

Borough of Matawan

Notice of Pending Ordinance 18-16

The ordinance published herewith was introduced and passed upon first reading at a meeting of the Governing Body of the Borough of Matawan, in the County of Monmouth, State of New Jersey, on August 21, 2018. It will be further considered for final passage, after public hearing thereon, at a meeting of the Governing Body to be held at the Borough of Matawan, Matawan Municipal Community Center, 201 Broad Street, Matawan, New Jersey 07747 on September 18, 2018 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 Clerk's Office for the members of the general public who shall request the same or on the Borough of Matawan website at www.matawanborough.com.

Robin Klinger
Deputy Clerk

ORDINANCE 18-16

BOND ORDINANCE PROVIDING FOR 2018 ROAD PROGRAM AND WATER/SEWER UTILITY SANITARY SEWER REHABILITATION PROGRAM IMPROVEMENTS BY THE BOROUGH OF MATAWAN, APPROPRIATING \$3,250,000 THEREFOR, INCLUDING A GRANT IN THE AMOUNT OF \$350,000 EXPECTED TO BE RECEIVED FROM THE STATE DEPARTMENT OF TRANSPORTATION, AND AUTHORIZING THE ISSUANCE OF \$2,778,500 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF MATAWAN (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The improvement or purpose described in Section 3 of this bond ordinance is hereby authorized to be undertaken by the Borough of Matawan, a municipal corporation of the State of New Jersey (the "Borough") as a general improvement. For the improvement or purpose described in Section 3 of this bond ordinance, there is hereby appropriated the sum of \$3,250,000, including a grant in the amount of \$350,000 expected to be received from the State of New Jersey Department of Transportation, and including the sum of \$121,500 as the down payment for the improvement or purpose required by the Local Bond Law. The down payment is now available by virtue of the provision for a down payment for capital improvement purposes in one or more previously adopted budgets. Note: No down payment is required for the purposes set forth in Section 3(b) below, as said purposes are deemed self-liquidating and the obligations authorized in connection with said purposes are deductible from the gross debt of the Borough, as more fully explained in Section 6 of this Ordinance.

Section 2. In order to finance the cost of the improvement or purpose not covered by the application of the down payment, negotiable bonds are hereby authorized to be issued in the principal amount of \$2,778,500 pursuant to the Local Bond Law. In anticipation of the issuance of bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. The improvements or purposes hereby authorized for which bonds or notes are to be issued, the estimated cost of each improvement or purpose and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each improvement or purpose, and the period of usefulness of each improvement or purpose are as follows:

(a) Capital improvements for various roads throughout the Borough as part of the Borough's 2018 Road Maintenance Program, including: the design and construction of an underdrain and sump pump tie-in along Oak Road; striping of various roads throughout the Borough; road reconstruction and water main replacement along Harding Boulevard from Liberty Street to the NW Terminus; road reconstruction work along Washington Avenue from Roberts Street to Union Avenue; road improvements for Vermont Court from Route 79 to its Terminus; road improvements for Edgemere Drive from Lakeland Avenue to Schenk Drive; road improvements for Villanova Place from Victoria Drive to the northern cul-de-sac; Broad Street Water Main Replacements (Phase 1) from Route 34 to Church Street; crack sealing for various Borough roads; and all work and materials necessary therefor or incidental thereto.

<u>APPROPRIATION</u>	<u>BOND AUTHORIZATION</u>	<u>PERIOD OF USEFULNESS</u>
\$2,900,000 (including a grant in the amount of \$350,000 expected to be received from the State Department of Transportation)	\$2,428,500	20 years

(b) Capital improvements pursuant to the Borough's 2018 Sanitary Sewer Rehabilitation Program, including the design, repair and rehabilitation of various sanitary sewers throughout the Borough, including, but not limited to, Ravine Drive from Grant Street to Wyckoff Street; Siphon between Beachwood Terrace and Ravine Drive; Abandoned Treatment Plant/Matawan Pump Station to Union Street; Harding Boulevard from Liberty Street to NW Terminus; Washington Street (near Main Street); and all work and materials necessary therefor or incidental thereto.

<u>APPROPRIATION</u>	<u>BOND AUTHORIZATION</u>	<u>PERIOD OF USEFULNESS</u>
\$350,000	\$350,000	40 years

**TOTAL
APPROPRIATION**

\$3,250,000

**TOTAL BOND
AUTHORIZATION**

\$2,778,500

**AVERAGE PERIOD
OF USEFULNESS**

22.52 years

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer; provided that no bond anticipation note shall mature later than one year from its date. The bond anticipation notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with the bond anticipation notes issued pursuant to this bond ordinance, and the Chief Financial Officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell a part, or all, of the bond anticipation notes from time to time at public or private sale, and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest, if any, from their dates to the dates of delivery thereof. The Chief Financial Officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale of bond anticipation notes issued 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 5. The capital budget of the Borough is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement or purpose described in Section 3(a) of this bond ordinance is not a current expense. It is an improvement or purpose that the Borough may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby. The improvement or purpose described in Section 3(b) of this bond ordinance is not a current expense. It is an improvement or purposes that the Borough may lawfully undertake as a self-liquidating purpose of a municipal public utility and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the improvement or purpose described in Section 3 of this bond ordinance, computed on the basis of the amount of obligations authorized for the improvement or purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 22.52 years.

(c) An aggregate amount not exceeding \$600,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost of the improvement or purpose set forth in Section 3 of this bond ordinance.

(d) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and submitted to the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Borough is increased by \$2,778,500 (the amount of the authorization of the obligations provided for in this bond ordinance), but that the net debt of the Borough determined as provided in the Local Bond Law is only increased by \$2,428,500 as \$350,000 of the obligations authorized herein are deemed self-liquidating and thus are deductible from the gross debt of the Borough. The obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(e) Section 3(b) of this Bond Ordinance authorizes obligations of the Borough solely for purposes described in N.J.S.A. 40A:2-7(h). The obligations authorized in said Section 3(b) are to be issued for a purpose that is deemed self-liquidating pursuant to N.J.S.A. 40A:2-47(a) and are deductible from gross debt pursuant to N.J.S.A. 40A:2-44(c).

Section 7. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Borough, and the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Borough for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 8. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.