

BOND ORDINANCE #10-23
**BOND ORDINANCE PROVIDING FOR WATER
MAIN IMPROVEMENTS IN, BY AND FOR THE BOROUGH OF
SAYREVILLE, NEW JERSEY, APPROPRIATING \$2,750,000
THEREFOR AND AUTHORIZING THE ISSUANCE OF
\$2,750,000 BONDS OR NOTES OF THE BOROUGH FOR
FINANCING SUCH APPROPRIATION**

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

Section 1. The Borough Council of the Borough of Sayreville, New Jersey (the "Borough") has ascertained and hereby determines that it is necessary and desirable to raise money to finance the cost of the improvements described in Section 3 of this bond ordinance, which improvements are hereby authorized to be made or acquired by the Borough. For said improvements or purposes stated in said Section 3, there is hereby appropriated the sum of \$2,750,000, said sum being inclusive of all appropriations heretofore made therefor. No down payment is required for said improvements or purposes in accordance with Section 7(h) of the Local Bond Law, constituting Chapter 2 of Title 40A of the New Jersey Revised Statutes (the "Local Bond Law").

Section 2. For the financing of said improvements or purposes, negotiable bonds of the Borough are hereby authorized to be issued in the principal amount of \$2,750,000 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the Borough in the principal amount not exceeding \$2,750,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. (a) The improvements hereby authorized and the purposes for the financing of which said obligations are to be issued are water main improvements to South Minnisink Avenue, French Street/Albert Street, Elizabeth Avenue, and Little Broadway,

together with all other work, materials and appurtenances necessary therefore or incidental thereto.

(b) The estimated maximum amount of bonds or notes of the Borough to be issued for said purposes is \$2,750,000.

(c) The estimated cost of said purposes is \$2,750,000.

Section 4. 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 Borough may lawfully acquire or make as general improvements, and no part of the cost thereof has been or shall be specially benefited thereby.

(b) The period of usefulness of said purposes within the limitations of the Local Bond Law, according to the reasonable lives thereof computed from the date of said bonds or notes authorized by this bond ordinance, is 40 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the office of the Borough Clerk and a complete electronic copy thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs in the State of New Jersey (the "Division"), and such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance by \$2,750,000, and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by the Local Bond Law.

(d) The said purposes described in Section 3 of this bond ordinance constitute improvements to the Borough's water system, which is self-liquidating pursuant to Section 45 of the Local Bond Law. The obligations authorized herein are, therefore, not includable within the net debt of the Borough, as defined in the Local Bond Law, and no down

payment is required to be made by the Borough.

(e) An aggregate amount not exceeding \$250,000 for interest on said obligations, costs of issuing said obligations, engineering costs and other items of expense listed in and permitted under Section 40A:2-20 of the Local Bond Law is included in the estimated cost of said improvements.

Section 5. Any funds from time to time received by the Borough as contributions-in-aid of financing the improvements or purposes described in Section 3 of this bond ordinance shall be used for financing said improvements or purposes by application thereof either to direct payment of the cost of said improvements or purposes, or to payment or reduction of the authorization of the obligations of the Borough authorized therefor by this bond ordinance. Any such funds so received may, and all such funds so received which are not required for direct payment of the cost of said improvements or purposes shall, be held and applied by the Borough as funds applicable only to the payment of obligations of the Borough authorized by this bond ordinance.

Section 6. The full faith and credit of the Borough 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 and unlimited obligations of the Borough, and the Borough shall be obligated to levy ad valorem taxes upon all of the taxable property within the Borough for the payment of said obligations and interest thereon without limitation as to rate or amount.

Section 7. 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 and the resolutions promulgated by the Local Finance Board of the Division showing all detail of the amended capital budget and capital program as approved by the Director of the Division, are on file with the Borough Clerk and are available for public inspection.

Section 8. The Borough intends to issue bonds or notes to finance the cost of the

improvements or purposes described in Section 3 of this bond ordinance. The Borough expects that the maximum principal amount of bonds or notes which will be issued to finance the cost of the improvements or purposes described in Section 3 of this bond ordinance is \$2,750,000. If the Borough incurs any such costs prior to the issuance of the bonds or notes, the Borough intends to reimburse itself for such expenditures with the proceeds of the bonds or notes.

Section 9. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption as provided by the Local Bond Law.

INTRODUCED/APPROVED ON FIRST READING

DATED: April 10, 2023

Jessica Morelos, R.M.C.
Clerk of the Borough of Sayreville

Daniel Balka, Councilman
(Admin. & Finance Committee)
Borough of Sayreville

ADOPTED ON SECOND READING

DATED: April 24, 2023

Jessica Morelos, R.M.C.
Clerk of the Borough of Sayreville

Daniel Balka, Councilman
(Admin. & Finance Committee)
Borough of Sayreville

APPROVAL BY THE MAYOR ON THIS _____ DAY OF _____, 2023.

Victoria Kilpatrick, Mayor
Borough of Sayreville

APPROVED AS TO FORM:

SEAN KEAN, ESQ., Borough Attorney