

**BOND ORDINANCE APPROPRIATING \$85,000 TO PROVIDE FOR THE DEVELOPMENT OF A SANITARY SEWER SYSTEM ASSET MANAGEMENT PLAN FOR THE BOROUGH OF HAMBURG TO BE UNDERTAKEN PURSUANT TO THE NEW JERSEY WATER QUALITY ACCOUNTABILITY ACT, AND AUTHORIZING THE ISSUANCE OF \$85,000 BONDS OR NOTES TO FINANCE PART OF THE COST THEROF**

**Ordinance # 04-2019**

WHEREAS, the Borough of Hamburg, a municipal corporation of the State of New Jersey (the "Borough") wishes to develop an Asset Management Plan with respect to its municipal sewer system (the "Plan");

WHEREAS, pursuant to the Local Bond Law, the costs of implementing such a plan may be financed through the New Jersey Department of Environmental Protection Environmental Infrastructure Trust (the "NJEIT") via The New Jersey Water Bank (the "Water Bank");

WHEREAS, the Borough has authorized the development of, and filing of an application for, a Small System Asset Management Loan (the "NJEIT Loan") with the NJEIT/Water Bank via its Borough Engineer, Mott McDonald, and its Borough Bond Counsel, Waters, McPherson, McNeill, P.C., and has designated the Mayor and Borough Council to act as the Authorized Representatives of the Borough in connection with the NJEIT Loan;

WHEREAS, the NJEIT/Water Bank has initially assigned Project No. S340149-03 to the Borough's Plan application;

WHEREAS, cost of developing the Plan is \$85,000, which cost may be reimbursed to the Borough via the NJEIT Loan (the NJEIT Loan features 100% principal forgiveness);

WHEREAS, it is the intention and desire of the Borough to commence with the development of the Plan and to continue with the application for the 100% principal forgiveness NJEIT Loan in the amount of \$85,000; and

WHEREAS, it is the intention of the Borough to use the proceeds of the NJEIT Loan to Reimburse itself for monies expended for the development of the Plan.

NOW THEREFOR BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF HAMBURG (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The improvement or purpose described in Section 3 of this bond ordinance is hereby authorized to be undertaken by the Borough as a general improvement. For the improvement or purpose described in Section 3 of this bond ordinance, there is hereby

appropriated the sum of \$85,000. No down payment is required pursuant to the provisions of N.J.S.A. 40A:2-11(c) as such improvement or purpose is an environmental infrastructure project funded by loan(s) from the New Jersey Environmental Infrastructure Trust Program (the "NJEIT").

Section 2. In order to finance the cost of the improvement or purpose not covered by the application of the down payment, negotiable bonds are hereby authorized to be issued in the principal amount of \$85,000 pursuant to the Local Bond Law. In anticipation of the issuance of bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. (a) The improvement or purpose hereby authorized for which bonds or notes are to be issued is the development of an Asset Management Plan for the Borough's Sanitary Sewer System; the assessment of the condition of the Borough's current collection system; and the updating of the Borough's geographic information system, including all work and materials necessary therefor or incidental thereto. Said improvements/purposes are to be financed through the NJEIT.

(b) The estimated maximum amount of bonds or notes to be issued for the improvement or purpose is as stated in Section 2 of this bond ordinance.

(c) The estimated cost of the improvement or purpose is equal to the amount of the appropriation stated in Section 1 of this bond ordinance.

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 the 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 a 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, if any, from their dates to the dates 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 of bond anticipation notes issued 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 capital budget of the Borough is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith.

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

(a) The improvement or purpose described in Section 3 of this bond ordinance is not a current expense. It is an improvement or purpose that the Borough may lawfully undertake 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 period of usefulness of the improvement or purpose described in Section 3 of this bond ordinance, computed on the basis of the amount of obligations authorized for the improvement or purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 15 years.

(c) An aggregate amount not exceeding \$20,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost of the improvement or purpose set forth in Section 3 of this bond ordinance.

(d) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and submitted to 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 Borough is increased by \$85,000 (the amount of the authorization of the obligations provided for in this bond ordinance). The obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

Section 7. The full faith and credit of the Borough 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 Borough, and the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Borough for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 8. The Borough hereby declares its intent to issue the bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 8 is a declaration of intent within the meaning and for purposes of Treasury Regulation §1.150-2 or any successor provisions of federal income tax law.

Section 9. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

**Recorded Vote:**


AYES: Krasnomowitz, Oehler, Burd, Law, Garrett, Sena

NAYS: 0

ABSENT: 0


ABSTAIN: 0

The foregoing is a true copy of an ordinance introduced and adopted on first reading by the governing body of the Borough of Hamburg on May 6, 2019.

  
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Doreen Schott, Clerk

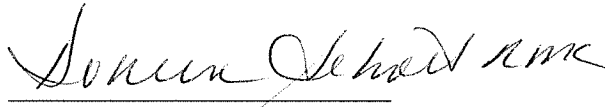
**NOTICE OF PENDING ORDINANCE**

The ordinance published herewith was introduced and passed upon first reading at a meeting of the governing body of the Borough of Hamburg, a municipal corporation of the State of New Jersey (the "Borough"), held on May 6, 2019. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held at the Municipal Building, in the Borough on June 3, 2019 at 7:00 PM, and during the week prior to and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's office to the members of the general public who shall request the same.

  
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Doreen Schott, Clerk

STATEMENT

The ordinance published herewith has been finally adopted on June 3, 2019 and the 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.

  
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Doreen Schott, Clerk