

ORDINANCE #	24-3314
Introduction Date:	5/21/2024
Hearing Date:	6/5/2024
Passage Date:	6/5/2024
Effective Date:	7/3/2024

BOND ORDINANCE APPROPRIATING \$2,655,000, AND AUTHORIZING THE ISSUANCE OF \$2,528,000 BONDS OR NOTES OF THE CITY, FOR VARIOUS SEWER UTILITY IMPROVEMENTS OR PURPOSES AUTHORIZED TO BE UNDERTAKEN BY THE CITY OF SUMMIT, IN THE COUNTY OF UNION, NEW JERSEY. (*Sewer Utility Various Improvements*)

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

Section 1. The several improvements described in Section 3 of this bond ordinance are hereby respectively authorized as general improvements to be made or acquired by The City of Summit, New Jersey. For the said several improvements or purposes stated in said Section 3, there are hereby appropriated the respective sums of money therein stated as the appropriations made for said improvements or purposes, said sums being inclusive of all appropriations heretofore made therefor and amounting in the aggregate to \$2,655,000 and including the sum of \$127,000 as the several down payments for said improvements or purposes now available therefor in the Sewer Utility Capital Improvement Fund of the City.

Section 2. For the financing of said improvements or purposes, including for the purpose of applicable United States Treasury regulations the reimbursement of expenditures heretofore or hereafter made therefor, and to meet the said \$2,655,000 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 \$2,528,000 pursuant to the Local Bond Law of New Jersey. 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 \$2,528,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by said Local Bond Law.

Section 3. The improvements hereby authorized and the several purposes for the financing of which said obligations are to be issued, the appropriation made for and estimated cost of each such purpose, and the estimated maximum amount of bonds or notes to be issued for each such purpose, are respectively as follows:

<u>IMPROVEMENT OR PURPOSE</u>	<u>APPROPRIATION AND ESTIMATED COST</u>	<u>ESTIMATED MAXIMUM AMOUNT OF BONDS AND NOTES</u>
(a) Improvement of the sanitary sewerage system in and by the City, including, but not limited to, by the TV inspection and line cleaning of the system, the upgrade of the sewer lines in and along various roads, including but not limited to, Woodmere Drive, Pond, Industrial Place, Lorraine Road, Lorraine Place, Sherman Avenue, the upgrade of the Broad Street trunk line, the upgrade of the collection system, the upgrade of various pump stations including, Glen Avenue, River Road, Constantine Road and Chatham Road, and the upgrade of pumps, grinders, pipes and facilities in and along various streets and locations, together with all studies, structures, appurtenances, equipment, site work, work and materials necessary therefor or incidental thereto, all as shown on and in accordance with the plans and specifications therefor on file or to be filed in the office of the City Clerk or the City Engineer and hereby approved	\$2,185,000	\$2,080,900
(b) Acquisition by purchase of new and additional equipment, including, but not limited to, one (1) mini excavator, together with all attachments, appurtenances and equipment necessary therefor or incidental thereto, all as shown on and in accordance with the specifications therefor on file or to be filed in the office of the City Clerk or the City Engineer and hereby approved	85,000	80,900

<p>(c) Acquisition by purchase of new and additional vehicular equipment, including one (1) utility vehicle, together with all attachments and accessories necessary therefor or incidental thereto, all as shown on and in accordance with the specifications therefor on file or to be filed in the office of the City Clerk or the City Engineer and hereby approved</p>	50,000	47,200
<p>(d) Improvement of the sewer utility administration offices by the upgrade thereof, improvement of the sewer utility headquarters located at 41 Chatham Road by the renovation and upgrade thereof, the installation of a new garage door, aforesaid, the and the extension of the sewer jet garage, together with for all of the aforesaid, all structures, equipment, site work, work and materials necessary therefor or incidental thereto, all as shown on and in accordance with the plans and specifications therefor on file or to be filed in the office of the City Clerk or the City Engineer and hereby approved</p>	<u>335,000</u>	<u>319,000</u>
<p>Totals</p>	\$2,655,000	\$2,528,000

The excess of the appropriation made for each of the improvements or purposes aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the said down payment for said purpose.

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 each is a property or improvement which the City may lawfully acquire or make as a general improvement, 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 said Local Bond Law and taking into consideration the respective amounts of the said obligations authorized for the several purposes, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 35.39 years.

(c) The supplemental debt statement required by said Local Bond Law has been duly made and filed in the office of the City Clerk and a complete executed duplicate 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, and such statement shows that, while the net debt of the City determined as provided in said Local Bond Law is not increased by this bond ordinance, the gross debt of the City as defined in said Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance by \$2,528,000, and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) Amounts not exceeding \$250,000 in the aggregate 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 said Local Bond Law may be included as part of the costs of said improvements and are included in the foregoing estimate thereof.

This bond ordinance authorizes obligations of the City solely for a purpose described in subsection (h) of section 40A:2-7 of said Local Bond Law, and the said obligations authorized by this bond ordinance are to be issued for a purpose which is “self-liquidating” within the meaning and limitations of section 40A:2-45 of said Local Bond Law and are deductible, pursuant to subsection (c) of section 40A:2-44 of said Local Bond Law, from gross debt of the City.

All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer, the acting chief financial officer or the treasurer of the City (the “Chief Financial Officer”), provided that no note shall mature later than one year from its date.

The 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 notes issued pursuant to this bond ordinance, and the Chief Financial Officer's signature upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time subject to the provisions of N.J.S.A. 40A:2-8. The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at public or private sale at not less than par and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the dates of delivery thereof. The Chief Financial Officer is directed to report in writing to the governing body of the City at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report must include the principal amount, interest rate and maturities of the notes sold, the price obtained and the name of the purchaser.

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, unless paid from the revenues of the sanitary sewerage system of the City, 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.

The capital budget or temporary capital budget of the City is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith and the resolutions promulgated by the Local Finance Board showing all detail of the amended capital budget or temporary capital budget and capital program as approved by the Director, Division of Local Government Services, are on file with the City Clerk and are available for public inspection.

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

Dated: June 5, 2024

I, Rosalia M. Licatase, City Clerk of the City of Summit, do hereby certify that the foregoing ordinance was duly passed by the Common Council of said City at regular meeting held on Wednesday, June 5, 2024.

Approved:

Dr. Elizabeth Fagan, Mayor

City Clerk