

TOWNSHIP OF GREENWICH, NEW JERSEY

ORDINANCE NO. 18 - 2014

**AMENDED AND RESTATED BOND ORDINANCE
AUTHORIZING THE REPAIR AND REHABILITATION OF
VARIOUS WATER MAINS IN THE TOWNSHIP OF
GREENWICH, COUNTY OF GLOUCESTER, NEW
JERSEY; APPROPRIATING THE SUM OF \$500,000
THEREFOR; AUTHORIZING THE ISSUANCE OF
GENERAL OBLIGATION BONDS OR BOND
ANTICIPATION NOTES OF THE TOWNSHIP OF
GREENWICH, COUNTY OF GLOUCESTER, NEW JERSEY,
IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO
\$500,000; MAKING CERTAIN DETERMINATIONS AND
COVENANTS; AND AUTHORIZING CERTAIN RELATED
ACTIONS IN CONNECTION WITH THE FOREGOING**

BACKGROUND

WHEREAS, the Township Council of the Township of Greenwich, County of Gloucester, New Jersey ("Township"), has duly and finally adopted bond ordinance 6-2013 ("Ordinance"), authorizing the replacement of certain water mains for the Township (collectively, the "Improvements"); and

WHEREAS, the Township desires to broaden the description of the improvements previously authorized in the Ordinance; and

WHEREAS, it is necessary for the Township to amend and restate the Ordinance for budgetary purposes and to include improvements not previously included in the Ordinance.

NOW THEREFORE, BE IT ORDAINED, by the Township Council (not less than two-thirds of all the members thereof affirmatively concurring), pursuant to the provisions of the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"), as follows:

Section 1. The purposes described in Section 7 hereof are hereby authorized as general improvements to be made or acquired by the Township.

Section 2. It is hereby found, determined and declared as follows:

- (a) the estimated amount to be raised by the Township from all sources for the purposes stated in Section 7 hereof is \$500,000; and
- (b) the estimated amount of bonds or bond anticipation notes to be issued for the purposes stated in Section 7 hereof is \$500,000.

Section 3. The sum of \$500,000, to be raised by the issuance of bonds or bond anticipation notes, is hereby appropriated for the purposes stated in this bond ordinance ("Bond Ordinance").

Section 4. The issuance of negotiable bonds of the Township in an amount not to exceed \$500,000 to finance the costs of the purposes described in Section 7 hereof is hereby authorized. Said bonds shall be sold in accordance with the requirements of the Local Bond Law.

Section 5. In order to temporarily finance the purposes described in Section 7 hereof, the issuance of bond anticipation notes of the Township in an amount not to exceed \$500,000 is hereby authorized. Pursuant to the Local Bond Law, the Chief Financial Officer is hereby authorized to sell part or all of the bond anticipation notes from time to time at public or private sale and to deliver the same to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their date to delivery thereof. The Chief Financial Officer is hereby directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the bond anticipation notes pursuant to this Bond Ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

Section 6. The amount of the proceeds of the obligations authorized by this Bond Ordinance which may be used for the payment of interest on such obligations, accounting, engineering, legal fees and other items as provided in Section 20 of the Local Bond Law, N.J.S.A. 40A:2-20, shall not exceed the sum of \$100,000.

Section 7. The improvements hereby authorized and the purposes for which said obligations are to be issued; the estimated costs of each said purpose; the amount of down payment for each said purpose; the maximum amount obligations to be issued for each said purpose and the period of usefulness of each said purpose within the limitations of the Local Bond Law are as follows:

| Purpose/Improvement | Estimated Total Cost | Down Payment | Amount of Obligations | Period of Usefulness |
|--|----------------------|--------------|-----------------------|----------------------|
| A. Repair and/or Rehabilitation of Various Water Mains in the Township, together with the acquisition of all materials, equipment and completion of all work necessary therefor or related thereto; all as more particularly described in the plans and specifications on file in the office of the Township Clerk | \$500,000 | \$0 | \$500,000 | 40 years |

Section 8. Grants or other monies received from any governmental entity, if any, will be applied to the payment of, or repayment of obligations issued to finance, the costs of the purposes described in Section 7 above.

Section 9. The supplemental debt statement provided for in Section 10 of the Local Bond Law, N.J.S.A. 40A:2-10, was duly filed in the office of the Clerk prior to the passage of this Bond Ordinance on first reading and a complete executed duplicate original thereof has been filed in the Office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. The supplemental debt statement shows that the gross debt of the Township, as defined in Section 43 of the Local Bond Law, N.J.S.A. 40A:2-43, is increased by this Bond Ordinance by \$500,000 and that the obligations authorized by this Bond Ordinance will be within all debt limitations prescribed by said Local Bond Law.

Section 10. The full faith and credit of the Township are irrevocably pledged to the punctual payment of the principal of and interest on the bonds or bond anticipation notes authorized by this Bond Ordinance, and to the extent payment is not otherwise provided, the Township shall levy ad valorem taxes on all taxable real property without limitation as to rate or amount for the payment thereof.

Section 11. The applicable Capital Budget of the Township is hereby amended to conform with the provisions of this Bond Ordinance to the extent of any inconsistency therewith, and the resolution promulgated by the Local Finance Board showing full detail of the amended applicable Capital Budget and Capital Program as approved by the Director of the Division of Local Government Services, is on file with the Clerk and available for inspection.

Section 12. The Township hereby declares its intent to reimburse itself from the proceeds of the bonds or bond anticipation notes authorized by this Bond Ordinance pursuant to Income Tax Regulation Section 1.150-2(e), promulgated under the Internal Revenue Code of 1986, as amended ("Code"), for "original expenditures", as defined in Income Tax Regulation Section 1.150-2(c)(2), made by the Township prior to the issuance of such bonds or bond anticipation notes.

Section 13. The Township hereby covenants as follows:

(a) it shall take all actions necessary to ensure that the interest paid on the bonds or bond anticipation notes authorized by the Bond Ordinance is exempt from the gross income of the owners thereof for federal income taxation purposes, and will not become a specific item of tax preference pursuant to Section 57(a)(5) of the Code;

(b) it will not make any use of the proceeds of the bonds or bond anticipation notes or do or suffer any other action that would cause the bonds or bond anticipation notes to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code and the Regulations promulgated thereunder;

(c) it shall calculate or cause to be calculated and pay, when due, the rebatable arbitrage with respect to the "gross proceeds" (as such term is used in Section 148(f) of the Code) of the bonds or bond anticipation notes;

(d) it shall timely file with the Ogden, Utah Service Center of the Internal Revenue Service, such information report or reports as may be required by Sections 148(f) and 149(e) of the Code; and

(e) it shall take no action that would cause the bonds or bond anticipation notes to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 14. All ordinances or other proceedings making appropriations or authorizing the issuance of bonds or bond anticipation notes for the improvements or purposes described in Section 7 of this Bond Ordinance, particularly, the improvements previously authorized by Ordinance 6-2013, are hereby repealed to the extent of any inconsistency herewith and to the extent, if any, that they authorize the issuance hereafter of bonds or bond anticipation notes for the purpose of financing such improvements or purposes, or that they make appropriations for such improvements or purposes in excess of the amounts herein stated as the appropriations therefor. Any such bonds or bond anticipation notes heretofore issued and now outstanding pursuant to these ordinances, any moneys expended and any expenses incurred pursuant to appropriations made by these ordinances or other proceedings shall be accounted and deemed to have been issued, expended or incurred pursuant to this Bond Ordinance.

Section 15. The improvements authorized hereby are not current expenses and are improvements that the Township may lawfully make. No part of the cost of the improvements authorized hereby has been or shall be specially assessed on any property specially benefited thereby.

Section 16. In accordance with the Local Bond Law, this Bond Ordinance shall take effect twenty (20) days after the first publication thereof after final passage.

Introduced: Nov. 17, 2014

Adopted: Dec. 15, 2014

Twp. of Greenwich

George W. Shivery, Jr., Mayor

Attest

Lori L. Biermann, Municipal Clerk

Statement to be published with Bond Ordinance after Introduction.

STATEMENT

Public notice is hereby given that the foregoing Bond Ordinance was introduced and passed on first reading at the Township Council meeting of the Township of Greenwich held on November 17, 2014. Further notice is given that said Bond Ordinance will be considered for final passage and adoption, after a public hearing thereon at a meeting of the Township Council of the Township of Greenwich to be held at the Greenwich Township Court Room, 21 N. Walnut Street, Gibbstown, New Jersey, on December 15, 2014 at 7:00 p.m. During the week prior to and up to and including the date of said meeting, copies of said Bond Ordinance will be made available at the Township Clerk's Office in the Greenwich Township Municipal Building for members of the general public who request the same.

Title: **AMENDED AND RESTATED BOND ORDINANCE AUTHORIZING THE REPAIR AND REHABILITATION OF VARIOUS WATER MAINS IN THE TOWNSHIP OF GREENWICH, COUNTY OF GLOUCESTER, NEW JERSEY; APPROPRIATING THE SUM OF \$500,000 THEREFOR; AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OR BOND ANTICIPATION NOTES OF THE TOWNSHIP OF GREENWICH, COUNTY OF GLOUCESTER, NEW JERSEY, IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO \$500,000; MAKING CERTAIN DETERMINATIONS AND COVENANTS; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING**

| Purpose/Improvement | Estimated Total Cost | Down Payment | Amount of Obligations | Period of Usefulness |
|--|----------------------|--------------|-----------------------|----------------------|
| A. Repair and/or Rehabilitation of Various Water Mains in the Township, together with the acquisition of all materials, equipment and completion of all work necessary therefor or related thereto; all as more particularly described in the plans and specifications on file in the office of the Township Clerk | \$500,000 | \$0 | \$500,000 | 40 years |

Appropriation: \$500,000
 Bonds/Notes Authorized: \$500,000
 Grants (if any) Appropriated: None
 Section 20 Costs: \$100,000
 Useful Life: 40.00 year

LORI L. BIERMANN, Township Clerk

This Notice is published pursuant to N.J.S.A. 40A:2-17.

Statement to be published with Bond Ordinance after Final Adoption.

STATEMENT

The Bond Ordinance published herewith has been finally adopted on December 15, 2014 and the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this statement.

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Bonds/Notes Authorized: \$500,000
Grants (if any) Appropriated: None
Section 20 Costs: \$100,000
Useful Life: 40.00 year

LORI L. BIERMANN, Township Clerk

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