

4:26-1 to 4:26-20



LEGISLATIVE HISTORY CHECKLIST

NJSA: 4:26-1 to 4:26-20 "South Jersey Food Distribution Authority Law"

LAWS OF: 1985 CHAPTER: 383

BILL NO: A2026

Sponsor(s): Kalik and others

Date Introduced: May 14, 1984

Committee: Assembly: Revenue, Finance and Appropriations

Senate: Revenue, Finance and Appropriations

Amended during passage: Yes Amendments denoted by asterisks. according to Governor's recommendations

Date of Passage: Assembly: February 28, 1985 Re-enacted 9-9-85

Senate: June 17, 1985 Re-enacted <sup>12</sup>9-9-85

Date of Approval: December 18, 1985

Following statements are attached if available:

Sponsor statement: Yes Attached: Assembly amendments, adopted 2-25-85 2-4-85 and 6-17-85 (with statements)

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: Yes

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

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**ASSEMBLY, No. 2026****STATE OF NEW JERSEY**

INTRODUCED MAY 14, 1984

By Assemblywoman KALIK, Assemblymen FOY, DORIA, CHARLES, RANIERI, LARocca, CUPROWSKI, VAINIERI, GORMAN, BRYANT, VILLANE, MEYER, CHINNICI, MUZIANI, HAINES, KLINE, Assemblywoman COOPER, Assemblymen RILEY, MARSELLA, PANKOK, Assemblywoman FORD, Assemblymen HERMAN and DOYLE

AN ACT to provide buildings and facilities in south Jersey for the processing and distribution of food in that area; creating the South Jersey Food Distribution Authority and defining its powers and duties; authorizing the issuance of bonds and notes of the authority, providing for the terms and security thereof; and \***[providing for]**\* *\*making\** an appropriation.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. This act shall be known and may be cited as the "South Jersey  
2 Food Distribution Authority Law."

1 2. The Legislature finds and declares that the southern area of  
2 this State is in need of the construction and development of a major  
3 food processing and distribution center; that in addition to the  
4 direct economic gains in jobs and services to the area, the center  
5 would stimulate the fishing industry in this State; that the service  
6 of the center as a wholesale outlet and processing center would  
7 benefit the extensive farming industry in south and central Jersey;  
8 and that with the food demands of the southern region of this  
9 State rapidly increasing, the center would provide purveyors and  
10 processors of food the capability to meet those demands.

11 The Legislature further finds that the authority conferred under  
12 this act and the expenditure of public moneys provided for herein  
13 constitute valid public purposes.

**EXPLANATION**—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

\*—Assembly committee amendments adopted February 4, 1985.

\*\*—Assembly amendment adopted February 25, 1985.

\*\*\*—Senate amendment adopted June 17, 1985.

\*\*\*\*—Assembly amendments adopted in accordance with Governor's recommendations August 28, 1985.

1 3. As used in this act:

2 a. "Authority" means the South Jersey Food Distribution Au-  
3 thority created by section 4 of this act.

4 b. "Bonds" means bonds issued by the authority pursuant to  
5 this act.

6 c. "Notes" means notes issued by the authority pursuant to  
7 this act.

8 d. "Center" means the food processing and distribution center  
9 authorized under section 6 of this act.

1 4. a. There is established in *\*but not of\** the Department of  
2 **\*[Agriculture]\*** *\*Community Affairs\** a public body corporate and  
3 politic, with corporate succession, to be known as the "South Jersey  
4 Food Distribution Authority. The authority is constituted as an  
5 instrumentality of the State exercising public and essential govern-  
6 mental functions, and the exercise by the authority of the powers  
7 conferred by this act are an essential governmental function of the  
8 State and the application of the revenue derived from the project  
9 to the purposes provided in this act are applied in support of  
9A government.

10 b. The authority shall consist of *\*the Commissioner of Com-*  
11 *munity Affairs,\** the State Treasurer **\*[and]\*** *\*,\* the Secretary of*  
12 *Agriculture, \*and the Commissioner of Commerce and Economic*  
13 *Development,\** who shall be members exofficio, and five members ap-  
14 pointed by the Governor with the advice and consent of the Senate  
15 for terms of four years, *\*\*\*no more than three of whom shall be of*  
15A *the same political party,\*\*\** provided that *\*of\** the members of the  
15B authority, other than the exofficio members, first appointed by  
15C the Governor *\*one\** shall serve for a term of one year, one for two  
16 years, one for three years and two for four years, respectively.  
17 The members appointed by the Governor shall be residents of  
18 Burlington, Ocean, Camden, Gloucester, Salem, Atlantic, Cumber-  
19 land or Cape May counties and shall broadly represent the economic  
20 and agricultural interests of south Jersey. Each member shall hold  
21 office for the term of his appointment and until his successor shall  
22 have been appointed and qualified. A member shall be eligible for  
23 reappointment. Any vacancy in the membership occurring other  
24 than by expiration of term shall be filled in the same manner as the  
25 original appointment but for the unexpired term only.

26 c. Each appointed member may be removed from office by the  
27 Governor, for cause, after a public hearing, and may be suspended  
28 by the Governor pending the completion of the hearing. Each  
29 member before entering upon his duties shall take and subscribe  
30 an oath to perform the duties of his office faithfully, impartially

31 and justly to the best of his ability. A record of these oaths shall  
32 be filed in the office of the Secretary of State.

33 d. The chairman, who shall be *\*the\** chief executive officer of the  
34 authority, shall be appointed by the Governor from the members of  
35 the authority other than the ex-officio members, and the members  
36 of the authority shall elect one of their number as vice chairman  
37 thereof. The authority shall elect a secretary and a treasurer who  
38 need not be members, and the same person may be elected to serve  
39 both as secretary and treasurer. The powers of the authority shall  
40 be vested in the members thereof in office from time to time and  
41 ~~\*[four]\*~~ ~~\*\*\*\*~~ ~~[\*five\*~~ members of the authority shall constitute a  
42 quorum at any meeting thereof. Action may be taken and motions  
43 and resolutions adopted by the authority at any meeting thereof by  
44 the affirmative vote of at least ~~\*[four]\*~~ ~~\*five\*~~ members of the  
44A authority.]\*\*\*\* ~~\*\*\*\*~~ *a majority of the entire authorized membership*  
44B *of the authority, which shall include at least two ex officio members,*  
45 *shall constitute a quorum at any meeting thereof. Action may be*  
45A *taken and motions and resolutions adopted by the authority at any*  
45B *meeting of the members thereof by a vote of a majority of the*  
46 *members present (which shall include two ex officio members) un-*  
47 *less in any case the bylaws of the authority shall require a larger*  
47A *number.\*\*\*\** No vacancy in the membership of the authority shall  
47B impair the right of a quorum of the members to exercise all the  
47C powers and perform all the duties of the authority.

48 e. Each member and the treasurer of the authority shall execute  
49 a bond to be conditioned upon their faithful performance of the  
50 duties of the member or treasurer, as the case may be, in such form  
51 and amount as may be prescribed by the Comptroller of the  
52 Treasury. The bonds shall be filed in the office of the Secretary of  
53 State. At all times thereafter the members and treasurer of the  
54 authority shall maintain these bonds in effect. All costs of the  
55 bonds shall be borne by the authority.

56 f. The members of the authority shall serve without compensa-  
57 tion, but the authority shall reimburse its members for actual  
58 expenses necessarily incurred in the discharge of their duties.  
59 Notwithstanding the provisions of any other law, no officer or  
60 employee of the State shall be deemed to have forfeited or shall  
61 forfeit his office or employment or any benefits or emoluments  
62 thereof by reason of his acceptance of the office of ex-officio member  
63 of the authority or his services therein.

63A *\*g. No member, officer or employee of the authority shall have or*  
63B *acquire any interest, direct or indirect, in the center or in any con-*  
63C *tract or proposed contract for materials or services to be furnished*

63D *to or used by the authority. Neither the holding of any office or*  
 63E *employment in the government of any county or municipality or of*  
 63F *the State nor the owning of any other property within the State nor*  
 63G *being engaged in any business or enterprise involving the handling,*  
 63H *storage and marketing of agricultural or horticultural products,*  
 63I *meat, fish, foods or similar products and commodities shall be*  
 63J *deemed a disqualification for membership in or employment by the*  
 63K *authority, and members of the governing body of a municipality*  
 63L *may be appointed and may serve as members of the authority.\**

64     \***[g.]** \*h.\* Each exofficio member of the authority may designate  
 65 an officer or employee of his department or agency to represent him  
 66 at meetings of the authority, and each designee may lawfully vote  
 67 and otherwise act on behalf of the member for whom he constitutes  
 68 the designee. The designation shall be in writing delivered to the  
 69 authority and shall continue in effect until revoked or amended by  
 70 writing delivered to the authority.

71     \***[h.]** \*i.\* The authority may be dissolved by act of the Legisla-  
 72 ture on condition that the authority has no debts or obligations out-  
 73 standing or that provision has been made for the payment or retire-  
 74 ment of these debts or obligations. Upon the dissolution of the au-  
 75 thority all property, funds and assets thereof shall be vested in the  
 75A State.

76     \***[i.]** \*j.\* A true copy of the minutes of every meeting of the au-  
 77 thority shall be forthwith delivered by and under the certification of  
 78 the secretary thereof to the Governor. No action taken at a meeting  
 79 by the authority shall have effect until 15 days after the copy of  
 80 the minutes is delivered unless during the 15-day period the Gov-  
 81 ernor shall approve the same in which case the action shall become  
 82 effective upon that approval. If, in the 15-day period, the Governor  
 83 returns the copy of the minutes with veto of any action taken by  
 84 the authority or any member thereof at that meeting, the action  
 85 shall be of no effect. The powers conferred in this subsection upon  
 86 the Governor shall be exercised with due regard for the rights of  
 87 the holders of bonds and notes of the authority at any time out-  
 88 standing, and nothing in, or done pursuant to, this subsection shall  
 89 limit, restrict or alter the obligation or powers of the authority or  
 90 any representative or officer of the authority to perform each  
 91 covenant, agreement or contract made or entered into by or on  
 92 behalf of the authority with respect to its bonds or notes or for  
 93 the benefit, protection or security of the holders thereof.

1     5. Except as otherwise limited by this act, the authority shall  
 2 have power:

3     a. To sue and be sued;

4 b. To have an official seal and alter it at pleasure;

5 c. To make and alter bylaws for its organization and internal  
6 management and for the conduct of its affairs and business;

7 d. To maintain an office at a place within the State as it may  
8 determine;

9 e. To acquire, hold, use and dispose of its income, revenues, funds  
10 and moneys;

11 f. To acquire, lease as lessee or lessor, rent, lease, hold, use and  
12 dispose of real or personal property for its purposes;

13 g. To borrow money and to issue its negotiable bonds or notes  
14 and to secure them by a mortgage on its property or any part  
15 thereof and otherwise to provide for and secure the payment of  
16 them and to provide for the rights of the holders of the bonds or  
16A notes;

17 h. To make and enter into all contracts, leases, and agreements  
18 for the use or occupancy of the center or any part of it or which  
19 are necessary or incidental to the performance of its duties and the  
20 exercise of its powers under this act;

21 i. To make low interest loans to qualified persons to assist them  
22 in the development, construction, reconstruction and improvement  
23 of the center, upon terms and conditions as the authority may  
24 determine;

25 j. To guarantee and insure loans made by private financial in-  
26 stitutions to qualified persons upon terms and conditions as the  
27 authority determines;

28 k. To make surveys, maps, plans for, and estimates of the cost  
29 of, the center;

30 l. To establish, acquire, construct, lease the right to construct,  
31 rehabilitate, repair, improve, own, operate, and maintain the center,  
32 and let, award and enter into construction contracts, purchase  
33 orders and other contracts with respect to the center as the au-  
34 thority shall determine\***[**, subject only to the provisions of section  
35 21 of this act**]**\*;

36 m. To fix and revise from time to time and charge and collect  
37 rents, tolls, fees and charges for the use, occupancy or services of  
38 the center or any part thereof or for admission thereto, and for the  
39 grant of concessions therein and for things furnished or services  
40 rendered by the authority;

41 n. To establish and enforce rules and regulations for the use or  
42 operation of the center or the conduct of its activities, and provide  
43 for the policing and the security of the center;

44 o. To acquire in the name of the authority by purchase or other-  
45 wise, on terms and conditions and in a manner it deems proper, or,

46 except with respect to the State, by the exercise of the power of  
47 eminent domain, any land and other property, including land under  
48 water, and riparian rights, which it may determine is reasonably  
49 necessary for the center or for the relocation or reconstruction of  
50 any highway by the authority and any rights, title and interest in  
51 the land and other property, including public lands, reservations,  
52 highways or parkways, owned by or in which the State or any  
53 county or municipality, public corporation, or other political sub-  
54 division of the State has any right, title or interest, or parts thereof  
55 or rights therein and any fee simple absolute or any lesser interest  
56 in private property, and any fee simple absolute in, easements upon  
57 or the benefit of restrictions upon, abutting property to preserve  
58 and protect the center\*. *Whenever the authority has determined*  
58A *that it is necessary to take any real property for facility purposes*  
58B *by the exercise of the power of condemnation, as hereinafter pro-*  
58C *vided, it shall prepare two copies of diagrams, maps or plans*  
58D *designating the general area in which the real property is to be*  
58E *acquired and file one copy thereof in its office and the other copy*  
58F *thereof in the office of the clerk of the municipality in which the*  
58G *real property is located. The authority is empowered to acquire*  
58H *and take real property by condemnation, in the manner provided*  
58I *by the "Eminent Domain Act of 1971," P. L. 1971, c. 361 (C. 20:3-1*  
58J *et seq.) and to that end, may invoke and exercise the power to*  
58K *condemn in the manner or mode of procedure prescribed in that act*  
58L *except where the provisions of section 8 of this act provide other-*  
58M *wise; and except that, notwithstanding the foregoing or any other*  
58N *provision of this act, the authority shall not institute any proceed-*  
58O *ing to acquire or take, by condemnation, any real property within*  
58P *the designated area in the municipality referred to above in this*  
58Q *section until after the date of filing in the office of the clerk of the*  
58R *municipality of a certified copy of: (1) a resolution of the authority*  
58S *stating the finding of the authority that it is necessary or con-*  
58T *venient to acquire real property in the designated area for facility*  
58U *purposes, and (2) a resolution of the governing body of the munici-*  
58V *pality expressing its consent to the acquisition of real property in*  
58W *the designated area\* ;*

59 p. To provide through its employees, or by the grant of one or  
60 more concessions, or in part through its employees and in part by  
61 grant of one or more concessions, for the furnishing of services and  
62 things for the accommodation of persons admitted to or using the  
63 center or any part of it;

64 q. To acquire, construct, operate, maintain, improve and make  
65 capital constructions to others for transportation and other facil-

66 ities, services and accommodations for the public using the center  
67 and to lease or otherwise contract for its operation;

68 r. Subject to any agreement with bondholders or noteholders, to  
69 invest moneys of the authority not required for immediate use,  
70 including proceeds from the sale of any bonds or notes, in obliga-  
71 tions, securities and other investments the authority deems prudent;

72 s. To contract for and to accept any gifts or grants or loans of  
73 funds or property or financial or other aid in any form from the  
74 United States of America or any agency or instrumentality thereof,  
75 or from the State or any agency, instrumentality or political sub-  
76 division thereof, or from any other source and to comply, subject  
77 to the provisions of this act, with the terms and conditions thereof;

78 t. Subject to any agreements with bondholders or noteholders, to  
79 purchase bonds or notes of the authority out of any funds or money  
80 of the authority available for those purposes, and to hold, cancel or  
81 resell the bonds or notes;

82 u. To appoint and employ an executive director and additional  
83 officers who need not be members of the authority and accountants,  
84 attorneys, financial advisors or experts and any other officers,  
85 agents and employees as it may require and determine their  
86 qualifications, terms of office, duties and compensation, all without  
87 regard to the provisions of Title 11 (Civil Service) of the Revised  
88 Statutes;

89 v. To do and perform any acts and things authorized by this act  
90 under, through, or by means of its officers, agents or employees or  
91 by contracts with any person;

92 w. To procure insurance against any losses in connection with  
93 its property, operations or assets in such amounts and from such  
94 insurers as it deems desirable;

95 x. To do anything necessary or convenient to carry out its pur-  
96 poses and exercise the powers granted in this act; and

97 y. To *\*\*\*\*conduct a study to determine if the market facility is*  
98 *feasible and thereafter to conduct feasibility studies to identify*  
99 *an appropriate site therefor and thereafter to\*\*\*\* \*\***[**conduct a*  
100 *feasibility study to identify an appropriate site for and thereafter*  
101 *to\*]**\*\*** determine the location, type and character of the center or*  
101A *any part of it and all other matters in connection with all or*  
102 *any part of the center, **[notwithstanding]** \*which shall comply*  
103 *with the provisions of\* any \*applicable\* land use plan, zoning*  
104 *regulation, building code or similar regulation heretofore or here-*  
105 *after adopted by the State, any municipality, county, public body*  
106 *politic and corporate, or any other political subdivision of the State.*

107 *\*\*\*\*2. (1) To make all purchases, contracts, or agreements where*  
108 *the cost or contract price exceeds the sum of \$7,500.00 which, except*



109 *as otherwise provided in this subsection, shall be made, negotiated,*  
110 *or awarded only after public advertisement for bids therefor and*  
111 *shall be awarded to that responsible bidder whose bid, conforming to*  
111A *the invitation for bids, is most advantageous to the authority, in*  
112 *its judgment, upon consideration of price and other factors. Any*  
113 *bid may be rejected when the authority determines that it is in the*  
114 *public interest to do so.*

115 *Any purchase, contract, or agreement where the cost or contract*  
116 *price is \$7,500.00 or less may be made, negotiated, or awarded by*  
117 *the authority without advertising and in any manner which the*  
118 *authority, in its judgment, deems necessary to serve its unique*  
119 *interests and purposes and which promotes, whenever practicable,*  
120 *full and free competition by the acceptance of quotations or pro-*  
121 *posals or by the use of other suitable methods.*

122 (2) *Any purchase, contract, or agreement where the cost or con-*  
123 *tract price exceeds \$7,500.00 may be made, negotiated, or awarded*  
124 *by the authority without advertisement for bids when the subject*  
125 *matter is that described in paragraph (3) of this subsection or when*  
126 *the purchase, contract, or agreement is made, negotiated, or*  
127 *awarded under the circumstances described in paragraph (4) of*  
128 *this subsection. In any such instance, the authority may make,*  
129 *negotiate, or award the purchase, contract, or agreement in any*  
130 *manner which the authority deems necessary to serve its unique*  
131 *interests and purposes and which promotes, whenever practicable,*  
132 *full and free competition by the acceptance of quotations or pro-*  
133 *posals or by the use of other suitable methods.*

134 (3) *Any purchase, contract, or agreement may be made, negoti-*  
135 *ated, or awarded pursuant to paragraph (2) of this subsection when*  
136 *the subject matter consists of:*

137 (a) *Services which are professional or technical in nature*  
138 *or services which are original and creative in character in a*  
139 *recognized field of artistic endeavor;*

140 (b) *Items which are perishable or subsistence supplies;*

141 (c) *Items which are specialized equipment or specialized*  
142 *machinery necessary to the conduct of authority business;*

143 (d) *Items of services supplied by a public utility subject to*  
144 *the jurisdiction of the Board of Public Utilities and tariffs and*  
145 *schedules of the charges made, charged or exacted by the public*  
146 *utility for those items or services are filed with the board;*

147 (e) *Items which are styled or seasonal wearing apparel; or*

148 (f) *The lease of such office space, office machinery, special-*  
149 *ized equipment, buildings or real property as may be required*  
150 *for the conduct of authority business.*

151 (4) Any purchase, contract, or agreement may be made, negoti-  
 152 ated, or awarded pursuant to paragraph (2) of this subsection  
 153 above when:

154 (a) Standardization of equipment and interchangeability of  
 155 parts is in the public interest;

156 (b) Only one source of supply or services is available;

157 (c) The safety or protection of the authority's or other  
 158 public property require;

159 (d) The exigency of the authority's service will not admit  
 160 of advertisement;

161 (e) More favorable terms can be obtained from a primary  
 162 source of supply of an item or service;

163 (f) Bid prices, after advertising, are not reasonable or have  
 164 not been independently arrived at in open competition; but no  
 165 negotiated purchase, contract, or agreement may be entered  
 166 into under this subsection after the rejection of all bids received  
 167 unless (i) notification of the intention to negotiate and reason-  
 168 able opportunity to negotiate is given to each responsible bid-  
 169 der; (ii) the negotiated price is lower than the lowest rejected  
 170 bid price of a responsible bidder; and (iii) the negotiated price  
 171 is the lowest negotiated price offered by any responsible con-  
 172 tractor;

173 (g) The purchase is to be made from, or the contract is to  
 174 be made with, the federal or any state government or agency  
 175 or political subdivision thereof; or

176 (h) Purchases made through or by the Director of the Di-  
 177 vision of Purchase and Property pursuant to section 1 of P. L.  
 178 1959, c. 40 (C. 52:27B-56.1).

179 (5) In any case where the authority shall make, negotiate, or  
 180 award a purchase, contract, or agreement without public advertise-  
 181 ment pursuant to paragraph (2) of this subsection, the authority  
 182 shall, by resolution passed by the affirmative vote of a majority of its  
 183 members, specify the subject matter or circumstances set forth in  
 184 paragraphs (3) and (4) which permit the authority to take such  
 185 action.

186 (6) Nothing herein shall prevent the authority from having any  
 187 work done by its own employees.

188 (7) Commencing January 1, 1986, the Governor, in consultation  
 189 with the Department of the Treasury, shall, no later than March 1  
 190 of each even-numbered year, adjust the threshold amount set forth  
 191 in paragraph (1) of this subsection, or subsequent to 1986 the thres-  
 192 hold amount resulting from any adjustment under this paragraph,  
 193 in direct proportion to the rise or fall of the consumer price index

194 for all urban consumers in the New York City and the Philadelphia  
 195 areas as reported by the United States Department of Labor. The  
 196 Governor shall, no later than June 1 of each even-numbered year,  
 197 notify the authority of the adjustment. The adjustment shall be-  
 198 come effective on July 1 of each even-numbered year.\*\*\*\*

1 6. a. The authority is authorized to acquire by purchase, establish,  
 2 develop, construct, operate, maintain, repair, reconstruct, restore,  
 3 improve and otherwise effectuate a food processing and distribu-  
 4 tion center. The center shall be known as the South Jersey Food  
 5 Processing and Distribution Center, shall be located in any one of  
 6 the counties of Burlington, Ocean, Camden, Gloucester, Salem,  
 7 Atlantic, Cumberland or Cape May and shall consist as the au-  
 8 thority may determine, of one or more buildings, structures,  
 9 facilities, properties and appurtenances incidental and necessary to  
 10 a center suitable for the processing and distribution of food on a  
 11 regional basis and may include a wholesale produce market and  
 12 storage, distribution and processing facilities for meat, fish, dairy  
 13 and other grocery products, beverages and frozen foods, driveways,  
 14 roads, approaches, parking areas, restaurants, transportation  
 15 structures, systems and facilities, and equipment, furnishings, and  
 16 all other structures and appurtenant facilities related to, necessary  
 17 for, or complementary to the purposes of the center or any facility  
 18 thereof. The authority may construct on the site other facilities  
 19 consistent with the purposes for which the authority was estab-  
 20 lished. As part of the center the authority is authorized to make  
 21 capital contributions to others for transportation and other  
 22 facilities, and accommodations for the public using the center. Any  
 23 part of the site not occupied or to be occupied by facilities of the  
 24 center may be leased by the authority for purposes determined by  
 25 the authority to be consistent with or related to the purposes of the  
 26 center. In addition, the authority may contract with any person for  
 27 the development of any of the facilities to be a part of the center  
 28 and may provide for the financing of the acquisition of any real  
 29 property or of any construction.

30 b. Revenues, moneys or other funds, if any, derived from the  
 31 operation or ownership of the center, shall be applied in accordance  
 32 with the resolution or resolutions authorizing or relating to the  
 33 issuance of bonds or notes of the authority to the following pur-  
 34 poses and in the following order:

- 35 (1) The costs of operation and maintenance of the center and  
 36 reserves therefor;
- 37 (2) Principal, sinking fund installments and redemption of and  
 38 interest on any bonds or notes of the authority issued for the pur-

39 poses of the center or for the purpose of refunding the same, in-  
40 cluding reserves therefor;

41 (3) The costs of any major or extraordinary repairs, renewals  
42 or replacements with respect to the center or incidental improve-  
43 ments to it not paid pursuant to paragraph (1) above, including  
44 reserves therefor;

45 (4) Payments required to be made pursuant to section 17 b. of  
46 this act;

47 (5) Payments authorized to be made pursuant to section 17 c.  
48 of this act;

49 (6) The balance remaining after application in accordance with  
50 the above shall be deposited in the General Fund.

1 7. a. If the authority shall find it necessary in connection with  
2 the undertaking of the center to change the location of any portion  
3 of any public highway or road, it may contract with any govern-  
4 ment agency, public or private corporation which may have juris-  
5 diction over the public highway or road to cause the public highway  
6 or road to be constructed at a location the authority deems most  
7 favorable. The cost of the reconstruction and any damage incurred  
8 in changing the location of the highway shall be ascertained and  
9 paid by the authority as a part of the cost of the center. Any public  
10 highway affected by the construction of the center may be vacated  
11 or relocated by the authority in the manner now provided by law for  
12 the location or relocation of public roads, and any damages awarded  
13 as a result shall be paid by the authority as part of the cost of the  
14 center. In all undertakings authorized by this subsection the au-  
15 thority shall consult and obtain the approval of the Department of  
16 Transportation.

17 b. In addition to the foregoing powers, the authority and its  
18 authorized agents and employees may enter upon any lands, waters  
19 and premises for the purpose of making surveys, soundings, drill-  
20 ings and examinations as it may deem necessary or convenient for  
21 the purposes of this act, all in accordance with due process of law,  
22 and the entry shall not be deemed a trespass nor shall an entry  
23 for that purpose be deemed an entry under any condemnation  
24 proceedings which may be then pending. The authority shall make  
25 reimbursement for any actual damages resulting to the lands,  
26 waters and premises as a result of its activities.

27 c. The authority shall also have power to make reasonable regu-  
28 lations for the installation, construction, maintenance, repair, re-  
29 newal, relocation and removal of tracks, pipes, mains, conduits,  
30 cables, wires, towers, poles and other equipment and appliances,  
31 herein called "public utility facilities," of any public utility as

32 defined in R. S. 48:2-13, in, on, along, over or under the center.  
33 Whenever the authority shall determine that it is necessary that  
34 public utility facilities which now are, or hereafter may be, located  
35 in, on, along, over or under the center shall be relocated in the  
36 center, or should be removed therefrom, the public utility owning  
37 or operating the facilities shall relocate or remove the same in  
38 accordance with the order of the authority. The cost and expenses  
39 of the relocation or removal, including the cost of installing the  
40 facilities in a new location, or new locations, and the cost of any  
41 lands, or any rights or interests in lands and any other rights,  
42 acquired to accomplish the relocation or removal, shall be ascer-  
43 tained and paid by the authority as a part of the cost of the center.  
44 In case of any relocation or removal of facilities, as aforesaid, the  
45 public utility owning or operating the same, its successors or as-  
46 signs, may maintain and operate the facilities, with the necessary  
47 appurtenances, in the new location or new locations, for as long a  
48 period, and upon the same terms and conditions, as it had the right  
49 to maintain and operate the facilities in their former location or  
50 locations. In all undertakings authorized by this subsection the  
51 authority shall consult and obtain the approval of the Board of  
52 Public Utilities.

1 8. a. Upon the exercise of the power of eminent domain, the  
2 compensation to be paid thereunder shall be ascertained and paid  
3 in the manner provided in the "Eminent Domain Act of 1971,"  
4 P. L. 1971, c. 361 (C. 20:3-1 et seq.) insofar as the provisions  
5 thereof are applicable and not inconsistent with the provisions  
6 contained in this act. The authority may join in separate sub-  
7 divisions in one petition or complaint the descriptions of any  
8 number of tracts or parcels of land or property to be condemned  
9 if each tract or parcel lies wholly in or has a **substantial part of its**  
10 **value lying wholly within the same county, and the names of any**  
11 **number of owners and other parties who may have an interest**  
12 **therein and all the land or property included in the petition or**  
13 **complaint may be condemned in a single proceeding; but separate**  
14 **awards shall be made for each tract or parcel of land or property.**

15 b. Upon the filing of the petition or complaint or at any time  
16 thereafter the authority may file with the clerk of the county in  
17 which the property is located and also with the clerk of the Superior  
18 Court a declaration of taking, signed by the authority declaring that  
19 possession of one or more of the tracts or parcels of land or prop-  
20 erty described in the petition or complaint is being taken by and  
21 for the use of the authority. The declaration of taking shall be  
22 sufficient if it sets forth (1) a description of each tract or parcel

23 of land or property to be taken sufficient for the identification  
24 of it to which there shall be attached a plan or map thereof; (2)  
25 a statement of the estate or interest in the land or property being  
26 taken; (3) a statement of the sum of money estimated by the au-  
27 thority by resolution to be just compensation for the taking of the  
28 estate or interest in each tract or parcel of land or property  
29 described in the declaration; and (4) that, in compliance with the  
30 provisions of this act, the authority has established and in main-  
31 taining a trust fund as hereinafter provided.

32 c. Upon the filing of the declaration, the authority shall deposit  
33 with the clerk of the Superior Court the amount of the estimated  
34 compensation stated in the declaration. In addition to the deposits  
35 with the clerk of the Superior Court the authority shall maintain  
36 a special trust fund on deposit with a bank or trust company doing  
37 business in the State in an account at least equal to twice the aggre-  
38 gate amount deposited with the clerk of the Superior Court as  
39 estimated compensation for all property described in declarations  
40 of taking with respect to which the compensation has not been  
41 finally determined and paid to the persons entitled thereto or into  
42 court. The trust fund shall consist of cash or securities readily  
43 convertible into cash constituting legal investment for trust funds  
44 under the laws of the State. The trust fund shall be held solely to  
45 secure and may be applied to the payment of just compensation for  
46 the land or other property described in the declarations of taking.  
47 The authority shall be entitled to withdraw from the trust fund  
48 from time to time so much as may then be in excess of twice the  
49 aggregate of the amount deposited with the clerk of the Superior  
50 Court as estimated compensation for all property described in  
51 declarations of taking with respect to which the compensation has  
52 not been finally determined and paid to the persons entitled thereto  
53 or into court.

54 d. Upon the filing of the declaration as aforesaid and depositing  
55 with the clerk of the Superior Court the amount of the estimated  
56 compensation stated in the declaration, the authority without other  
57 process or proceedings, shall be entitled to the exclusive possession  
58 and use of each tract of land or property described in the declara-  
59 tion and may forthwith enter into and take possession of the land  
60 or property, it being the intent of this provision that the proceed-  
61 ings for compensation or any other proceedings relating to the  
62 taking of the land or interest therein or other property shall not  
63 delay the taking of possession thereof and the use thereof by the  
64 authority for the purposes for which the authority is authorized by  
65 law to acquire or condemn the land or other property or interest  
66 in it.

67 e. The authority shall cause notice of the filing of the declaration  
68 and the making of the deposit to be served upon each party in  
69 interest named in the petition residing in the State, either person-  
70 ally or by leaving a copy at his residence, if known, and upon each  
71 party in interest residing out of the State, by mailing a copy to  
72 him at his residence, if known. If the residence of the party or the  
73 name of the party is unknown, notice shall be published at least  
74 once in a newspaper published or circulating in the counties in  
75 which the land is located. Service, mailing or publication shall be  
76 made within 10 days after filing the declaration. Upon the applica-  
77 tion of any party in interest and after notice to other parties in  
78 interest, including the authority, any judge of the Superior Court  
79 assigned to sit for that county may order that the money deposited  
80 with the clerk of the Superior Court or any part thereof be paid  
81 forthwith to the persons entitled thereto for or on account of the  
82 just compensation to be awarded in the proceeding, provided each  
83 person files with the clerk of the Superior Court a consent in writ-  
84 ing that, if the award in the condemnation proceeding shall be less  
85 than the amount deposited, the court, after notice as herein pro-  
86 vided and hearing, may determine his liability, if any, for the  
87 return of the difference or any part of it and enter judgment there-  
88 for. If the amount of the award as finally determined shall exceed  
89 the amount so deposited, the person to whom the award is payable  
90 shall be entitled to recover from the authority the difference  
91 between the amount of the deposit and the amount of the award,  
92 with interest at the then legal rate from the date of making the  
93 deposit. If the amount of the award shall be less than the amount so  
94 deposited, the clerk of the Superior Court shall return the difference  
95 between the amount of the award and the deposit to the authority  
96 unless the amount of the deposit or any part of it shall have there-  
97 tofore been distributed, in which event the court, on petition of the  
98 authority and notice to all persons interested in the award and  
99 affording them an opportunity to be heard, shall enter judgment in  
100 favor of the authority for the difference against the parties liable  
101 for the return. The authority shall cause notice of the date fixed  
102 for the hearing to be served upon each party residing in the State  
103 either personally or by leaving a copy at his residence, if known,  
104 and upon each party residing out of the State by mailing a copy  
105 to him at his residence, if known. If the residence of any party or  
106 the name of the party is unknown, notice shall be published at least  
107 once in a newspaper published or circulating in the counties in  
108 which the land is located. Service, mailing or publication shall be  
109 made at least 10 days before the date fixed for the hearing.

110 Whenever under the "Eminent Domain Act of 1971," P. L. 1971,  
 111 c. 361 (C. 20:3-1 et seq.) the amount of the award may be paid into  
 112 court, payment may be made into the Superior Court and may be  
 113 distributed according to law. The authority shall not abandon any  
 114 condemnation proceeding subsequent to the date upon which it has  
 115 taken possession of the land or property as herein provided.

1 9. a. The authority is authorized from time to time to issue its  
 2 bonds or notes in principal amounts which in the opinion of the  
 3 authority shall be necessary to provide sufficient funds for any of  
 4 its corporate purposes, including the payment, funding or refunding  
 5 of the principal of, or interest or redemption premiums on, any  
 6 bonds or notes issued by it whether the bonds or notes or interest  
 7 to be funded or refunded have or have not become due, the estab-  
 8 lishment or increase of the reserves to secure or to pay the bonds  
 9 or notes or interest and all other costs or expenses of the authority  
 10 incident to and necessary to carry out its corporate purposes and  
 11 powers.

12 b. Except as may be otherwise expressly provided in this act or  
 13 by the authority, every issue of bonds or notes shall be general  
 14 obligations payable out of any revenues or funds of the authority,  
 15 subject only to any agreements with the holders of particular bonds  
 16 or notes pledging any particular revenues or funds. The authority  
 17 may issue types of bonds or notes as it may determine, including,  
 18 but not limited to, bonds or notes as to which the principal and  
 19 interest are payable (1) exclusively from the revenues and receipts  
 20 of the part of the center financed with the proceeds of the bonds or  
 21 notes; (2) exclusively from the revenues and receipts of certain  
 22 designated parts of the center whether or not the same are financed  
 23 in whole or in part from the proceeds of the bonds or notes; or (3)  
 24 from its revenues and receipts generally. The bonds or notes may be  
 25 additionally secured by a pledge of any grant, subsidy or contribu-  
 26 tion from the United States of America or any agency or instru-  
 27 mentality thereof or the State or any agency, instrumentality or  
 28 political subdivision thereof, or any person, or a pledge of any in-  
 29 come or revenues, funds or moneys of the authority from any source  
 30 whatsoever.

31 c. Whether or not the bonds and notes are of a form and  
 32 character as to be negotiable instruments under the terms of Title  
 33 12A of the New Jersey Statutes, the bonds and notes are negotiable  
 34 instruments within the meaning of and for all the purposes of  
 35 Title 12A, subject only to the provisions of the bonds and notes  
 36 for registration.

37 d. Bonds or notes of the authority shall be authorized by a reso-



38 lution of the authority and may be issued in one or more series and  
39 shall bear the date, mature at the time, bear interest at a rate of  
40 interest per annum, be in denominations, be in a form, either coupon  
41 or registered, carry any conversion or registration privileges, have  
42 rank or priority, be executed in any manner, be payable from any  
43 sources in any medium of payment at a place within or without the  
44 State, and be subject to the terms of redemption, with or without  
45 premium, as the resolution may provide.

46 e. Bonds or notes of the authority may be sold at public or private  
47 sale at a price and in a manner that the authority determines.  
48 Every bond shall mature and be paid not later than 40 years from  
49 the date of issue.

50 f. Bonds or notes may be issued under the provisions of this  
51 act without obtaining the consent of any department, division, com-  
52 mission, board, bureau or agency of the State, and without any  
53 other proceeding or the happening of any other conditions or other  
54 things than those proceedings, conditions or things which are  
55 specifically required by this act.

56 g. Bonds and notes of the authority issued under the provisions  
57 of this act shall not be a debt or liability of the State or its political  
58 subdivisions other than the authority and shall not create or con-  
59 stitute any indebtedness, liability or obligation of the State or of a  
60 political subdivision or be or constitute a pledge of the faith and  
61 credit of the State or of a political subdivision but the bonds and  
62 notes, unless funded or refunded by bonds or notes of the authority,  
63 shall be payable solely from revenues or funds pledged or available  
64 for their payment as authorized in this act. Each bond and note  
65 shall contain on its face a statement to the effect that the authority  
66 is obligated to pay its principal or interest only from revenues or  
67 funds of the authority and that neither the State nor its political  
68 subdivisions are obligated to pay the principal or interest and that  
69 neither the faith and credit nor the taxing power of the State or its  
70 political subdivisions is pledged to the payment of the principal of  
71 or the interest on the bonds or notes.

72 h. All expenses incurred in carrying out the provisions of this  
73 act shall be payable solely from revenues or funds provided or to  
74 be provided under the provisions of this act and nothing in this  
75 act shall be construed to authorize the authority to incur any in-  
76 debtedness or liability on behalf of or payable by the State or its  
77 political subdivisions.

1 10. In any resolution of the authority authorizing or relating to  
2 the issuance of any bonds or notes, the authority, in order to secure  
3 the payment of the bonds or notes and in addition to its other

4 powers, shall have power by the resolutions which shall constitute  
5 covenants by the authority and contracts with the holders of the  
6 bonds or notes to:

7 a. Pledge all or any part of its rents, fees, tolls, revenues or  
8 receipts to which its right then exists or may thereafter come into  
9 existence, and the moneys derived therefrom, and the proceeds of  
10 any bonds or notes;

11 b. Pledge any lease or other agreement or the rents or revenues  
12 and their proceeds;

13 c. Mortgage all or any part of its property, real or personal, then  
14 owned or later acquired;

15 d. Covenant against pledging all or any part of its rents, fees,  
16 tolls, revenues or receipts or its leases or agreements or rents or  
17 other revenues from them or the proceeds of them, or against mort-  
18 gaging all or any part of its real or personal property then owned or  
19 later acquired, or against permitting or suffering any lien on  
20 any of the foregoing;

21 e. Covenant with respect to limitations on any right to sell,  
22 lease or otherwise dispose of any project or its parts or any prop-  
23 erty of any kind;

24 f. Covenant as to any bonds and notes to be issued and their  
25 limitations, terms and conditions, and as to the custody, application,  
26 investment, and disposition of their proceeds;

27 g. Covenant as to the issuance of additional bonds or notes or as  
28 to limitations on the issuance of additional bonds or notes and on  
29 the incurring of other debts by it;

30 h. Covenant as to the payment of the principal of or interest on  
31 the bonds or notes, or any other obligations, as to the sources and  
32 methods of the payment, as to the rank or priority of the bonds,  
33 notes or obligations with respect to any lien or security or as to  
34 acceleration of the maturity of the bonds, notes or obligations;

35 i. Provide for the replacement of lost, stolen, destroyed or  
36 mutilated bonds or notes;

37 j. Covenant against extending the time for the payment of bonds  
38 or notes or interest on them;

39 k. Covenant as to the redemption of bonds or notes and privileges  
40 of their exchange for other bonds or notes of the authority;

41 l. Covenant as to the rates of toll and other charges to be  
42 established and charged, the amount to be raised each year or  
43 other period of time by tolls or other revenues and as to the use  
44 and disposition to be made of them;

45 m. Covenant to create or authorize the creation of special funds  
46 or moneys to be held in pledge or otherwise for construction, operat-

47 ing expenses, payment or redemption of bonds or notes, reserves or  
48 other purposes and as to the use, investment, and disposition of the  
49 moneys held in the funds;

50 n. Establish the procedure, if any, by which the terms of any con-  
51 tract or covenant with or for the benefit of the holders of bonds or  
52 notes may be amended or abrogated, the amount of bonds or notes  
53 the holders of which shall consent thereto, and the manner in which  
54 the consent may be given;

55 o. Covenant as to the construction, improvement, operation or  
56 maintenance of its real and personal property, its replacement, the  
57 insurance to be carried on it, and the use and disposition of in-  
58 surance moneys;

59 p. Provide for the release of property, leases or other agree-  
60 ments, or revenues and receipts from any pledge or mortgage and  
61 reserve rights and powers in, or the right to dispose of, property  
62 which is subject to a pledge or mortgage;

63 q. Provide for the rights and liabilities, powers and duties aris-  
64 ing upon the breach of any covenant, condition or obligation and  
65 prescribe the events of default and the terms and conditions upon  
66 which the bonds, notes or other obligations of the authority shall  
67 become or may be declared due and payable before maturity and the  
68 terms and conditions upon which any declaration and its conse-  
69 quences may be waived;

70 r. Vest in trustees within or without the State property, rights,  
71 powers and duties in trust as the authority may determine, includ-  
72 ing the right to foreclose any mortgage, and limit the rights, duties  
73 and powers of a trustee;

74 s. Execute mortgages, bills of sale, conveyances, deeds of trust  
75 and other instruments necessary or convenient in the exercise of its  
76 powers or in the performance of its covenants or duties;

77 t. Pay the costs or expenses incident to the enforcement of the  
78 bonds or notes or of the provisions of the resolution or of any  
79 covenant or agreement of the authority with the holders of its  
80 bonds or notes;

81 u. Limit the powers of the authority to construct, acquire or  
82 operate any structures, facilities or properties which may compete  
83 or tend to compete with the center;

84 v. Limit the rights of the holders of any bonds or notes to en-  
85 force any pledge or covenant securing bonds or notes; and

86 w. Make covenants other than in addition to the covenants herein  
87 expressly authorized, of like or different character, and to make  
88 covenants to do or refrain from doing acts and things as may be  
89 necessary, or convenient and desirable, in order to better secure

90 bonds or notes or which, in the discretion of the authority, will  
91 tend to make bonds or notes more marketable, notwithstanding  
92 that the covenants, acts or things may not be enumerated herein.

1 11. Any pledge of revenues, moneys, funds or other property  
2 made by the authority shall be valid and binding from the time  
3 when the pledge is made. The revenues, moneys, funds or other  
4 property so pledged and thereafter received by the authority shall  
5 immediately be subject to the lien of the pledge without any physi-  
6 cal delivery or further act, and the lien of the pledge shall be valid  
7 and binding as against all parties having claims of any kind in  
8 tort, contract or otherwise against the authority, irrespective of  
9 whether the parties have notice thereof. Neither the resolution nor  
10 any other instrument by which a pledge of revenues, moneys or  
11 funds is created need be filed or recorded except in the records of  
12 the authority.

1 12. Neither the members of the authority nor any person exe-  
2 cuting bonds or notes issued pursuant to this act shall be liable  
3 personally on the bonds or notes by reason of their issuance.

1 13. a. The authority may establish reserves, funds or accounts as  
2 it determines necessary or desirable to further the accomplishment  
3 of the purposes of the authority or to comply with the provisions  
4 of any agreement made by or any resolution of the authority.

5 b. The authority may create and establish a reserve fund in  
6 connection with the issuance of bonds to finance the initial develop-  
7 ment of the center to be known as the debt service reserve fund and  
8 may pay into the reserve fund (1) any moneys appropriated and  
9 made available by the State for the purposes of the fund, (2) any  
10 proceeds of sale of the bonds to the extent provided in the resolution  
11 of the authority authorizing their issuance, and (3) any other  
12 moneys which may be made available to the authority for the  
13 purposes of the fund from any other source. The moneys held in or  
14 credited to the debt service reserve fund established under this  
15 section, except as hereinafter provided, shall be used solely for  
16 the payment of the principal of the bonds of the authority secured  
17 by the reserve fund, as the same mature or become due, the pur-  
18 chase or retirement of the bonds, the payment of interest on the  
19 bonds or the payment of any redemption premium required to be  
20 paid when the bonds are redeemed prior to maturity, but moneys  
21 in the fund shall not be withdrawn therefrom at any time in an  
22 amount that would reduce the amount of the fund to less than the  
23 maximum debt service reserve, as hereinafter defined, with respect  
24 to the bonds then outstanding and secured by the reserve fund,  
25 except for the purpose of paying the principal of, interest on, the

26 premium, if any, on, and the retirement of the bonds secured by the  
27 reserve fund maturing or becoming due and for the payment of  
28 which other moneys of the authority are not available. Maximum  
29 debt-service reserve as used in this section means, as of any date of  
30 calculation and with respect to the bonds secured by the debt terms  
31 of any contracts of the authority with the holders of the bonds to  
32 be provided in any succeeding calendar year for the payment of  
33 interest on and serial maturities of the bonds then outstanding  
34 and payments required by the terms of any contracts to be made  
35 to sinking funds established for the payment or redemption of the  
36 bonds, calculated on the assumption that the bonds will cease to  
37 be outstanding after the date of the calculation only by reason of  
38 the payment of the bonds at their respective maturities and the  
39 making of required payments to sinking funds and the application  
40 of those funds in accordance with the terms of the contracts to the  
41 retirement of the bonds. Any income or interest earned by, or in-  
42 crement to, the debt service reserve fund due to its investment may  
43 be transferred to any other fund or account of the authority to the  
44 extent it does not reduce the amount of the debt service reserve  
45 fund below the maximum debt service reserve with respect to the  
46 bonds of the authority then outstanding and secured by the reserve  
47 fund.

48 c. The authority shall not issue bonds at any time if the maxi-  
49 mum debt service reserve with respect to the bonds outstanding  
50 and then to be issued and secured by the debt service reserve fund  
51 will exceed the amount of the reserve fund at the time of issuance,  
52 unless the authority, at the time of issuance of the bonds, shall  
53 deposit in the reserve fund from the proceeds of the bonds so to  
54 be issued, or otherwise, an amount which, together with the amount  
55 then in the reserve fund, will be not less than the maximum debt  
56 service reserve with respect to the bonds then to be issued and on  
57 all other bonds of the authority then outstanding and secured by  
58 the reserve fund.

59 d. To assure the continued operation and solvency of the au-  
60 thority for the carrying out of the public purposes of this act, pro-  
61 vision is made in this section for the accumulation in the debt  
62 service reserve fund of an amount equal to the maximum debt  
63 service reserve with respect to all bonds of the authority then  
64 outstanding and secured by the reserve fund. In order further to  
65 assure the maintenance of the debt service reserve fund, there  
66 shall be annually appropriated and paid to the authority for de-  
67 posit in the debt service reserve fund a sum, if any, certified by the  
68 chairman of the authority to the Governor as necessary to restore

69 the reserve fund to an amount equal to the maximum debt service  
70 reserve with respect to the bonds of the authority then outstanding  
71 and secured by the reserve fund. The chairman of the authority  
72 shall annually, on or before March 1, make and deliver to the  
73 Governor his certificate stating the sum, if any, required to restore  
74 the debt service reserve fund of the authority to the amount afore-  
75 said, and the sum certified, if any, shall be appropriated and paid  
76 to the authority for deposit in the debt service reserve fund of the  
77 authority prior to the end of the first calendar month of the next  
78 succeeding State fiscal year. Any payments to be made by the  
79 State to the authority as aforesaid for deposit in the debt service  
80 reserve fund are subject to and dependent upon appropriations  
81 being made from time to time by the Legislature for that purpose.

82 e. In computing the debt service reserve fund for the purposes  
83 of this section, securities in which all or a portion of the debt ser-  
84 vice reserve fund shall be invested, shall be valued at par, or if  
85 purchased at less than par, at their cost to the authority.

86 f. Nothing herein contained shall be deemed to cause the bonds  
87 or notes of the authority to be a debt or a liability of the State or  
88 its political subdivisions other than the authority, and the bonds  
89 and notes of the authority, whether or not payable from the debt  
90 service reserve fund created pursuant to this section, shall not  
91 create or constitute any indebtedness, liability or obligation of this  
92 State or any political subdivision or be or constitute a pledge of the  
93 faith and credit of the State or its political subdivisions.

1 14. a. The State pledges to and covenants and agrees with the  
2 holders of any bonds or notes issued pursuant to this act that the  
3 State will not limit or alter the rights or powers vested in the  
4 authority to acquire, construct, maintain, improve, repair and  
5 operate the center in any way that would jeopardize the interest  
6 of those holders, or to perform and fulfill the terms of any agree-  
7 ment made with the holders of the bonds or notes, or to fix, establish,  
8 charge and collect rents, fees, rates or other charges as may be  
9 convenient or necessary to produce sufficient revenues to meet  
10 all expenses of the authority and fulfill the terms of any agreement  
11 made with the holders of the bonds and notes, together with interest  
12 thereon, with interest on any unpaid installments of interest, and  
13 all costs and expenses in connection with any action or proceedings  
14 by or on behalf of the holders, until the bonds, together with interest  
15 thereon, are fully met and discharged or provided for.

16 b. The State shall have the right, upon furnishing the authority  
17 with sufficient funds, to require the authority to redeem, pay or  
18 cause to be paid, at or prior to maturity, in whole or in part, any

19 bonds issued by the authority under this act, provided the redemp-  
20 tion or payment is made in accordance with the provision of any  
21 contract entered into by the authority with the holders of the  
22 bonds.

1 15. The State and all public officers, governmental units and  
2 agencies thereof, all banks, trust companies, savings banks and  
3 institutions, building and loan associations, savings and loan as-  
4 sociations, investment companies, and other persons carrying on a  
5 banking business, all insurance companies, insurance associations  
6 and other persons carrying on an insurance business, and all  
7 executors, administrators, guardians, trustees and other fiduciaries,  
8 may legally invest any sinking funds, moneys or other funds belong-  
9 ing to them or within their control in any bonds or notes issued  
10 pursuant to this act, and the bonds or notes shall be authorized  
11 security for any public deposits.

1 16. All counties and municipalities and other governmental  
2 subdivisions, authorities, and public departments, agencies and  
3 commissions of the State, notwithstanding any contrary provision  
4 of law, are authorized to lease, lend, grant or convey to the autho-  
5 rity at its request upon terms and conditions as the governing  
6 body or other proper authorities of the counties, municipalities and  
7 governmental subdivisions, authorities and departments, agencies  
8 or commissions of the State deem reasonable and fair and without  
9 the necessity for any advertisement, order of court or other action  
10 or formality, other than the authorizing ordinance of the governing  
11 body of the municipality, the authorizing resolution of the govern-  
12 ing body of the county, or the regular and formal action of any  
13 public body concerned, any real property or interest therein which  
14 may be necessary or convenient to the effectuation of the purposes  
15 of the authority, including public highways and real property  
16 already devoted to public use, provided that the real property is  
17 located within the site authorized for the center.

1 17. a. All facilities and other property of the authority are de-  
2 clared to be public property devoted to an essential public and  
3 governmental function and purpose and shall be exempt from all  
4 taxes and special assessments of the State or any political sub-  
5 division thereof, but when any part of the center not occupied  
6 or to be occupied by facilities of the center is leased by the authority  
7 to another whose property is not exempt and the leasing of which  
8 does not make the real estate taxable, the estate created by the  
9 lease and its appurtenances shall be listed as the property of the  
10 lessee or his assignee, and be assessed and taxed as real estate. All  
11 bonds or notes issued pursuant to this act are declared to be issued  
12 by a body corporate and public of the State and for an essential

13 public and governmental purpose and the bonds and notes, and the  
14 interest thereon and the income therefrom, and all funds, revenues,  
15 income and other moneys received or to be received by the authority  
16 and pledged or available to pay or secure the payment of the bonds  
17 or notes, or interest thereon, shall be exempt from taxation except  
18 for transfer, inheritance and estate taxes.

19 b. To the end that there does not occur an undue loss of future  
20 tax revenues by reason of the acquisition of real property by the  
21 authority or construction of additional facilities by the authority  
22 for the center, the authority annually shall make payments in-lieu-of  
23 taxes to the taxing jurisdiction in which the property is located in  
24 an amount computed in each year with respect to each taxing  
25 jurisdiction in an amount equal to the taxes which would have  
26 been assessed against the property acquired by the authority if  
27 the property were not exempt. The payments shall be made in  
28 each year commencing with the first year subsequent to the year  
29 in which the real property shall have been converted from a taxable  
30 to an exempt status by reason of its acquisition by the authority.

31 c. The authority is further authorized to enter into any agree-  
32 ment with any county or municipality located in whole or part  
33 within the south Jersey area whereby the authority will undertake  
34 to pay any additional amounts to compensate for any loss of tax  
35 revenues by reason of the acquisition of any real property by the  
36 authority for the center or to pay amounts to be used by the county  
37 or municipality in furtherance of the development of the center.  
38 Every county and municipality so located is authorized to enter  
39 into these agreements with the authority and to accept payments  
40 which the authority makes thereunder.

1 18. On or before the last day of February in each year the author-  
2 ity shall make an annual report of its activities for the preceding  
3 calendar year to the Governor and to the Legislature. The report  
4 shall set forth a complete operating and financial statement cover-  
5 ing its operations during the year. The authority shall cause an  
6 audit of its books and accounts to be made at least once in each  
7 year by certified public accountants and the cost of the audit shall be  
8 considered an expense of the authority and a copy of it shall be  
9 filed with the Comptroller of the Treasury.

1 19. All officers, departments, boards, agencies, divisions and  
2 commissions of the State are authorized to render any of their  
3 services to the authority as requested. The cost and expense of  
4 these services shall be met and provided for by the authority.

1 \*\*\*\*[20. The authority, in the exercise of its power to make and  
2 enter into contracts and agreements necessary or incidental to the  
3 performance of its duties and the execution of its powers, shall adopt



4 standing rules and procedures providing that, except as hereinafter  
 5 provided, no contract on behalf of the authority shall be entered  
 6 into for the doing of any work, or for the hiring of equipment or  
 7 vehicles, where the sum to be expended exceeds the sum of \$4,500.00  
 8 unless the authority shall first publicly advertise for bids therefor,  
 9 and shall award the contract to the lowest responsible bidder.  
 10 Advertising shall not be required where the contract to be entered  
 11 into is one for the furnishing or performing of services of a pro-  
 12 fessional nature or for the supplying of any product or the render-  
 13 ing of any service by a public utility subject to the jurisdiction of  
 14 the Board of Public Utilities and tariffs and schedules of the  
 15 charges, made, charged, or exacted by the public utility for any  
 16 products to be supplied or services to be rendered are filed with the  
 17 commission. This section shall not prevent the authority from  
 18 having any work done by its own employees, nor shall it apply to  
 19 repairs, or to the furnishing of materials, supplies or labor, or the  
 20 hiring of equipment or vehicles, when the safety or protection of its  
 21 or other public property or the public convenience requires, or the  
 22 exigency of the authority's service will not admit of the advertise-  
 23 ment. In this case the authority shall, by resolution, passed by the  
 24 affirmative vote of a majority of its members, declare the exigency  
 25 or emergency to exist, and set forth in the resolution the nature  
 26 thereof and the approximate amount to be expended.】\*\*\*\*

1 \*【21. It is the intent of the Legislature that the authority in  
 2 undertaking the center shall consult with the Department of En-  
 3 vironmental Protection with respect to the ecological factors consti-  
 4 tuting the environment of the area.】\*

1 \*【22.】\* \*\*\*\*【\*21.】\*\*\*\* \*\*\*\*20.\*\*\*\* It is the intent of the Legis-  
 2 lature that if there is a conflict or inconsistency in the provisions of  
 3 this act and any other acts pertaining to matters herein established  
 4 or provided for or in any rules and regulations adopted under this  
 5 act or other acts, to the extent of the conflict or inconsistency, the  
 6 provisions of this act and the rules and regulations adopted here-  
 7 under shall be enforced and the provisions of the other acts and  
 8 rules and regulations adopted thereunder shall be of no effect.

1 \*【23.】\* \*\*\*\*【\*22.】\*\*\*\* \*\*\*\*21.\*\*\*\* There \*【are】\* \*is\* appro-  
 2 priated to the authority from the General Fund \*【any sums as may  
 3 be necessary】\* \*the sum of \$750,000.00 \* for the purposes of carry-  
 4 ing out its function and duties pursuant to this act. The appropria-  
 5 tion shall be repaid to the General Fund as soon as practicable  
 6 out of the proceeds of the first bonds issued by the authority or  
 7 other available funds.

1 \*【24.】\* \*\*\*\*【\*23.】\*\*\*\* \*\*\*\*22.\*\*\*\* This act shall take effect  
 2 immediately.

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17 commission. This section shall not prevent the authority from  
 18 having any work done by its own employees, nor shall it apply to  
 19 repairs, or to the furnishing of materials, supplies or labor, or the  
 20 hiring of equipment or vehicles, when the safety or protection of its  
 21 or other public property or the public convenience requires, or the  
 22 exigency of the authority's service will not admit of the advertise-  
 23 ment. In this case the authority shall, by resolution, passed by the  
 24 affirmative vote of a majority of its members, declare the exigency  
 25 or emergency to exist, and set forth in the resolution the nature  
 26 thereof and the approximate amount to be expended.

1 21. It is the intent of the Legislature that the authority in under-  
 2 taking the center shall consult with the Department of Environ-  
 3 mental Protection with respect to the ecological factors consti-  
 4 tuting the environment of the area.

1 22. It is the intent of the Legislature that if there is a conflict  
 2 or inconsistency in the provisions of this act and any other acts  
 3 pertaining to matters herein established or provided for or in any  
 4 rules and regulations adopted under this act or other acts, to the  
 5 extent of the conflict or inconsistency, the provisions of this act and  
 6 the rules and regulations adopted hereunder shall be enforced and  
 7 the provisions of the other acts and rules and regulations adopted  
 8 thereunder shall be of no effect.

1 23. There are appropriated to the authority from the General  
 2 Fund any sums as may be necessary for the purposes of carrying out  
 3 its function and duties pursuant to this act. The appropriation  
 4 shall be repaid to the General Fund as soon as practicable out of  
 5 the proceeds of the first bonds issued by the authority or other  
 6 available funds.

1 24. This act shall take effect immediately.

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#### STATEMENT

This bill creates an authority to work with State, federal and local agencies, as well as with private developers to plan and construct a major food processing and distribution center in the southern half of the State.

The South Jersey Food Processing and Distribution Center would be a vast enterprise, covering hundreds of acres. It would contain a wholesale produce market, facilities for storing and distributing meat, fish, dairy, grocery products, beverages and frozen food.

With its food processing, freezing and marketing facilities, the center would be a centerpiece for restoring New Jersey's fishing industry to its full potential.

A2026 (1985)

The center would also serve as a wholesale outlet and processing center for the extensive farming industry in the southern and central sections of the State.

Furthermore, a major food distribution center in South Jersey would serve the immediate needs of the exploding development in and around Atlantic City.

Thousands of new jobs and millions of payroll dollars could be pumped into New Jersey's economy by the development of a major food processing and distribution center in South Jersey.

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ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 2026**

with Assembly committee amendments

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**STATE OF NEW JERSEY**

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DATED: FEBRUARY 4, 1985

PROVISIONS:

Assembly Bill No. 2026, as amended, creates the South Jersey Food Distribution Authority in the Department of Agriculture.

The amendments to this bill incorporate similar provisions as contained in the "Hackensack Meadowlands Food Distribution Center Commission Law" (C. 13:17A-1 et seq.).

The authority will have nine members: four exofficio and five public members appointed by the Governor. The public members shall be residents of Burlington, Ocean, Camden, Gloucester, Salem, Atlantic, Cumberland or Cape May counties. All powers and duties are similar to those of the Hackensack Meadowlands Food Distribution Center Commission.

A feasibility study is to be undertaken to identify an appropriate site, determine the location, type and character of the food distribution center. The authority shall acquire by purchase, establish, develop, construct, operate, maintain, repair, reconstruct, restore, improve and otherwise effectuate a food processing and distribution center. The authority may issue bonds, make low-interest loans and apply revenues derived from the operation to the regulations authorizing the issuance of bonds.

FISCAL IMPACT:

There is appropriated from the General Fund to the authority the sum of \$750,000.00. This amount shall be repaid to the General Fund as soon as practicable from bond proceeds.

COMMITTEE AMENDMENTS:

These amendments incorporate into the bill provisions similar to those contained in the "Hackensack Meadowlands Food Distribution Center Commission Law," P. L. 1983, c. 272 (C. 13:17A-1 et seq.) and makes an appropriation of \$750,000.00.

The committee favorably reports this bill, as amended.

SENATE REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 2026**

[SECOND OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

DATED: MAY 6, 1985

This bill creates a South Jersey Food Distribution Authority in but not of the Department of Community Affairs. The authority would consist of nine members: four ex-officio (the Commissioners of Community Affairs and Commerce and Economic Development, the Secretary of Agriculture and the State Treasurer) and five public members appointed by the Governor. The public members are to be residents of the southern portion of the State.

The function of the authority is to establish and operate a South Jersey Food Processing and Distribution Center, a regional facility serving as a wholesale food outlet and which may contain storage, distribution and processing facilities for produce, meat, fish, dairy and other grocery products, as well as beverages and frozen foods.

To carry out its responsibilities, the authority is granted a wide range of corporate powers, including the power to enter into contracts, exercise eminent domain, issue bonds and make loans. The powers and duties of the authority are similar to those granted to the Hackensack Meadowlands Food Distribution Center Commission (C. 13:17A-1 et seq.) in the northern region of the State.

The authority is required to report annually to the Governor and the Legislature on its activities.

**FISCAL IMPACT:**

The bill appropriates \$750,000.00 from the General Fund as startup funds for the authority. These funds are to be repaid as soon as practicable from bond proceeds or other available moneys.

The authority is empowered to issue revenue bonds that do not constitute a debt or liability of the State or any political subdivision. However, section 13d does provide for such State appropriations as are necessary to maintain the authority's debt service reserve fund at a level sufficient to service outstanding debt, should there otherwise be a deficiency in the reserve.

adopted on 2/4/85

WR

to committee amendments  
Feb. 4, 1985 to A-2026

0-22-2/25/85

ADOPTED

FEB 25 1985

Assembly Amendments  
(Proposed by Assemblywoman Barbara Kalik)  
to

Assembly Bill No. 2026 OCR  
(Sponsored by Assemblywoman Barbara Kalik)

Amend:

Page	Sec.	Line
6	5	97

Omit "conduct a feasibility study to identify an appropriate site for and thereafter to"

Statement

This amendment removes the obligation to conduct a feasibility study which may prolong the commencement of the South Jersey Food Distribution Center, or otherwise, delay this needed project which will develop direct economic gains in jobs and services and stimulate the applicable industry.

or horticultural products, meat, fish, foods or similar products and commodities shall be deemed a disqualification for membership in or employment

Assembly Committee Amendments

to

Assembly Bill No. 2026

Amend:

Page	Sec.	Line	
			the authority shall not institute any proceeding to acquire or take, by condemnation, any real property within the designated area in the municipality referred to above in this section until after the date of filing in the office of the clerk of the municipality of a certified copy of: (1) a resolution of the authority stating the finding of the authority that it is necessary or convenient to acquire real property in the designated area for facility purposes, and (2) a resolution of the governing body of the municipality expressing its consent to the acquisition of real property in the designated area"
6	5	97	After "To" insert "conduct a feasibility study to identify an appropriate site for and thereafter to"
6	5	99	After "center," omit "notwithstanding" insert "which shall comply with the provisions of"; after "any" insert "applicable"
21	21	1-4	Delete subsection 21 in its entirety
21	22-24		Renumber as sections "21." through "23."
21	23	1-2	On line 1, omit "are" insert "is"; on line 2, delete "any sums as may be necessary" insert "the sum of \$750,000.00"

STATEMENT

These amendments incorporate into the bill provisions similar to those contained in the "Hackensack Meadowlands Food Distribution Center Commission Law," P.L. 1983, c. 272 (C. 13:17A-1 et seq.).

ADOPTED  
JUN 17 1985

6/17/85

Senate \_\_\_\_\_ Amendments

(Proposed by Senator Weiss)  
to

Assembly \_\_\_\_\_ Bill No. 2026 2nd OCR

(Sponsored by Assemblywoman Kalik)

Amend:

Page	Sec.	Line
2	4	15

After "years," Insert "no more than three of whom shall be of the same political party,"

STATEMENT

This amendment would assure the bipartisan composition of the public membership of the South Jersey Food Distribution Authority.

ADOPTED  
JUN 17 1985



STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

August 28, 1985

ASSEMBLY BILL NO. 2026 (3RD OCR)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the Constitution, I herewith return Assembly Bill No. 2026 of 1984 (3rd OCR) with my recommendations for reconsideration.

This bill, entitled the "South Jersey Food Distribution Authority Law," creates a nine-member Authority to establish and operate a regional facility in the southern area of New Jersey which will serve as a wholesale food outlet and which may contain storage, distribution, and processing facilities for produce, meat, fish, dairy and other grocery products, as well as beverages and frozen foods. The bill also appropriates \$750,000 to enable the Authority to carry out its tasks.

I fully support the concept of a South Jersey food distribution center. Establishment of such a facility will benefit this State in many ways. In addition to enhancing the extensive farming industry in South and Central Jersey and stimulating New Jersey's fishing industry, the center would provide direct economic gains in jobs and services to neighboring areas. Also, since the food demands of the southern region of the State are rapidly increasing, the center would provide processors and purveyors of food with the capability to meet those demands. For similar reasons, I supported the establishment of a food distribution center in the northern region of New Jersey by signing into law, on July 18, 1983, Senate Bill No. 1908 (P.L. 1983, c. 272; C.13:17A-1 et seq.), which provides for the establishment of the Hackensack Meadowlands Food Distribution Center Commission.

However, I am concerned that Assembly Bill No. 2026 lacks certain essential provisions which were incorporated in the Hackensack Meadowlands Food Distribution Center Commission Law. Most importantly, this bill does not provide that the South Jersey Food Distribution Authority must conduct appropriate feasibility studies prior to determining the location, type and character of the facility. It would be a grave error to site and thereafter to construct a food distribution facility of this magnitude without first conducting feasibility studies regarding potential sites and related transportation issues, the ability of the facility to rent space and generate revenues, the possibilities

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

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for acquisition of lands for the facility, and other similar issues which may have a substantial effect on the viability of the facility.

Furthermore, I believe that the provision in this bill requiring public advertisement for certain contracts whose amount exceeds \$4,500 should be amended to mirror recent changes to the bidding threshold laws which set a threshold of \$7,500 and also provide for the periodic adjustment of the bidding threshold amount. I also believe that the provisions in this bill regarding the number of members required to constitute a quorum at Authority meetings and certain voting requirements be amended to mirror similar provisions in the Hackensack Meadowlands Food Distribution Center Commission Law.

Accordingly, I herewith return Assembly Bill No. 2026 for reconsideration and recommend that it be amended as follows:

Page 3, Section 4, Lines 41-45: DELETE lines 41 through 44 in entirety; DELETE "thority." on line 45 and INSERT:

"a majority of the entire authorized membership of the authority, which shall include at least two ex-officio members, shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the authority at any meeting of the members thereof by a vote of a majority of the members present (which shall include two ex-officio members) unless in any case the bylaws of the authority shall require a larger number."

Page 7, Section 5, Line 97: After "To" INSERT:

"conduct a study to determine if the market facility is feasible and thereafter to conduct feasibility studies to identify an appropriate site therefor and thereafter to"

Page 7, Section 5, After Line 105: INSERT new subsection as follows:

"z. (1) To make all purchases, contracts, or agreements where the cost or contract price exceeds the sum of \$7,500.00 which, except as otherwise provided in this subsection, shall be made, negotiated, or awarded only after public advertisement for bids therefor and shall be awarded to that responsible bidder whose bid, conforming to the invitation for bids, is most advantageous to the authority, in its judgment, upon consideration of price and other factors. Any bid may be rejected when the authority determines that it is in the public interest to do so.

Any purchase, contract, or agreement where the cost or contract price is \$7,500.00 or less may be made, negotiated, or awarded by the authority without advertising and in any manner which the authority, in its judgment, deems necessary to serve its unique interests and purposes and which promotes, whenever practicable, full and free competition by the acceptance of quotations or proposals or by the use of other suitable methods.

(2) Any purchase, contract, or agreement where the cost or contract price exceeds \$7,500.00 may be made, negotiated, or awarded by the authority without advertisement for bids when the subject matter is that described

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in paragraph (3) of this subsection or when the purchase, contract, or agreement is made, negotiated, or awarded under the circumstances described in paragraph (4) of this subsection. In any such instance, the authority may make, negotiate, or award the purchase, contract, or agreement in any manner which the authority deems necessary to serve its unique interests and purposes and which promotes, whenever practicable, full and free competition by the acceptance of quotations or proposals or by the use of other suitable methods.

(3) Any purchase, contract, or agreement may be made, negotiated, or awarded pursuant to paragraph (2) of this subsection when the subject matter consists of:

(a) Services which are professional or technical in nature or services which are original and creative in character in a recognized field of artistic endeavor;

(b) Items which are perishable or subsistence supplies;

(c) Items which are specialized equipment or specialized machinery necessary to the conduct of authority business;

(d) Items or services supplied by a public utility subject to the jurisdiction of the Board of Public Utilities and tariffs and schedules of the charges made, charged or exacted by the public utility for those items or services are filed with the Board;

(e) Items which are styled or seasonal wearing apparel; or

(f) The lease of such office space, office machinery, specialized equipment, buildings or real property as may be required for the conduct of authority business.

(4) Any purchase, contract, or agreement may be made, negotiated, or awarded pursuant to paragraph (2) of this subsection above when:

(a) Standardization of equipment and interchangeability of parts is in the public interest;

(b) Only one source of supply or services is available;

(c) The safety or protection of the authority's or other public property require;

(d) The exigency of the authority's service will not admit of advertisement;

(e) More favorable terms can be obtained from a primary source of supply of an item or service;

(f) Bid prices, after advertising, are not reasonable or have not been independently arrived at in open competition; but no negotiated purchase, contract, or agreement may be entered into under this subsection after the rejection of all bids received unless (i) notification of the intention to negotiate and reasonable opportunity to negotiate is given to each responsible bidder; (ii) the negotiated price is lower than the lowest rejected bid price of a responsible bidder; and (iii) the negotiated price is the lowest negotiated price offered by any responsible contractor;

(g) The purchase is to be made from, or the contract is to be made with, the federal or any state government or agency or political subdivision thereof; or

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(h) Purchases made through or by the Director of the Division of Purchase and Property pursuant to section 1 of P.L. 1959, c. 40 (C.52:27B-56.1).

(5) In any case where the authority shall make, negotiate, or award a purchase, contract, or agreement without public advertisement pursuant to paragraph (2) of this subsection, the authority shall, by resolution passed by the affirmative vote of a majority of its members, specify the subject matter or circumstances set forth in paragraphs (3) and (4) which permit the authority to take such action.

(6) Nothing herein shall prevent the authority from having any work done by its own employees.

(7) Commencing January 1, 1986, the Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of each even-numbered year, adjust the threshold amount set forth in paragraph (1) of this section, or subsequent to 1986 the threshold amount resulting from any adjustment under this paragraph, in direct proportion to the rise or fall of the consumer price index for all urban consumers in the New York City and the Philadelphia areas as reported by the United States Department of Labor. The Governor shall, no later than June 1 of each even-numbered year, notify the authority of the adjustment. The adjustment shall become effective on July 1 of each even-numbered year."

Pages 21-22, Section 20, Lines 1-26: DELETE lines 1 through 26 in entirety.

Page 22, Sections 21, 22 and 23: RENUMBER as sections "20.", "21." and "22."

Respectfully,  
/s/ Thomas H. Kean  
GOVERNOR

[seal]

Attest:  
/s/ W. Cary Edwards  
Chief Counsel