

MONROE TOWNSHIP BOARD OF EDUCATION

PUBLIC NOTICE IS HEREBY GIVEN that the Energy Savings Obligation Refunding Bond Ordinance set forth below was duly passed on first reading by the Board of Education of the Monroe Township Public Schools, in the County of Middlesex, New Jersey on the 15th day of January, 2025, and that said Energy Savings Obligation Refunding Bond Ordinance will be considered for final adoption at a meeting of said Board of Education to be held in the Monroe Township Middle School on the 19th day of February, 2025 at 6:15 p.m. or such later time as such matter is heard on the agenda, at which time and place a public hearing will be held prior to final passage of said Energy Savings Obligation Refunding Bond Ordinance and all interested persons will be given an opportunity to be heard concerning the same.

Laura Allen
Board Secretary

ENERGY SAVINGS OBLIGATION REFUNDING BOND ORDINANCE OF THE BOARD OF EDUCATION OF THE MONROE TOWNSHIP PUBLIC SCHOOLS IN THE COUNTY OF MIDDLESEX, NEW JERSEY, PROVIDING FOR ENERGY CONSERVATION IMPROVEMENTS AT SCHOOL DISTRICT FACILITIES, APPROPRIATING NOT TO EXCEED \$13,500,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$13,500,000 ENERGY SAVINGS OBLIGATION REFUNDING BONDS TO FINANCE SUCH IMPROVEMENTS

WHEREAS, The Board of Education of the Monroe Township Public Schools 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 thereby) has, pursuant to N.J.S.A. 18A:18A-4.6 (the “ESIP Law”), determined to undertake an energy savings plan; and

WHEREAS, the Board has appointed Honeywell International, Inc. (“Honeywell”) to develop an Energy Savings Plan (the “ESIP”) pursuant to the ESIP Law; and

WHEREAS, Honeywell has developed a preliminary ESIP based upon a scope of projects including individual energy conservation measures (“ECMs”) and including annual energy and operational savings and a proposed cash flow pro forma (the “Preliminary Plan”); and

WHEREAS, in accordance with the ESIP Law, the Board appointed Johnson Urban, LLC, a third-party verification agent (the “Verification Agent”) in order to verify the savings set forth in the ESIP; and

WHEREAS, the Verification Agent has verified the savings set forth in the ESIP; and

WHEREAS, the ESIP, as verified, has been submitted to, and approved by, the New Jersey Board of Public Utilities; and

WHEREAS, the Board has determined that the energy savings generated from the ESIP, together with any expected rebates, will be sufficient to cover the cost of the program’s ECMs set forth in the ESIP, and, therefore, has determined to implement the ESIP pursuant to N.J.S.A.

18A:18A-4.6 et seq. and to finance the ESIP through the issuance of energy savings obligations authorized as refunding bonds pursuant to N.J.S.A. 18A:18A-4.6(c); and

WHEREAS, the Board now desires to adopt and enact an Energy Savings Obligation Refunding Bond Ordinance (this “Refunding Bond Ordinance”) authorizing the issuance of Energy Savings Obligation Refunding Bonds (the “Refunding Bonds”) in an aggregate principal amount not to exceed \$13,500,000, to finance the ECMs; and

WHEREAS, in accordance with the requirements of N.J.S.A. 18A:24-61 through 62 and N.J.S.A. 18A:18A-4.6(c)(3), the Board has made the required application to the Local Finance Board within the Division of Local Government Services, New Jersey Department of Community Affairs (the “Local Finance Board”) for approval to adopt this Refunding Bond Ordinance and to issue the Refunding Bonds authorized herein.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF EDUCATION OF THE MONROE TOWNSHIP PUBLIC SCHOOLS IN THE COUNTY OF MIDDLESEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The Board is hereby authorized to undertake the ECMs, all as set forth in the ESIP.

Section 2. In order to finance the cost of the ECMs described in Section 1 hereof, the negotiable Refunding Bonds are hereby authorized to be issued in the aggregate principal amount not to exceed \$13,500,000 pursuant to N.J.S.A. 18A:18A-4.6(1)(c)(3) and N.J.S.A. 18A:24-61.1 et seq.

Section 3. An aggregate amount not exceeding \$300,000 for items of expense listed in and permitted under N.J.S.A. 18A:24-61.4 has been included in the aggregate principal amount of Refunding Bonds authorized herein.

Section 4. The Board hereby acknowledges and agrees that, in accordance with N.J.S.A. 18A:24-17 and N.J.S.A. 18A:24-61.4, a supplemental debt statement will be prepared as of the date of the introduction of this Refunding Bond Ordinance by the Chief Financial Officer of the Township of Monroe, New Jersey (the “Township”), being every municipality comprised within the School District, giving effect to the proposed authorization of the Refunding Bonds in the aggregate principal amount not to exceed \$13,500,000, and that such supplemental debt statement has been filed in the office of the municipal clerk of the Township and in the office of the Business Administrator/Board Secretary of the Board prior to the introduction of this Refunding Bond Ordinance. The Board directs the Business Administrator/Board Secretary to have the supplemental debt statement filed in the office of the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs prior to final adoption of this Refunding Bond Ordinance.

Section 5. A certified copy of this Refunding Bond Ordinance, as adopted on first reading, has been filed with the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs prior to final adoption, together with a complete statement in the form prescribed by the Director and signed by the Business Administrator/Board Secretary or the President of the Board (the “Board President”) as to the indebtedness to be financed by the issuance of the Refunding Bonds authorized herein.

Section 6. The Board President, the Superintendent, the Business Administrator/Board Secretary and other appropriate representatives of the Board are hereby authorized to prepare such documents, to publish such notices and to take such other actions as are necessary or desirable to enable the Board to prepare for the sale and the issuance of the Refunding Bonds authorized herein.

Section 7. The Board reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 1 hereof and paid prior to the issuance of any Refunding Bonds authorized by this Refunding Bond Ordinance with the proceeds of the Refunding Bonds. This Section 7 is intended to be and hereby is a declaration of the Board's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 1 hereof to be incurred and paid prior to the issuance of the Refunding Bonds authorized herein in accordance with Treasury Regulations §1.150-2. 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 Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any Refunding Bonds authorized herein used to reimburse the Board for costs of the improvements or purposes described in Section 1 hereof, 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), of any Refunding Bonds authorized herein or another issue of debt obligations other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1) with respect to the Refunding Bonds. The Refunding Bonds authorized herein to reimburse the Board for any expenditures toward the costs of the improvements or purposes described in Section 1 hereof will be issued in an amount not to exceed \$13,500,000. The costs to be reimbursed with the proceeds of the Refunding Bonds authorized herein will be "capital expenditures" in accordance with the meaning of Section 150 of the Code. All reimbursement allocations will occur not later than eighteen (18) months after the later of (i) the date the expenditure from a source other than any Refunding Bonds authorized herein is paid, or (ii) the date the improvements or purposes described in Section 1 hereof is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than three (3) years after the expenditure is paid.

Section 8. The Board hereby covenants that it will comply with any conditions subsequently imposed by the Code in order to preserve the exemption from taxation of interest on the Refunding Bonds, including, if necessary, the requirement to rebate all investment earnings on the gross proceeds above the yield on the Refunding Bonds.

Section 9. This Refunding Bond Ordinance shall take effect immediately after final adoption and endorsement of the consent of the Local Finance Board.