

**BOROUGH OF HOPATCONG
ORDINANCE NUMBER 04-2014**

**BOND ORDINANCE PROVIDING FOR VARIOUS 2014
CAPITAL IMPROVEMENTS, BY AND IN THE BOROUGH
OF HOPATCONG, IN THE COUNTY OF SUSSEX, STATE
OF NEW JERSEY (THE "BOROUGH"); APPROPRIATING
\$480,000 THEREFOR AND AUTHORIZING THE ISSUANCE
OF \$456,000 BONDS OR NOTES OF THE BOROUGH TO
FINANCE PART OF THE COSTS THEREOF**

**BE IT ORDAINED AND ENACTED BY THE BOROUGH COMMON
COUNCIL OF THE BOROUGH OF HOPATCONG, IN THE COUNTY OF SUSSEX,
STATE OF NEW JERSEY** (not less than two-thirds of all the members thereof
affirmatively concurring), **AS FOLLOWS:**

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the Borough of Hopatcong, in the County of Sussex, State of New Jersey (the "Borough"). For the said improvements or purposes stated in Section 3, there is hereby appropriated the aggregate sum of \$480,000, said sum being inclusive of a down payment in the aggregate amount of \$24,000 for said improvements or purposes as required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). The down payment is now available by virtue of a provision or provisions in a previously adopted budget or budgets of the Borough for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said \$480,000 appropriation not provided for by application hereunder of said down payment, negotiable bonds of the Borough are hereby authorized to be issued in the aggregate principal amount not exceeding \$456,000 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the Borough in an aggregate principal amount not exceeding \$456,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by said Local Bond Law.

SECTION 3. (a) The improvements hereby authorized and purposes for the financing of which said obligations are to be issued, include but are not limited to, are as follows:

<u>Description</u>	<u>Appropriation</u>	<u>Authorization</u>	<u>Down Payment</u>	<u>Useful Life</u>
(i) The undertaking of a Road Paving Program (the "Program"), said Program to include but is not limited to, improvements to all or a portion, as applicable, of sewer and non-sewer areas of the Borough and various roadways, as applicable, which improvements shall include, as applicable, excavation, milling, paving, reconstruction and boxing out and resurfacing or full depth pavement replacement or paving, the repairing and/or installation of curbs, sidewalks and driveway aprons, installation of curb ramps, resetting utility castings, drainage work, roadway painting, landscaping and aesthetic improvements, including but not limited to, seeding and installing top soil and the acquisition of a 7500 SFA 4X4 chassis and the acquisition and installation or construction, as applicable, of a salt shed for the Department of Public Works; and	\$408,000	\$387,600	\$20,400	15.59 years
(ii) Acquisition of various computer equipment, for various municipal departments, including but not limited to, the Administration Department and Improvements to the Municipal Complex.	\$72,000	\$68,400	\$3,600	9.17 years
TOTALS	<u>\$480,000</u>	<u>\$456,000</u>	<u>\$24,000</u>	

(b) The aggregate estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$456,000.

(c) The aggregate estimated cost of said improvements or purposes is \$480,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor is the down payment available for said purposes.

(d) All such improvements or purposes set forth in Section 3(a) shall include, but are not limited to, as applicable, all engineering and design work, surveying, construction planning, preparation of plans and specifications, permits, bid documents, construction inspection and contract administration, and also shall include all work, materials, equipment, accessories, labor and appurtenances necessary therefor or incidental thereto and all in accordance with the plans and specifications therefor on file in

the Office of the Clerk of the Borough and available for public inspection and hereby approved.

SECTION 4. In the event the United States of America, the State of New Jersey, and/or the County of Sussex make a contribution or grant in aid to the Borough for the improvements and purposes authorized hereby and the same shall be received by the Borough prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey, and/or the County of Sussex. In the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey, and/or the County of Sussex shall be received by the Borough after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the Borough, provided that no note shall mature later than one (1) 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 of the Borough shall determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of N.J.S.A. 40A:2-8.1. The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at a public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon 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 notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate, the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 6. 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 and a resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital programs as approved by the Director of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is on file in the Office of the Clerk of the Borough and is available for public inspection.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The purposes described in Section 3 of this bond ordinance are not current expenses and are improvements which the Borough may lawfully undertake as general improvements, 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, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 14.63 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the Borough and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this bond ordinance by \$456,000 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$80,000 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 herein before described.

SECTION 8. 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 property

within the Borough for the payment of the principal of the obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. The Borough reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof and paid prior to the issuance of any bonds or notes authorized by this bond ordinance with the proceeds of such bonds or notes. This Section 9 is intended to be and hereby is a declaration of the Borough's official intent to reimburse any expenditures toward the costs of the improvements or purposes 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 §1.150-2. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized herein used to reimburse the Borough for costs of the improvements or purposes described in Section 3 hereof, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds", including "sinking funds", "pledged funds" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of any bonds or notes authorized herein or another issue of debt obligations of the Borough other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1). The bonds or notes authorized herein to reimburse the Borough for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will be issued in an amount not to exceed \$456,000. The costs to be reimbursed with the proceeds of the bonds or notes authorized herein will be "capital expenditures" in accordance with the meaning of section 150 of the Code. All reimbursement allocations will occur not later than eighteen (18) months after the later of (i) the date the expenditure from a source other than any bonds or notes authorized herein is paid, or (ii) the date the improvements or purposes described in Section 3 hereof is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than three (3) years after the expenditure is paid.

SECTION 10. The Borough covenants to maintain the exclusion from gross income under Section 103(a) of the Code of the interest on all bonds and notes issued under this bond ordinance.

SECTION 11. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption, as provided by the Local Bond Law.

ADOPTED ON FIRST READING

DATED: April 16, 2014

ROBERT ELIA,
Acting Clerk of the Borough of Hopatcong

ADOPTED ON SECOND READING

DATED: May 7, 2014

ROBERT ELIA,
Acting Clerk of the Borough of Hopatcong

APPROVAL BY THE MAYOR ON THIS ____ DAY OF _____, 2014.

SYLVIA PETILLO,
Mayor of the Borough of Hopatcong

BOROUGH COMMON COUNCIL OF THE BOROUGH OF HOPATCONG
PUBLIC NOTICE
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 regular meeting of the governing body of the Borough of Hopatcong, in the County of Sussex, State of New Jersey on April 16, 2014. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held at the Borough Municipal Building, 111 River Styx Road, Borough of Hopatcong, in said County on May 7, 2014 at 7:30 p.m. 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 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 2014 CAPITAL IMPROVEMENTS, BY AND IN THE BOROUGH OF HOPATCONG, IN THE COUNTY OF SUSSEX, STATE OF NEW JERSEY (THE "BOROUGH"); APPROPRIATING \$480,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$456,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COSTS THEREOF

Purpose(s): Various 2014 capital improvements within the Borough including, but not limited to, acquisition, installation or construction, as applicable, of a salt shed, chassis and computer equipment, various road improvements and various improvements to the municipal complex

Appropriation: \$480,000

**Bonds/Notes
Authorized:** \$456,000

**Grant(s)
Appropriated:** None

**Section 20
Costs:** \$80,000

Useful Life: 14.63 Years

ROBERT ELIA,
Acting Clerk of the Borough of
Hopatcong

BOROUGH COMMON COUNCIL OF THE BOROUGH OF HOPATCONG
PUBLIC NOTICE
BOND ORDINANCE STATEMENTS AND SUMMARY

The bond ordinance, the summary terms of which are included herein, has been finally adopted by Borough Common Council of the Borough of Hopatcong, in the County of Sussex, State of New Jersey on May 7, 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:

Title: BOND ORDINANCE PROVIDING FOR VARIOUS 2014 CAPITAL IMPROVEMENTS, BY AND IN THE BOROUGH OF HOPATCONG, IN THE COUNTY OF SUSSEX, STATE OF NEW JERSEY (THE "BOROUGH"); APPROPRIATING \$480,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$456,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COSTS THEREOF

Purpose(s): Various 2014 capital improvements within the Borough including, but not limited to, acquisition, installation or construction, as applicable, of a salt shed, chassis and computer equipment, various road improvements and various improvements to the municipal complex

Appropriation: \$480,000

Bonds/Notes Authorized: \$456,000

Grant(s) Appropriated: None

Section 20 Costs: \$80,000

Useful Life: 14.63 Years

ROBERT ELIA,
Acting Clerk of the Borough of Hopatcong

DOWN PAYMENT CERTIFICATE

I, the undersigned Chief Financial Officer of the Borough of Hopatcong, in the County of Sussex, State of New Jersey, DO HEREBY CERTIFY that prior to final adoption of the ordinance entitled,

“BOND ORDINANCE PROVIDING FOR VARIOUS 2014 CAPITAL IMPROVEMENTS, BY AND IN THE BOROUGH OF HOPATCONG, IN THE COUNTY OF SUSSEX, STATE OF NEW JERSEY (THE “BOROUGH”); APPROPRIATING \$480,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$456,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COSTS THEREOF”,

there was available as a down payment for the purposes authorized by said ordinance \$24,000 by virtue of provisions in a previously adopted budget or budgets of the Borough for down payment or for capital improvement purposes.

IN WITNESS WHEREOF, I have hereunto set my hand as of this ____ day of _____, 2014.

KELLEYANNE McGANN,
Chief Financial Officer

CERTIFICATE OF INTRODUCTION

I, the undersigned Acting Clerk of the Borough of Hopatcong, in the County of Sussex, State of New Jersey, DO HEREBY CERTIFY that the foregoing is an extract from the Minutes of a meeting of the Borough Common Council of the Borough duly called and held on April 16, 2014 at 7:30 p.m. at the Borough's Municipal Building and that the following was the roll call:

Present:

Absent:

I FURTHER CERTIFY that the foregoing extract has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the Borough Common Council and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Borough as of this ____ day of _____, 2014.

(SEAL)

ROBERT ELIA,
Acting Clerk of the Borough of
Hopatcong

CERTIFICATE OF FINAL ADOPTION

I, the undersigned Acting Clerk of the Borough of Hopatcong, in the County of Sussex, State of New Jersey, DO HEREBY CERTIFY that the foregoing is an extract from the Minutes of a meeting of the Borough Common Council of the Borough duly called and held on May 7, 2014 at 7:30 p.m. at the Borough's Municipal Building and that the following was the roll call:

Present:

Absent:

I FURTHER CERTIFY that the foregoing extract has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the Borough Common Council and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Borough as of this ____ day of _____, 2014.

(SEAL)

ROBERT ELIA,
Acting Clerk of the Borough of
Hopatcong

CLERK'S CERTIFICATE

I, ROBERT ELIA, DO HEREBY CERTIFY that I am the Acting Clerk of the Borough of Hopatcong, in the County of Sussex, State of New Jersey (the "Borough"), a municipal corporation organized and existing under the laws of the State of New Jersey, and that as such I am duly authorized to execute and deliver this certificate on behalf of the Borough. In such capacity, I have the responsibility to maintain the minutes of the meetings of the governing body of the Borough and the records relative to all resolutions and ordinances of the Borough. The representations made herein are based upon the records of the Borough. I DO HEREBY FURTHER CERTIFY THAT:

1. Attached hereto is the bond ordinance introduced on April 16, 2014 and finally adopted on May 7, 2014 and approved by the Mayor on _____, 2014.

2. After introduction, the bond ordinance was published as required by law on _____, 2014 in the _____ (name of newspaper).

3. Following the passage of the ordinance on first reading, and at least seven (7) days prior to the final adoption thereof, I caused to be posted in the principal municipal building of the Borough at the place where public notices are customarily posted, a copy of said ordinance or a summary thereof and a notice that copies of the ordinance would be made available to the members of the general public of the Borough who requested copies, up to and including the time of further consideration of the ordinance by the governing body. Copies of the ordinance were made available to all who requested same.

4. After final passage, the ordinance was duly approved by the Mayor of the Borough and published as required by law on _____, 2014 in the

_____ (name of newspaper). No protest signed by any person against making any improvement or incurring the indebtedness authorized therein, nor any petition requesting that a referendum vote be taken on the action proposed in the ordinance has been presented to the governing body or to me or filed in my office within twenty (20) days after said publication or at any other time after the final passage thereof.

5. The ordinance has not been amended, added to, altered, or repealed and said ordinance is now in full force and effect.

6. A certified copy of the ordinance and a copy of the amended capital budget form have been filed with the Director of the Division of Local Government Services, as applicable.

7. The official seal of the Borough is the seal, an impression of which is affixed opposite my signature on this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Borough as of this ____ day of _____, 2014.

ROBERT ELIA,
Acting Clerk of the Borough of
Hopatcong

(SEAL)

CERTIFICATE OF SUPPLEMENTAL DEBT STATEMENT

I, the undersigned, Acting Clerk of the Borough of Hopatcong, in the County of Sussex, State of New Jersey, DO HEREBY CERTIFY, that the attached Supplemental Debt Statement was prepared, executed and sworn to by Kelleyanne McGann, the Chief Financial Officer of the Borough as of April 16, 2014, that such Supplemental Debt Statement was filed in my office on April 16, 2014 and with the Director of the Division of Local Government Services, New Jersey Department of Community Affairs on _____, 2014.

ROBERT ELIA,
Acting Clerk of the Borough of Hopatcong