

ORDINANCE 07-24

BOND ORDINANCE APPROPRIATING \$3,852,500, AND AUTHORIZING THE ISSUANCE OF \$3,852,500 BONDS OR NOTES OF THE TOWN, FOR VARIOUS IMPROVEMENTS OR PURPOSES AUTHORIZED TO BE UNDERTAKEN BY THE TOWN OF BOONTON, IN THE COUNTY OF MORRIS, NEW JERSEY, FOR THE WATER UTILITY OF THE TOWN.

BE IT ORDAINED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF BOONTON, 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 Town of Boonton, 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 \$3,852,500 including the aggregate sum of \$19,786 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 Town for down payment or for capital improvement purposes.

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 part of said \$3,852,500 appropriations not provided for by application hereunder of said down payments, negotiable bonds of the Town are hereby authorized to be issued in the principal amount of \$3,852,500 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 Town in a principal amount not exceeding \$3,852,500 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>
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(a) Acquisition by purchase and installation, as necessary, of new and additional equipment, including water meters, together with all attachments, accessories and appurtenances 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 Town Clerk and hereby approved	\$1,725,000	\$1,725,000
(b) Improvement of the water supply and distribution system in and by the Town, including without limitation, by the replacement of lead service lines and the installation and rehabilitation, as necessary, of water mains, together with all 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 Town Clerk and hereby approved	<u>2,127,500</u>	<u>2,127,500</u>
Totals	<u>\$3,852,500</u>	<u>\$3,852,500</u>

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 Town 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 28.8 years.
- (c) The supplemental debt statement required by said Local Bond Law has been duly made and filed in the office of the Town 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 Town determined as provided in said Local Bond Law is not increased by this bond ordinance, the gross debt of the Town as defined in said Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond

ordinance by \$3,852,500, 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 \$550,000 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.

(e) This bond ordinance authorized obligations of the Town solely for an environmental infrastructure project described in paragraph (c) of section 40A:2-11 of said Local Bond Law, and therefore, no down payment is required.

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 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 Town 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 Town 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 Town, and, unless paid from the revenues of the water supply and distribution system of the Town, the Town shall be obligated to levy ad valorem taxes upon all the taxable property within the Town 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 Town 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 Town 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.

INTRODUCED: April 1, 2024

ADOPTED: April 15, 2024

Mayor and Town Council of the Town of Boonton
in the County of Morris and State of New Jersey

ATTEST:

By: _____
James Lynch, Mayor

Elizabeth Bonsiewich, Town Clerk