

TOWNSHIP OF PEQUANNOCK

ORDINANCE NO. 2015-11

BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF PEQUANNOCK, IN THE COUNTY OF MORRIS, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. Schedule A of bond ordinance #2010-22 ("Bond Ordinance #2010-22"), as amended and supplemented by bond ordinance #2014-02 ("Bond Ordinance #2014-02" and, together with Bond Ordinance #2010-22, the "Original Bond Ordinances") of the Township of Pequannock, in the County of Morris, New Jersey (the "Township"), finally adopted November 23, 2010, as amended and supplemented February 25, 2014, respectively, is hereby amended in to include the following Block and Lot numbers in addition to those included in the original Schedule A:

| Block # | Lot # | Block # | Lot # |
|---------|-------|---------|-------|
| 1902 | 10 | 1303 | 19 |
| 1902 | 9 | 1401 | 17 |
| 1902 | 8 | 1401 | 18 |
| 1401 | 13 | 1303 | 18 |
| 1401 | 7 | 1401 | 19 |
| 1304 | 8 | 1401 | 20 |
| 1401 | 14 | 1302 | 18 |
| 1401 | 15 | 1302 | 17 |
| 1304 | 7 | 1401 | 21 |
| 1401 | 16 | | |

Section 2. For the improvement or purpose described in Section 4(a) of the Original Bond Ordinances, there is hereby appropriated the supplemental amount of \$440,000, such sum being in addition to the \$12,000,000 appropriated therefor by Bond Ordinance #2010-22 and the \$4,100,000 appropriated by Bond Ordinance #2014-02 of the Township. An additional down payment is not required as the purpose authorized herein was deemed self-liquidating on December 31, 2014 and the obligations authorized herein are deductible from the gross debt of the Township, as more fully described in Section 10(e).

Section 3. In order to finance the additional cost of the improvement, negotiable bonds are hereby authorized to be issued in the principal amount of \$440,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 4.

(a) The improvement heretofore authorized and the purpose for the financing of which the bonds are to be issued is the Village Area Sanitary Sewer Extension Project to complete projects 14-2 and 14-7 from the Pequannock Township Sewer Master Plan, including installation of sanitary sewer lines and two pump stations in the Village Road area, including Greendale Avenue, Winding Way, Jackson Avenue, Evans Place, the Turnpike from Hopper

Avenue to Sunset Road and Sunset Road from the Turnpike to the Boulevard and further including all work and materials necessary therefor and incidental thereto, as more fully described in the Original Bond Ordinances.

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for the improvement or purpose is \$15,965,000, including the \$11,425,000 authorized by the Bond Ordinance #2010-22, the \$4,100,000 authorized by Bond Ordinance #2014-02 and the \$440,000 bonds or bond anticipation notes authorized herein.

(c) The estimated cost of the improvement or purpose is \$16,540,000, including the \$12,000,000 appropriated by the Bond Ordinance #2010-22, the \$4,100,000 appropriated by Bond Ordinance #2014-02 and the \$440,000 appropriated herein.

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 bond anticipation notes 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 6. 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 7. 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 8. Notice is hereby given to the owners of all lots and parcels of real estate benefitted by the improvement described in Section 4(a) hereof and affected by the improvement described therein that the Township intends to make and to levy special assessments against all such lots and parcels of real estate in an aggregate amount of not exceeding \$7,000,000. Such special assessments shall be made and levied in the manner provided by law and shall be as nearly as possible in proportion to and not in excess of the peculiar benefit, advantage or increase in value that the respective lots and parcels of real

estate shall be deemed to receive by reason of the improvement. It is expected that the Township will contribute \$9,500,000 to the cost of the improvement; however, if the amount of the special assessments as finally confirmed is less than \$7,000,000, then the Township will also contribute the difference to the cost of the improvement.

Section 9. The owner of any land upon which an assessment for the local improvement shall have been made may pay such assessment in the number of equal yearly installments determined herein with legal interest on the unpaid balance of the assessment. The first of such installments shall be due and payable two months after the confirmation of the assessment, and each subsequent annual installment and interest shall be payable in each successive year at such time as the governing body shall determine by resolution, provided that any owner of land so assessed shall have the privilege of paying the whole of any assessment or any balance of installments with accrued interest thereon at one time. In case any such installment shall remain unpaid for thirty (30) days after the time it shall become due and payable, the whole assessment or the balance thereof shall become and be immediately due and payable, shall draw interest at the rate imposed upon the arrearage of taxes in the Township and shall be collected in the same manner as provided by law for other past-due assessments. Such assessment shall remain a lien upon the land described herein until the assessment, with all installments and accrued interest thereon, shall be paid and satisfied. Notwithstanding anything herein to the contrary, the Township shall have the right to waive default as may be permitted by law.

Section 10. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement or purpose described in Section 4(a) of this bond ordinance is not a current expense. It is an improvement or purpose that the Township may lawfully undertake as a self-liquidating purpose of a municipal public utility, the cost of which shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the improvement or purpose within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this bond ordinance, is 40 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 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 \$440,000, and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$2,300,000 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 purpose or improvement. Of this amount, \$1,450,000 was estimated for these items of expense in Bond Ordinance #2010-22, \$750,000 was estimated for these items of expense in Bond Ordinance #2014-02 and an additional \$100,000 is estimated therefor herein.

(e) This bond ordinance authorizes 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 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).

(f) The number of annual installments within which the special assessments are to be levied on the lots and parcels of real estate benefitted by the improvement is 20.

Section 11. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 3 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 4(a) of this bond ordinance. This Section 11 is a declaration of intent within the meaning and for purposes of Treasury Regulations.

Section 12. Any grant moneys received for the purpose described in Section 4(a) hereof shall be applied either to direct payment of the cost of the improvement 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 13. 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 ARule@) 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 14. 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 15. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

Introduced: July 14, 2015

Adopted: August 11, 2015



Carol J. Marsh, Township Clerk



Catherine Winterfield, Mayor