

I. CALL TO ORDER/FLAG SALUTE

The July 22, 2023 Special Public Meeting of the Edison Township Board of Education was called to order by Board President, Mrs. Shannon Peng, at 9:00 A.M. at the Education Center, 312 Pierson Avenue, Edison, New Jersey.

II. ROLL CALL

Mr. Toth took the roll, and the following members were present:

Mrs. Shannon Peng, President, Mr. Joseph Romano, Vice President, Mr. Jingwei “Jerry” Shi, Mrs. Virginia White, Mr. Mohin Patel, Mr. Biral Patel, Mr. Douglas Schneider, Mr. Brian Rivera and Mr. Vishal Patel.

Also in attendance were Edward Aldarelli, Jr., Ed.D., Acting Superintendent, Mr. Jonathan Toth, Business Administrator/Board Secretary, and Ms. Tiffany Tagarelli, Esquire, Board Attorney.

III. OPENING STATEMENT

Mr. Toth read the following opening statement:

In accordance with the “Open Public Meetings Act” P.L. 1975, c. 231 (Sunshine Law), copies of the public meeting notice were sent to the Home News Tribune and the Star Ledger on June 27th, 2023 and July 14, 2023. Members of the public may participate at regular meetings in accordance with the By-Laws of the Board and applicable state regulations.

IV. PUBLIC HEARING – LEASE PURCHASE AGREEMENT

RESOLUTION OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF EDISON IN THE COUNTY OF MIDDLESEX, NEW JERSEY, AUTHORIZING CERTAIN ACTIONS IN CONNECTION WITH A LEASE PURCHASE TRANSACTION AND AMENDING AND SUPERSEDING ANY PRIOR ACTIONS

WHEREAS, the Board of Education of the Township of Edison in the County of Middlesex, New Jersey (the “Board” when referring to the governing body and the “School District” when referring to the territorial boundaries governed by the Board) has determined to undertake a capital improvement project consisting of the construction and equipping of an addition and various improvements, upgrades and renovations, including the acquisition of fixtures, furnishings, equipment and any site work at John P. Stevens High School (the “Project”) for an estimated total project cost of \$30,096,708, such cost to be funded through entering into a lease purchase agreement, as permitted by N.J.S.A. 18A:20-4.2J(f), in amount not to exceed \$30,096,708 (the “Lease Purchase”); and

WHEREAS, the Board desires to finance the Project pursuant to the Lease Purchase in an amount not to exceed \$30,096,708; and

pursuant to N.J.A.C. 6A:26-10.3, the Board is required to conduct a public hearing on the Project and the proposed Lease Purchase; and

notice of such public hearing was advertised on or about July 15, 2023; and

the Board has conducted such public hearing on the date hereof; and

the Board now seeks to take certain steps to authorize such Lease Purchase.

NOW, THEREFORE,
BE IT RESOLVED:

BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF EDISON IN THE COUNTY OF MIDDLESEX, NEW JERSEY (by the affirmative vote of at least two-thirds of the full membership of the Board), as follows:

Section 1. The Board hereby approved the Project and endorses the financing of the Project through a lease purchase financing and approves a maximum funding level of \$30,096,708 for the Lease Purchase.

Section 2. Wilentz, Goldman & Spitzer, P.A., Bond Counsel and Acacia Financial Group, Municipal Advisor are hereby authorized to advertise the notice to bidders for proposals for the selection of a lessor for the Lease Purchase and for the requisite public hearing. Any publication that may have occurred prior tot his resolution is hereby ratified by the Board.

Section 3. Wilentz, Goldman & Spitzer, P.A., Bond Counsel and Acacia Financial Group, Municipal Advisor are hereby authorized and directed to prepare and to submit an application to the New Jersey Department of Education (“NJDOE”) to obtain approval of the Lease Purchase. The Board hereby authorizes that a title search or searches, if necessary, be completed in connection with the above-mentioned application.

Section 4. Upon receipt of NJDOE approval, and after the solicitation of the financing bids, the Business Administrator/Board Secretary, is authorized to award the Lease Purchase to the lessor which proposed the most economically advantageous proposal to the Board. The term of the Lease shall not exceed five (5) years. In consultation with Bond Counsel, the Board President, the Board Vice President, the Acting Superintendent and the Business Administrator/Board Secretary are each hereby authorized and directed to execute all documents including, but not limited to, a lease purchase agreement, a ground lease, if required, an escrow agreement, as applicable, and all closing documents in connection with the Lease Purchase and are hereby authorized to take any other action necessary therefor or incidental thereto.

Section 5. To the best of its knowledge, the Board hereby confirms that the annual lease payments and any operating expenses related to the agreement can be included within the School District’s net budget spending growth limitations and will not result in the need for approval by the voters of additional spending proposals to maintain existing instructional programs or extracurricular activities.

Section 6. The Board hereby covenants that it will comply with any conditions subsequently imposed by the Internal Revenue Code of 1986, as amended (the “Code”), in order to preserve the exemption from taxation of interest on the Lease, including, if necessary, the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Lease Purchase.

Section 7. The Board reasonably expects to reimburse its expenditure of Project costs paid prior to the issuance of the Lease with proceeds of the Lease. This resolution is intended to be and hereby is a declaration of the Board’s official intent to reimburse the expenditure of ESP Costs paid prior to the issuance of the Lease with the proceeds of the Lease, in accordance with Treasury Regulations §150-2.

The maximum principal amount of the Lease expected to be issued to finance the Project is \$30,096,708. The Project costs to be reimbursed with the proceeds of the Lease will be “capital expenditures” in accordance with the meaning of Section 150 of the Code. No reimbursement allocation will employ an “abusive arbitrage device” under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Code. The proceeds of the Lease used to reimburse the Board for Project costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of “replacement proceeds”, including “sinking funds”, “pledged funds” or funds subject to a “negative pledge” (as such terms are defined in Treasury Regulations §1.148-1). All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Lease is paid, or (ii) the date the Project is “placed in service” (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 8. Any prior actions of the Board with regards to the Project and the applicable financing are hereby amended and superseded by this resolution.

Section 9. This resolution shall take effect immediately.

PUBLIC COMMENTS – LEASE PURCHASE AGREEMENT

There were no public comments at this time.

Mrs. Peng asked for a motion to approve the Lease Purchase Resolution. Mr. V. Patel made the motion, seconded by Mr. M. Patel. Mr. Toth took a roll call vote, and the result was as follows:

AYES: Mr. V. Patel, Mr. Rivera, Mr. Schneider, Mr. B. Patel,
Mr. M. Patel, Mrs. White, Mr. Shi, Mr. Romano, Mrs. Peng

NAYS: None

The motion was carried.

V. INTRODUCTION/SELECTION OF GOAL TOPICS – BOARD DISCUSSION

The Board discussed multiple goals for the 2023-2024 school year and will present them for board approval at the August 15, 2023 public meeting.

VI. ADJOURNMENT

There being no further questions or comments forthcoming, Mrs. Peng asked for a motion to adjourn this July 22, 2023 Special Public Meeting/Board Retreat of the Edison Township Board of Education at 11:30 A.M. Mr. V. Patel seconded by Mr. M. Patel. All in favor, the motion was carried.

Respectfully submitted,



Jonathan B. Toth
Business Administrator/Board Secretary
JBT:JMC