

ORDINANCE #16-2019

BOND ORDINANCE AUTHORIZING THE COMPLETION OF VARIOUS CAPITAL IMPROVEMENTS IN THE CITY OF EGG HARBOR CITY, COUNTY OF ATLANTIC, NEW JERSEY; APPROPRIATING THE SUM OF \$640,000 THEREFOR; AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OR BOND ANTICIPATION NOTES OF THE CITY OF EGG HARBOR CITY, COUNTY OF ATLANTIC, NEW JERSEY, IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO \$93,000 MAKING CERTAIN DETERMINATIONS AND COVENANTS; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING

BE IT ORDAINED by the Common Council of the City of Egg Harbor City, County of Atlantic, New Jersey (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 purpose described in Section 7 hereof is hereby authorized as general improvements to be made or acquired by the City of Egg Harbor City, County of Atlantic, New Jersey ("City").

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

- (a) the estimated amount to be raised by the City from all sources for the purpose stated in Section 7 hereof is \$640,000;
- (b) the estimated amount of bonds or bond anticipation notes to be issued for the purpose stated in Section 7 hereof is \$93,000; and
- (c) a down payment in the amount of \$7,000 for the purpose stated in Section 7 hereof is currently available in accordance with the requirements of Section 11 of the Local Bond Law, *N.J.S.A. 40A:2-11*.

Section 3. The sum of \$93,000, to be raised by the issuance of bonds or bond anticipation notes, together with the sum of \$7,000, which amount represents the required down payment, and the sum of \$540,000, which amount represents two (2) grants from the New Jersey Department of Transportation, are hereby appropriated for the purpose stated in this bond ordinance ("Bond Ordinance").

Section 4. The issuance of negotiable bonds of the City in an amount not to exceed \$93,000 to finance the costs of the purpose 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 purpose described in Section 7 hereof, the issuance of bond anticipation notes of the City in an amount not to exceed \$93,000 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 \$125,000.

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

<u>Purpose/Improvement</u>	<u>Estimated Total Cost</u>	<u>Grant</u>	<u>Down Payment</u>	<u>Amount of Obligations</u>	<u>Period of Usefulness</u>
A. Repaving and/or Reconstruction of Various City Roads and Parking Lots including, but not limited to, the City Hall Parking Lot, together with the acquisition of all materials and 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 City Clerk	\$100,000	\$0	\$7,000	\$93,000	10 years
B. Various Improvements to the Atlantic Avenue Transit Path Extension, together with the acquisition of all materials and 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 City Clerk	250,000	250,000	0	0	--
C. Reconstruction and/or Repaving of Various Sections of Chicago Avenue including, but not limited to, the 200 and 300 blocks, together with the acquisition of all materials and equipment and completion of all work necessary therefor or	290,000	290,000	0	0	--

related thereto, all as more particularly described in the plans and specifications on file in the office of the City Clerk

TOTAL	\$640,000	\$540,000	\$7,000	\$93,000
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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 purpose 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 City, as defined in Section 43 of the Local Bond Law, *N.J.S.A.* 40A:2-43, is increased by this Bond Ordinance by \$93,000 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 City 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 City 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 City 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 City 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 City prior to the issuance of such bonds or bond anticipation notes.

Section 13. The City 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 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. The improvements authorized hereby are not current expenses and are improvements that the City 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 15. All ordinances, or parts of ordinances, inconsistent herewith are hereby repealed to the extent of such inconsistency.

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.

Notice of Pending Bond Ordinance #16 and Summary

The bond ordinance, the summary terms of which are included herein, was introduced and passed upon first reading at a meeting of the Common Council of the City of Egg Harbor City, in the County of Atlantic, State of New Jersey, on October 17, 2019. It will be further considered for final passage, after public hearing thereon, at a meeting of the Common Council to be held at its meeting room in the Council Chambers of City Hall, 500 London Avenue, Egg Harbor City, New Jersey 08215, on November 21, 2019 at 7:00PM. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the City Clerk's office for the members of the general public who shall request the same. The summary of the terms of such bond ordinance follows:

Title: BOND ORDINANCE AUTHORIZING THE COMPLETION OF VARIOUS CAPITAL IMPROVEMENTS IN THE CITY OF EGG HARBOR CITY, COUNTY OF ATLANTIC, NEW JERSEY; APPROPRIATING THE SUM OF \$640,000 THEREFOR; AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OR BOND ANTICIPATION NOTES OF THE CITY OF EGG HARBOR CITY, COUNTY OF ATLANTIC, NEW JERSEY, IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO \$93,000 MAKING CERTAIN DETERMINATIONS AND COVENANTS; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING

	<u>Purpose/Improvement</u>	<u>Estimated Total Cost</u>	<u>Grant</u>	<u>Down Payment</u>	<u>Amount of Obligations</u>	<u>Period of Usefulness</u>
A.	Repaving and/or Reconstruction of Various City Roads and Parking Lots including, but not limited to, the City Hall Parking Lot, together with the acquisition of all materials and 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 City Clerk	\$100,000	\$0	\$7,000	\$93,000	10 years
B.	Various Improvements to the Atlantic Avenue Transit Path Extension, together with the acquisition of all materials and 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 City Clerk	250,000	250,000	0	0	--
C.	Reconstruction and/or Repaving of Various Sections of Chicago Avenue including, but not limited to, the 200 and 300 blocks, together with the acquisition of all materials and 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 City Clerk	290,000	290,000	0	0	--
TOTAL		\$640,000	\$540,000	\$7,000	\$93,000	

Appropriation: \$640,000
Bonds/Notes Authorized: \$93,000
Grants (if any) Appropriated: \$540,000
Section 20 Costs: \$125,000
Useful Life: 10.00 years



MEG STEEB, City Clerk

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

Introduced: October 17, 2019

Advertisement: October 30, 2019

Public Hearing: November 21, 2019

Adoption: November 21, 2019

Bond Ordinance Statements and Summary

The bond ordinance, the summary terms of which are included herein, has been finally adopted by the Common Council of the City of Egg Harbor City, in the County of Atlantic, State of New Jersey on November 21, 2019 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. Copies of the full ordinance are available at no cost and during regular business hours, at the City Clerk's office for members of the general public who request the same. The summary of the terms of such bond ordinance follows:

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Bonds/Notes Authorized: \$93,000
Grants (if any) Appropriated: \$540,000
Section 20 Costs: \$125,000
Useful Life: 10.00 years



MEG STEEB, City Clerk

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

Introduced: October 17, 2019
Publication: October 30, 2019
Public Hearing: November 21, 2019
Adoption: November 21, 2019



Lisa Jampetti, Mayor



Meg Steeb, City Clerk RMC