

**CITY OF MILLVILLE  
COUNTY OF CUMBERLAND**

**ORDINANCE NO. 6-2024**

**BOND ORDINANCE APPROPRIATING ELEVEN MILLION DOLLARS (\$11,000,000) AND AUTHORIZING THE ISSUANCE OF UP TO ELEVEN MILLION DOLLARS (\$11,000,000) AGGREGATE PRINCIPAL AMOUNT GENERAL OBLIGATION BONDS OR NOTES OF THE CITY OF MILLVILLE, COUNTY OF CUMBERLAND, NEW JERSEY FOR THE THIRD SECONDARY CLARIFIER ADDITION PROJECT AT THE CITY'S WASTEWATER TREATMENT PLANT**

**THE BOARD OF COMMISSIONERS OF THE CITY OF MILLVILLE, IN THE COUNTY OF CUMBERLAND, STATE OF NEW JERSEY (not less than two-thirds of the full membership thereof affirmatively concurring), DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1. Description of Project**

The City of Millville (the "City") hereby authorizes the following project to maintain and support compliance by the City with the clean water regulations of the State of New Jersey and thereby improve and protect the health, safety and welfare of the inhabitants of the City (the "Secondary Clarifier Addition Project"):

<u>IMPROVEMENT OR PURPOSE</u>	<u>APPROPRIATION AND ESTIMATED COST</u>
Third Secondary Clarifier Addition Project at the City's Wastewater Treatment Plant, and including all costs of surveying, construction, planning, design, engineering, preparation of plans and specifications, permits, bid documents, construction inspection, administration, accounting, architectural, financial and legal.	<b>\$11,000,000.00</b>

**Section 2. Permanent Funding of Appropriation**

- (a) To provide funds to permanently fund the costs of the Secondary Clarifier Addition Project as set forth in Section 1, above (the "Project Costs"), the issuance by the City of bonds in the aggregate principal amount of up to **ELEVEN MILLION DOLLARS (\$11,000,000)** is hereby authorized, approved, ratified and confirmed.

The Project Costs are expected to be permanently financed through the issuance of bonds by the City through the New Jersey Infrastructure Bank (the "I-Bank") in the amount of **ELEVEN MILLION DOLLARS (\$11,000,000)** (the "Bonds").

(b) In accordance with N.J.S.A. 40A:2-11(c), no down payment shall be required in connection with the issuance of the Bonds for the clean water project as this Bond Ordinance authorizes an obligation referred to in N.J.S.A. 40A:2-7(h) for purposes that are self-liquidating as described in N.J.S.A. 40A:2-45.

**Section 3. Temporary Construction Financing Prior to Issuance of Bonds**

In anticipation of the issuance of the Bonds, the City hereby authorizes the issuance, sale and award of temporary notes (the "Notes") to the I-Bank in the aggregate principal amount of up to **ELEVEN MILLION DOLLARS (\$11,000,000)**. The execution and delivery of the Notes and all additional documents and instruments related thereto by the Mayor, Chief Financial Officer and Municipal Clerk (collectively, the "Authorized Officials") is hereby authorized. The Authorized Officials are each hereby authorized to determine, pursuant to the terms and conditions established by the I-Bank under the I-Bank's Construction Financing Program's loan agreement and the terms and conditions of this Ordinance and any subsequent resolution of the City Commission, the following items with respect to the Notes: (a) the aggregate principal amount of the Notes to be issued, which amount shall not exceed **\$11,000,000**; (b) the maturity of the Notes; (c) the date of the Notes; (d) the interest rate of the Notes; (e) the purchase price for the Notes; and (f) such other matters with respect to the Notes as may be necessary, desirable or convenient in connection with the sale, issuance and delivery thereof. The Authorized Officials are hereby further authorized to manually execute and deliver and the Municipal Clerk is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the City to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officials in their respective sole discretion, after consultation with the City's bond counsel and auditor, to be executed in connection with the execution and delivery of the Notes and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate.

**Section 4. Authorization of Bond Anticipation Notes.**

To the extent the Project Costs are not covered by the issuance of Notes by the City pursuant to Section 3, above, and prior to the issuance of permanent bonds, the City is hereby authorized to temporarily finance the Solids Dewatering Project through the issuance of negotiable bond anticipation notes of the City in a principal amount not to exceed **ELEVEN MILLION DOLLARS (\$11,000,000)** (the "**Bond Anticipation Notes**"), pursuant to the limitations prescribed by the Local Bond Law. All such shall mature at such time as may be determined by the Chief Financial Officer or such other Financial Officer designated by Resolution for these purposes (both being hereinafter referred to in this Section as Chief Financial Officer); provided that no Bond Anticipation Note shall mature later than one (1) year from its issue date. Such Bond Anticipation Notes shall bear interest at a rate or rates and shall be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with any Notes issued pursuant to this Ordinance, and the signature of the Chief Financial Officer upon such Notes shall be conclusive evidence as to all such determinations. The Chief Financial Officer is hereby authorized to sell the Notes from time to time at public or private sale in such amounts as the Chief Financial Officer may determine and not less than par, and to deliver the same from time to time to the purchasers thereof upon receipt of the purchase price plus accrued interest from their dates to the date of delivery thereof as payment thereof. Such Chief Financial Officer is authorized and directed to report in writing to the Mayor and the Commission of the City at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this Ordinance is made. Such report shall include the amount, the description, the interest rate, the maturity schedule of the note(s) sold, price obtained and the name of the purchaser. All Notes issued hereunder may be renewed from time to time for periods not exceeding one (1) year for the time period specified in and in accordance with the provisions and limitations of N.J.S.A. 40A:2-8(a) of the Local Bond Law. The Chief Financial Officer is further directed to determine all matters in connection with said Notes not determined by this Ordinance. The Chief Financial Officer's signature upon said Notes shall be conclusive evidence of such determination.

**Section 5. Additional Matters**

The following additional matters are hereby determined, declared and recited and stated:

(a) The said purposes described in Section 1 of this Bond Ordinance are not current expenses and are improvements which the Township may lawfully require or make and no part of the costs thereof has been or shall be specifically assessed on property specifically



benefited thereby.

(b) The average period of usefulness of said purposes authorized herein, taking into consideration the respective amounts of said obligations authorized for such purposes, computed in accordance with N.J.S.A. 40A:2-22 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 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 the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this Bond Ordinance by a maximum amount of ELEVEN MILLION DOLLARS (\$11,000,000), and that the net debt of the City determined as provided in the Local Bond Law is not increased by this Bond Ordinance. The said Bonds authorized by this Bond Ordinance will be within all debt limitations prescribed by the Local Bond Law.

(d) Amounts not exceeding **ONE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS (\$1,650,000)** in the aggregate for interest on said Bonds, costs of issuing said Bonds, engineering and inspection costs, legal expenses, a reasonable proportion of the compensation and expenses of employees of the City in connection with the improvements as authorized herein, and other items of expense listed in and permitted under N.J.S.A. 40A:2-20 of the Local Bond Law have been included as part of the costs of said improvement and are included in the foregoing estimate thereof.

#### **Section 6. Maturity of Bonds**

The Bonds shall mature at such time or times not exceeding forty (40) years from the date thereof as may be approved by the Local Finance Board of the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey ("**Local Finance Board**") pursuant to N.J.S.A. 58:11B-9(a) and 40A:2-26 of the Local Bond Law. All other terms of the Bonds, including, without limitation, the dates thereof, the rate or rates of interest to be paid thereon, the provisions for redemption prior to maturity thereof, and the place or places for payment thereof, shall be as determined by subsequent resolution or resolutions of the City Commission as permitted by N.J.S.A. 40A:2-16 of the Local Bond Law.

#### **Section 7. Execution of Bonds**

The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Mayor and Chief Financial Officer under the affixed, imprinted,

engraved or reproduced seal of the City attested by the manual or facsimile signature of the City Clerk.

**Section 8. Authorization to Contract**

The City is hereby authorized and directed to enter into any and all contracts or agreements necessary, desirable or convenient to effectuate the financing programs as authorized by this Bond Ordinance.

**Section 9. Execution of Documents**

The Mayor, Chief Financial Officer and Clerk of the City are hereby jointly and severally authorized and directed to take all actions and execute all documents and instruments necessary or appropriate to carry out the purposes of this Bond Ordinance, including, without limitation, the furnishing of such documentation and information as may be required by the Director of the Local Finance Board. All prior actions taken by such officials in connection with the financing programs authorized by this Bond Ordinance are hereby ratified and confirmed.

**Section 10. Covenants**

The City hereby covenants to take any action necessary or refrain from taking such action in order to preserve the tax-exempt status of the bonds and notes authorized hereunder as is or may be required under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code), including compliance with the Code with regard to the use, expenditure, investment, timely reporting and rebate of investment earnings as may be required thereunder.

**Section 11. Ratification of Prior Actions**

Any action taken by any officials of the City in connection with the improvements described in Section 1 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 12. Application of Grants**

Any grant moneys received for the purposes described in Section 1 hereof shall be pledged by the City to the direct payment of all obligations issued by the City for the construction of the Secondary Clarifier Addition Project.

**Section 13. Full Faith and Credit**

The full faith and credit of the City are hereby pledged to the punctual payment of the principal and interest on the said obligations authorized by this Bond Ordinance. Said obligations shall be direct, unlimited

obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all of the taxable property within the City for the payment of said obligations and interest thereon without limitation of rate or amount.

**Section 14. Official Intent to Reimburse Expenditures**

The City reasonably expects to reimburse any expenditures towards the cost of the improvements or purposes described in Section 1 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 City, or any member of the same "control group" as the City, 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 City's official intent to reimburse any expenditures towards the costs of the improvements or purposes described in Section 1 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 15. Effective Date**

Neither this Bond Ordinance nor any resolution of the City Commission performing, determining or authorizing matters or acts in connection with the issuance of the Bonds shall take effect until there is endorsed upon a certified copy hereof the consent of the Local Finance Board; in no event shall this Bond Ordinance be effective earlier than twenty (20) days after the first publication hereof after final passage.

**FIRST READING: January 16, 2024**

Moved By: Sooy  
Seconded By: Hewitt

VOTING	In Favor	Against	Abstain	Absent
Lisa M. Orndorf	X			
Benjamin J. Romanik	X			
Joseph Sooy	X			
C. Kirk Hewitt	X			
Stephen E. Watson, Jr			X	

**SECOND READING: February 6, 2024**

Moved By: Sooy  
Seconded By: Hewitt



<b>VOTING</b>	<b>In Favor</b>	<b>Against</b>	<b>Abstain</b>	<b>Absent</b>
Lisa M. Orndorf	X			
Benjamin J. Romanik	X			
Joseph Sooy	X			
C. Kirk Hewitt	X			
Stephen E. Watson, Jr			X	

**CERTIFICATION**

I certify that the foregoing is a true copy of an Ordinance adopted by the Board of Commissioners, of the City of Millville in the County of Cumberland, at a meeting thereof held on February 6, 2024.

  
 Jeanne M. Parkinson, City Clerk

<b><i>PROCEDURE</i></b>	
Approved on First Reading:	January 16, 2024
Published:	January 20, 2024
Approved on Second Reading:	February 6, 2024
Published:	February 10, 2024
Effective Date:	March 1, 2024