations made herein are based upon the records of the Borough. I DO HEREBY FURTHER CERTIFY THAT:

1. Attached hereto is the bond ordinance introduced on March 2, 2016 and finally adopted on March 16, 2016 and approved by the Mayor, as applicable, on _____, 2016.

2. After introduction, the bond ordinance was published as required by applicable law on _____, 2016 in the _____ (name of newspaper).

3. Following the passage of the bond ordinance on first reading, and at least seven (7) days prior to the final adoption thereof, I caused to be posted in the principal municipal building of the Borough at the place where public notices are customarily posted, a copy of said bond ordinance or a summary thereof and a notice that copies of the bond ordinance would be made available to the members of the general public of the Borough who requested copies, up to and including the time of further consideration of the bond ordinance by the governing body of the Borough. Copies of the bond ordinance were made available to all who requested same.

4. After final adoption, the bond ordinance was duly approved by the Mayor of the Borough (if applicable) and duly published as required by law on _____, 2016 in the _____ (name of newspaper). No protest signed by any person against making any improvement or incurring the indebtedness authorized therein, nor any petition requesting that a referendum vote be taken on the action proposed in the bond ordinance has been presented to the governing body of the Borough or to me or filed in my office within twenty (20) days after said publication or at any other time after the final adoption thereof.

5. The bond ordinance has not been amended, added to, altered or repealed and said bond ordinance is now in full force and effect.

6. A certified copy of the bond ordinance and a copy of the amended capital budget form has been filed with the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, as applicable.

7. The official seal of the Borough is the seal, an impression of which is affixed opposite my signature on this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Borough as of this ____ day of _____, 2016.

(SEAL)

CAROLYN CUMMINS,
Clerk of the Borough of Highlands

CERTIFICATE OF SUPPLEMENTAL DEBT STATEMENT

I, the undersigned, Clerk of the Borough of Highlands, in the County of Monmouth, State of New Jersey, DO HEREBY CERTIFY, that the attached Supplemental Debt Statement was prepared, executed and sworn to by Patrick DeBlasio, the Chief Financial Officer as of March 2, 2016, that such Supplemental Debt Statement was filed in my office on March 2, 2016 and with the Director of the Division of Local Government Services, New Jersey Department of Community Affairs on _____, 2016.

CAROLYN CUMMINS,
Clerk of the Borough of Highlands

DOWN PAYMENT CERTIFICATE

I, the undersigned Chief Financial Officer of the Borough of Highlands, in the County of Monmouth, State of New Jersey, DO HEREBY CERTIFY that prior to final adoption of the ordinance entitled,

“BOND ORDINANCE PROVIDING FOR THE PRELIMINARY AND OTHER COSTS ASSOCIATED WITH THE CONSTRUCTION OF A NEW BOROUGH HALL – PHASE I, BY AND IN THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, APPROPRIATING \$3,000,000 (INCLUDING A \$1,200,000 REIMBURSEMENT FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY) THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,710,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF”

there was available as a down payment for the improvements or purposes authorized by said bond ordinance the amount of \$90,000 which was made available by virtue of provisions in a previously adopted budget or budgets of the Borough for down payment or capital improvement purposes.

IN WITNESS WHEREOF, I have hereunto set my hand on behalf of the Borough as of this ____ day of _____, 2016.

PATRICK DEBLASIO,
Chief Financial Officer