

ORDINANCE #2019-16

BOND ORDINANCE APPROPRIATING \$294,000, AND AUTHORIZING THE ISSUANCE OF \$280,000 BONDS OR NOTES OF THE BOROUGH, FOR VARIOUS IMPROVEMENTS OR PURPOSES AUTHORIZED TO BE UNDERTAKEN BY THE BOROUGH OF CHESTER, IN THE COUNTY OF MORRIS, NEW JERSEY FOR THE SANITARY SEWERAGE SYSTEM OF THE BOROUGH.

BE IT ORDAINED BY BOROUGH COUNCIL OF THE BOROUGH OF CHESTER, IN THE COUNTY OF MORRIS, 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 Borough of Chester, 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 \$294,000 including the aggregate sum of \$14,000 as the several down payments for said improvements or purposes required by law and more particularly described in said Section 3 and now available therefor by virtue of provision in a previously adopted budget or budgets of the Borough for down payment or for capital improvement purposes.

Section 2. For the financing of said improvements or purposes and to meet the part of said \$294,000 appropriations not provided for by application hereunder of said down payments, negotiable bonds of the Borough are hereby authorized to be issued in the principal amount of \$280,000 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 Borough in a principal amount not exceeding \$280,000 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) Initial costs associated with the expansion and improvement of the sanitary sewerage system in and by the Borough, together with all engineering, designs, studies, surveys, work and material necessary therefor or incidental thereto, all as shown on and in accordance with the plans specifications therefor on file or to be filed in the office of the Borough Clerk and hereby approved	\$105,000	\$100,000
(b) Improvement of the sanitary sewerage system in and by the Borough by the upgrade of the pump stations, sewer lines and infrastructure, together with all engineering, site work, equipment, structures, 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 Borough Clerk and hereby approved	73,500	70,000
(c) Acquisition by purchase, and installation, as necessary, of new and additional equipment, including, without limitation, pumps, valves and remote read meters, together with all equipment, 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 Borough Clerk and hereby approved	<u>115,500</u>	<u>110,000</u>
Totals	\$294,000	\$280,000

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 Borough 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 benefitted 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 30.17 years.

(c) The supplemental debt statement required by said Local Bond Law has been duly made and filed in the office of the Borough 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 the gross debt of the Borough as defined in said Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance by \$280,000, 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 \$120,000 in the aggregate for interest on said obligations, costs of issuing said obligations 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 cost of said improvements and are included in the foregoing estimate thereof.

Section 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by 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 Borough 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.

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, unlimited obligations of the Borough, and, unless paid from the revenues of the sewer utility of the Borough, the Borough shall be obligated to levy ad valorem taxes upon all the taxable property within the Borough for the payment of said obligations and interest thereon without limitation of rate or amount.

Section 7. The capital budget or temporary capital budget of the Borough 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 Borough Clerk and are available for public inspection.

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

CLERK'S CERTIFICATE

I, **DENEAN PROBASCO**, Borough Clerk of the Borough of Chester, in the County of Morris, New Jersey (the "Borough"), **HEREBY CERTIFY** as follows that:

1. The attached copy of Ordinance No. 16 (the "Ordinance") of the Borough entitled as set forth below and finally adopted on June 18, 2019, has been compared by me with the original thereof officially recorded in the Ordinance Book of the Borough and is a true and correct copy thereof and of the whole of the original Ordinance. The title of the Ordinance is as follows:

**BOND ORDINANCE APPROPRIATING \$294,000, AND
AUTHORIZING THE ISSUANCE OF \$280,000 BONDS OR
NOTES OF THE BOROUGH, FOR VARIOUS
IMPROVEMENTS OR PURPOSES AUTHORIZED TO BE
UNDERTAKEN BY THE BOROUGH OF CHESTER, IN
THE COUNTY OF MORRIS, NEW JERSEY FOR THE
SANITARY SEWERAGE SYSTEM OF THE BOROUGH.**

2. The Ordinance was introduced and passed on first reading at a **regular** meeting of the Borough Council duly called and held on May 21, 2019 (a true and correct copy of an extract of the minutes of the meeting is attached hereto), and was passed on second reading and finally adopted by the recorded affirmative vote of at least two-thirds of all the members of the Borough Council, at a **regular** meeting thereof duly called and held on June 18, 2019 (a true and correct copy of an extract of the minutes of the meeting is attached hereto), following the holding of a public hearing thereon at which all interested persons were given an opportunity to be heard. Notice of such meetings was given in accordance with the provisions of the Open Public Meetings Act.

3. The Ordinance, or a summary thereof, was published after first reading, on May 30, 2019, in "*The Observer-Tribune*", a newspaper published in the county in which the Borough is located and circulating in the Borough, together with a notice of pending ordinance, containing the date of introduction and the time and place of further consideration of the Ordinance (a true and correct copy of the affidavit of publication of the Ordinance is attached hereto).

4. On May 22, 2019, the Ordinance, or a summary thereof, was posted on the bulletin board or other place upon which public notices are customarily posted in the principal municipal building of the Borough, together with notice of the availability of copies of the Ordinance at the office of the Borough Clerk, and such copies of the Ordinance were made available to all members of the general public requesting the same.

5. After final passage, the Ordinance, or a summary thereof, was duly published, together with a notice of adoption and statutory estoppel statement, on June 27, 2019 in "*The Observer-Tribune*", a newspaper published in the county in which the Borough is located and circulating in the Borough, and no protest by any person against making the improvement or issuing the indebtedness authorized in the Ordinance, nor any petition requesting that a referendum vote be taken on the action proposed in the Ordinance has been presented to the governing body or to me or filed in my office nor has any such action or proceeding questioning

the validity of the Ordinance been commenced within twenty (20) days after such publication (a true and correct copy of the affidavit of publication of the Ordinance is attached hereto).

6. The Ordinance when introduced was complete in the form in which it was finally adopted and remained on file in the office of the Borough Clerk for public inspection from the date of introduction to the date of final adoption.

7. The attached copy of a Supplemental Debt Statement has been compared by me with the original Supplemental Debt Statement of the Borough, prepared as of May 21, 2019, and sworn to on May 21, 2019, by Jason G. Gabloff, who was then the Chief Financial Officer of the Borough, and filed in the office of the Borough Clerk on May 21, 2019, and that the same is a true and complete copy of said original Supplemental Debt Statement.

8. A complete, executed duplicate of the said original Supplemental Debt Statement was duly filed electronically (before final adoption of the Ordinance) in the Office of the Director of the Division of Local Government Services of the State of New Jersey on May 21, 2019. Attached is a copy of the e-mail transmitting the Supplemental Debt Statement or a copy of the automated e-mail acknowledging receipt of the Supplemental Debt Statement.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the corporate seal of the Borough this 18th day of June, 2019.

(SEAL)

Denean Probasco
Borough Clerk

Bond ordinance appropriating \$294,000, and authorizing the issuance of \$280,000 bonds or notes of the Borough, for various improvements or purposes authorized to be undertaken by the Borough of Chester, in the County of Morris, New Jersey for the sanitary sewerage system of the Borough (Useful Life: 30.17 years)

ATTACHMENTS

- A. Ordinance #16
- B. Extract of minutes of May 21, 2019, Borough Council meeting at which the Ordinance was introduced
- C. Extract of minutes of June 18, 2019, Borough Council meeting at which the Ordinance was finally adopted
- D. Affidavit of First Publication of the Ordinance after introduction (“*The Observer-Tribune*” - May 30, 2019)
- E. Affidavit of Second Publication of the Ordinance after final adoption (“*The Observer-Tribune*” - June 27, 2019)
- F. Supplemental Debt Statement (with acknowledgement or transmittal e-mail)