

ORDINANCE 7-13

BOND ORDINANCE AUTHORIZING VARIOUS WATER SYSTEM IMPROVEMENTS AND ACQUISITIONS IN AND FOR THE BOROUGH OF LINCOLN PARK, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, APPROPRIATING \$385,000.00 THEREFORE, AND AUTHORIZING THE ISSUANCE OF \$346,500.00 BONDS OR NOTES TO FINANCE PART OF THE COST THEREOF.

BE IT ORDAINED by the Governing Body of the Borough of Lincoln Park, in the County of Morris, New Jersey as follows:

SECTION ONE: Pursuant to the applicable statutes of the State of New Jersey, the following described projects in and for the Borough of Lincoln Park in the County of Morris, New Jersey (the “Borough”) by the Borough Water Utility, together with all work, materials, appurtenances and equipment necessary therefor and incidental thereto, is hereby authorized as follows:

Project	Maximum Estimated Project Cost	Down Payment	Maximum Amount of Bonds or Notes	Period of Usefulness (in years)
Various improvements and acquisition of equipment to and for the Borough’s water system, including, but not limited to,				
(a) Improvements and upgrades to the Davit Water Tank, and	\$ 330,000.00	\$ 33,000.00	\$ 297,000.00	15 years
(b) Acquisition and installation of a generator at Aqueduct Park Pump Station.	\$ 55,000.00	\$ 5,500.00	\$ 49,500.00	15 years
TOTAL:	\$ 385,000.00	\$ 38,500.00	\$ 346,500.00	15 years

SECTION TWO: It is hereby by determined and declared by this Governing Body as follows:

A. The estimated cost and maximum amount of money to be raised from all sources for the several improvements and purposes described in SECTION ONE hereof is: \$385,000.00.

B. The estimated maximum amount of bonds or notes to be issued for the projects or purposes described in SECTION ONE hereof is: \$346,500.00.

C. An appropriation was or is contained in the Water Utility Capital Improvement Fund of the Borough heretofore adopted in the sum of \$385,000.00 for the purposes stated in SECTION ONE hereof; and there is now available in said appropriation said sum of \$38,500.00 which sum is hereby appropriated as a down payment for the purposes stated in SECTION ONE hereof.

SECTION THREE: The sum of \$385,000.00 (including the down payment authorized in SUBSECTION C of SECTION TWO hereof) is hereby appropriated for the projects or purposes stated in SECTION ONE hereof.

SECTION FOUR: For the purpose of financing a portion of the cost of the purposes described in SECTION ONE hereof, the issuance of bonds of the Borough is hereby authorized in an aggregate principal amount not to exceed THREE HUNDRED FORTY-SIX THOUSAND FIVE HUNDRED DOLLARS (\$346,500.00) under the provisions of the Local Bond Law, constituting Chapter 2 of Title 40A of the Revised Statutes of New Jersey. The rate or rates of interest, maturities, method of sale and other details of said bonds

not determined herein shall be determined by subsequent resolution or resolutions adopted by this Governing Body pursuant to law.

SECTION FIVE: Pending the issuance of the bonds authorized in SECTION FOUR hereof, Bond Anticipation Notes of the Borough may be issued pursuant to said Local Bond Law in an aggregate principal amount not to exceed THREE HUNDRED FORTY-SIX THOUSAND FIVE HUNDRED DOLLARS (\$346,500.00). Such Bond Anticipation Notes shall each be designated "BOND ANTICIPATION NOTE" (Issued for Various Water System Improvement and Acquisition Projects). All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Director of Finance of the Borough, provided that no note shall mature later than one (1) year from its date or as otherwise authorized by the Local Bond Law. The notes shall bear interest at such rate or rates and be in such form as may be determined by the Director of Finance. The Director of Finance shall determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Director of Finance upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of the Local Bond Law. The Director of Finance is hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon, if any, from their dates to the date of delivery thereof. The Director of Finance is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate, and the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION SIX: It is hereby further determined and declared by this Governing Body as follows:

A. The projects or purposes described in SECTION ONE of this Bond Ordinance are not a current expense; they are projects or purposes that the Borough may lawfully undertake as a general improvement.

B. The average period of usefulness of the projects or purposes described in SECTION ONE hereof for which the bonds are hereby authorized to be issued, within the limits prescribed by the Local Bond Law, is 15 years.

C. All bonds or notes issued pursuant to this Ordinance shall bear interest at a rate not to exceed the maximum rate permitted by law.

D. The Supplemental Debt Statement required by said Local Bond Law has been duly made and filed in the Office of the Borough Clerk prior to the passage of this Ordinance on first reading, and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services of the State of New Jersey prior to the passage of this Ordinance on final reading, and such statement shows that the gross debt of the Borough, as defined in N.J.S.A. 40A:2-43, is increased by this Ordinance by \$346,500.00 and that the issuance of the obligations authorized by this Ordinance will be within all debt limitations contained in the Local Bond Law.

E. The total amount of the proceeds of the obligations authorized by this ordinance to be expended for the interest on the obligations authorized herein, legal expenses and the cost of issuance of the obligations authorized by this Ordinance, including printing, advertisement of ordinances and notices of sale, legal expenses and other expenses as provided in N.J.S.A. 40A:2-20 does not exceed \$73,000.

SECTION SEVEN: The Borough Water Utility budget is hereby amended to conform with the provisions of this Ordinance to the extent of any inconsistency herewith, and the resolution promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the

Director, Division of Local Government Services is on file with the Borough Clerk and is available for public inspection.

SECTION EIGHT: In the event moneys are lawfully received from the County of Morris, the State of New Jersey, the United States of America, or any other agency of any of the foregoing for the purposes provided in this Ordinance, such monies shall be used for the improvements authorized herein and to reduce the amount of bonds or notes authorized to be issued by this Ordinance by the amount so received, or if monies are received after the issuance of the bonds or notes authorized by this Ordinance, such money shall be used solely for the payment of the debt service of said bonds or notes as the same becomes due and payable.

SECTION NINE: The full faith and credit of the Borough are hereby pledged for the payment of the principal of and interest on all bonds and notes issued pursuant to this Ordinance, and as long as such bonds or notes are outstanding there shall be levied in each year ad valorem taxes on all taxable property within the Borough without limitation as to rate or amount sufficient to pay principal of and interest on such bonds and notes maturing in said year.

SECTION TEN: This Ordinance shall take effect twenty (20) days after the first publication thereof after the final adoption, in the manner provided by law

SECTION ELEVEN: The Governing Body of the Borough hereby finds, that, in the event expenditures are made for the purposes set forth in SECTION ONE hereof prior to the issuance or the bonds or notes authorized hereunder, the Borough reasonably expects to reimburse itself for any such expenditures from the proceeds of bonds or notes when issued, and will deposit such proceeds into the fund or account from which such expenditure was originally paid. The maximum principal amount of obligations expected to be issued for the projects is as stated in SECTION ONE. For the purposes of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended, this SECTION ELEVEN constitutes a declaration of official intent.

Raymond Kerwin
Council President

ATTEST:

Cynthia Sloane, R.M.C.
Borough Clerk

INTRODUCED
PUBLISHED IN DAILY RECORD
PUBLIC HEARING AND ADOPTION
PUBLISHED IN DAILY RECORD
EFFECTIVE DATE

July 15, 2013
July 21, 2013
August 19, 2013
August 25, 2013
September 14, 2013