

ORDINANCE 14 - 2014

BOND ORDINANCE APPROPRIATING ONE MILLION DOLLARS (\$1,000,000) AND AUTHORIZING THE ISSUANCE OF NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000) IN BONDS OR NOTES OF THE CITY OF LINWOOD FOR GENERAL IMPROVEMENTS AUTHORIZED TO BE UNDERTAKEN BY THE CITY OF LINWOOD, IN THE COUNTY OF ATLANTIC, NEW JERSEY

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LINWOOD, IN THE COUNTY OF ATLANTIC, NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), AS FOLLOWS:

Section 1. Appropriation for Project-Down Payment.

The general improvements described in Section 3 of this bond ordinance are hereby authorized as general improvements to be made or acquired by the City of Linwood, in the County of Atlantic, New Jersey (the "City"). For the said improvements or purposes stated in Section 3, there are hereby appropriated the sums of money therein stated as the apportionments made for said improvements or purposes, said sums being inclusive of all appropriations heretofore made therefor and amounting in the aggregate to ONE MILLION DOLLARS (\$1,000,000), including the aggregate sum of FIFTY THOUSAND DOLLARS (\$50,000) as the down payments for said improvements as required pursuant to N.J.S.A. 40A:2-11 and more particularly described in Section 3 and now available by virtue of provision in a previously adopted budget or budgets of the City for down payments for capital improvement purposes, and including also monies received or expected to be received from the United States of America, the State of New Jersey or the County of Atlantic, or agencies thereof, as grants in aid of financing said improvements or purposes.

Section 2. Authorization of Bonds.

For the financing of said improvements or purposes and to meet the part of said ONE MILLION DOLLARS (\$1,000,000) in appropriations not provided for by application hereunder of said down payments, negotiable bonds of the City are hereby authorized to be issued in the principal amount of ONE MILLION DOLLARS (\$1,000,000) pursuant to the Local Bond Law of New Jersey (the "Local Bond Law"). In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the City in a principal amount not exceeding NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000) are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. Description of Project.

The improvements are hereby authorized and the purposes for the financing of which said obligations are to be issued, the appropriations made for and estimated costs of such purposes, and the estimated maximum amount of bonds or notes to be issued for such purposes, are follows:

| IMPROVEMENTS OR PURPOSES | APPROPRIATION AND ESTIMATED COST | ESTIMATED MAXIMUM AMOUNT OF BONDS AND NOTES |
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| (a) Various Municipal Roadway Improvements, including milling and overlay, paving and curbs, such new roadway pavement to be at least equal in useful life or durability to a road of Class B construction, as referred to in Section 40A:2-22 of the Local Bond Law, together with the construction or reconstruction of drainage facilities, pavement preparation, pavement construction or reconstruction, asphalt concrete resurfacing, driveway, curb, | | |

to in this Section as Chief Financial Officer); provided that no note shall mature later than one (1) year from its issue date. Such note(s) shall bear interest at a rate or rates and shall be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with any note(s) issued pursuant to this Ordinance, and the signature of the Chief Financial Officer upon such note(s) shall be conclusive evidence as to all such determinations. The Chief Financial Officer is hereby authorized to sell the note(s) from time to time at public or private sale in such amounts as the Chief Financial Officer may determine and not less than par, and to deliver the same from time to time to the purchasers thereof upon receipt of the purchase price plus accrued interest from their dates to the date of delivery thereof as payment thereof. Such Chief Financial Officer is authorized and directed to report in writing to the Mayor and the Council of the City at the meeting next succeeding the date when any sale or delivery of the note(s) pursuant to this Ordinance is made. Such report shall include the amount, the description, the interest rate, the maturity schedule of the note(s) sold, price obtained and the name of the purchaser. All note(s) issued hereunder may be renewed from time to time for periods not exceeding one (1) year for the time period specified in and in accordance with the provisions and limitations of N.J.S.A. 40A:2-8(a) of the Local Bond Law.

The Chief Financial Officer is further directed to determine all matters in connection with said note or notes and not determined by this Ordinance. The signature of the Chief Financial Officer upon said note(s) shall be conclusive evidence of such determination.

Section 5. Capital Budget.

The capital budget of the City of Linwood is hereby amended to conform with the provisions of this bond ordinance. The resolution in the form promulgated by the Local Finance

Board showing full detail of the capital budget and capital program is on the file with the Clerk and is available there for public inspection.

Section 6. Additional Matters.

The following additional matters are hereby determined, declared, recited and stated:

(a) The said purposes described in Section 3 of this bond ordinance are not current expenses and are properties or improvements which the City may lawfully acquire or make as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of said purposes within the limitations of the Local Bond Law and taking into consideration the respective amounts of said obligations authorized for the purposes, according to the reasonable life thereof computed from the date of said bonds authorized by this bond ordinance, is **13.75 years**.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the office of the City Clerk and a complete duplicate thereof has been electronically 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, and such statement shows that the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance by NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000), and the said obligation authorized by this bond ordinance will be within all debt limitations prescribed by the Local Bond Law.

(d) Amounts not exceeding ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$175,000) in the aggregate for interest on said obligation, cost of issuing said obligation, engineering and inspection costs, legal expenses, a reasonable proportion of the

compensation and expenses of employees of the City in connection with the construction or acquisition of improvements and properties as authorized herein, and other items of expense listed in and permitted under Section 40A:2-20 of the Local Bond Law have been included as part of the cost of said improvements and are included in the foregoing estimate thereof.

Section 7. Ratification of Prior Actions.

Any actions taken by any officials of the City in connection with the improvements described in Section 3 hereof are hereby ratified and confirmed notwithstanding that such actions may have been taken prior to the effective date of this bond ordinance and shall be deemed to have been taken pursuant to this bond ordinance.

Section 8. Application of Grants.

Any grant moneys received for the purpose described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 9. Full Faith and Credit.

The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on the said obligations authorized by this bond ordinance. Said obligations shall be direct, unlimited obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable property within the City for the payment of said obligations and interest thereon without limitation of rate or amount.

Section 10. Official Intent to Reimburse Expenditures.

The City reasonably expects to reimburse any expenditures towards the costs of the improvements or purposes described in Section 3 of this Bond Ordinance and paid prior to the

issuance of any bonds or notes authorized by this Bond Ordinance with the proceeds of such bonds or notes. No funds from sources other than the bonds or notes authorized herein has been or is reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the City, or any member of the same “control group” as the City, within the meaning of Treasury Regulations Section 1.150-1(f), pursuant to their budget or financial policies with respect to any expenditures to be reimbursed. This Section is intended to be and hereby is a declaration of the City’s official intent to reimburse any expenditures towards the costs of the improvements or purposes described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulations Section 1.103-18, and no action (or inaction) will be an artifice or device in accordance with Treasury Regulation Section yield restrictions or arbitrage rebate requirements.

Section 11. Effective Date.

This bond ordinance shall take effect twenty (20) days after the first publication of a summary thereof after final adoption, as provided by the Local Bond Law.

RICHARD L. DEPAMPHILIS, III, MAYOR

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| FIRST READING: | June 25, 2014 |
| PUBLICATION: | June 30, 2014 |
| FINAL READING: | July 9, 2014 |
| PUBLICATION WITH STATEMENT: | July 14, 2014 |

NOTICE OF PENDING BOND ORDINANCE 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 governing body of the City of Linwood, in the County of Atlantic, State of New Jersey, held on June 25, 2014, at the Linwood City Hall. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held on July 9, 2014, at 6:00 o'clock p.m. at the Linwood City Hall. 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 Clerk's office located in the City Hall, 400 Poplar Avenue, Linwood, New Jersey 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 APPROPRIATING ONE MILLION DOLLARS (\$1,000,000) AND AUTHORIZING THE ISSUANCE OF NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000) IN BONDS OR NOTES OF THE CITY OF LINWOOD FOR GENERAL IMPROVEMENTS AUTHORIZED TO BE UNDERTAKEN BY THE CITY OF LINWOOD, IN THE COUNTY OF ATLANTIC, NEW JERSEY"

Purpose(s): Various Municipal Roadway Improvements and Various Improvements to the Municipal Sanitary Sewer System

Appropriation: \$1,000,000

Bonds/Notes Authorized: \$950,000

Grants (if any) Appropriated: None

Section 20 Costs: \$175,000

Useful Life: 13.75 years

Leigh Ann Napoli, RMC, Municipal Clerk

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

BOND ORDINANCE STATEMENTS AND SUMMARY

The Bond Ordinance, the summary terms of which are included herein, has been finally adopted by the City of Linwood, in the County of Atlantic, State of New Jersey on July 9, 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. Copies of the full ordinance are available at no cost and during regular business hours, at the 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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