

## ORDINANCE 1898-2014

### **BOND ORDINANCE PROVIDING FOR VARIOUS SEWER UTILITY CAPITAL IMPROVEMENTS IN AND BY THE TOWNSHIP OF GALLOWAY, IN THE COUNTY OF ATLANTIC, NEW JERSEY, APPROPRIATING \$2,020,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,020,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF.**

**BE IT ORDAINED** by the Township Council of the Township of Galloway, County of Atlantic, New Jersey (not less than two-thirds of all 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, undertaken or acquired by the Township of Galloway, in the County of Atlantic, New Jersey (the "Township"). For the several improvements or purposes described in Section 3, there are hereby appropriated the respective sums of money therein stated as the appropriation made for each improvement or purpose, such sums amounting in the aggregate to \$2,020,000. No down payment is required as the purposes authorized herein are deemed self-liquidating and the obligations authorized herein are deductible from the gross debt of the Township, as more fully explained in Section 6(e) of this bond ordinance.

**Section 2.** For the financing of said improvements or purposes, negotiable bonds of the Township are hereby authorized in the principal amount of \$2,020,000 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 bond anticipation notes of the Township in the principal amount not exceeding \$2,020,000 are

hereby authorized to be issues pursuant to and within the limitations prescribed by Law.

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

<u>Purpose</u>	<u>Appropriation and Estimated Cost</u>	<u>Period of Usefulness</u>
a) The acquisition, installation, design, upgrades and improvements of the sewer utility system, including but not limited to pump stations, capacity study, comprehensive GIS study and upgrade, sewer lines, repairs and all related costs and expenditures incidental thereto, including the costs of surveying, construction planning, engineering, preparation of plans and specifications, permits, bid documents and construction inspection and administration.	\$1,685,000	40 years
b) The acquisition of various vehicles, including but not limited to, utility trucks and including all related costs and expenditures incidental thereto.	\$220,000	5 years

<u>Purpose</u>	Appropriation and Estimated <u>Cost</u>	<u>Period of Usefulness</u>
c) The acquisition of various general and administrative equipment, including but not limited to, flow meters and excavator, and including all related costs and expenditures incidental thereto.	\$115,000	15 years
TOTALS	\$2,020,000	

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 down payment for each purpose.

**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 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 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 from their dates to the date 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 or delivery of the bond anticipation notes 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 Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

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

(a) The improvements or purposes described in Section 3(a) of this bond ordinance are not current expenses. They are all improvements or purposes that the Township may lawfully undertake as general improvements, 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, computed on the basis of the respective amounts of obligations authorized for each purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 34.76 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed 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. Such statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$2,020,000, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$550,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements.

(e) This bond ordinance authorize obligations of the Township solely for purposes described in N.J.S.A. 40A:2-7(h). The obligations authorized herein are to be issued for a purpose that is deemed to be 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.** Any action taken by any officials of the Township 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.** The Township reasonably expects to reimburse any expenditures towards the cost of the improvement or purpose 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 Township, or any member of the same “control group” as the Township, 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 Township’s official intent to reimburse any expenditures towards the costs of the improvement or purpose 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 9.** Any grant moneys received for the purposes or improvements 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 10.** The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) for the benefit of holders and

beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

**Section 11.** The full faith and credit of the Township 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 Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

**Section 12.** This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

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DON PURDY, MAYOR

FIRST READING:	October 28, 2014
PUBLICATION:	October 31, 2014
FINAL READING:	November 12, 2014
PUBLICATION WITH STATEMENT:	November 15, 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 Township of Galloway, in the County of Atlantic, State of New Jersey, held on October 28, 2014, at the Galloway Township Hall. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held on November 12, 2014, at 6:30 o'clock P.M. at the Galloway Township 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 Municipal Complex, 300 E. Jimmie Leeds Road, Galloway, 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 PROVIDING FOR VARIOUS SEWER UTILITY CAPITAL IMPROVEMENTS IN AND BY THE TOWNSHIP OF GALLOWAY, IN THE COUNTY OF ATLANTIC, NEW JERSEY, APPROPRIATING \$2,020,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,020,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF."

Purpose(s): Installation, Design, Upgrades and Improvements of the Sewer Utility System, Purchase of Various Vehicles; Purchases of General and Administrative Equipment.

Appropriation: \$2,020,000

Bonds/Notes Authorized: \$2,020,000

Grants (if any) Appropriated: None

Section 51(b) Costs: None

Useful Life: 34.76 years

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Kelli Danieli, Acting Township 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 Township of Galloway, in the County of Atlantic, State of New Jersey on November 12, 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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