

O-14-16

**BOND ORDINANCE PROVIDING FOR THE  
CONSTRUCTION OF A WATER TANK IN AND BY THE  
BOROUGH OF WHARTON, IN THE COUNTY OF  
MORRIS, NEW JERSEY, APPROPRIATING \$1,500,000  
THEREFOR AND AUTHORIZING THE ISSUANCE OF  
\$1,500,000 BONDS OR NOTES OF THE BOROUGH FOR  
FINANCING SUCH APPROPRIATION**

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

Section 1. The improvement described in Section 3 of this bond ordinance is hereby authorized as a general improvement to be made or acquired by the Borough of Wharton, New Jersey. For the said improvement or purpose stated in said Section 3, there is hereby appropriated the sum of \$1,500,000, said sum, except as described below, being inclusive of all appropriations heretofore made therefor and being exclusive of the amount of \$3,000,000 in developers' contributions previously appropriated therefor by the Borough.

Section 2. For the financing of said improvement or purpose and to meet the said \$1,500,000 appropriation, negotiable bonds of the Borough are hereby authorized to be issued in the principal amount of \$1,500,000 pursuant to the Local Bond Law of New Jersey. In anticipation of the issuance of said bonds and to temporarily finance said improvement or purpose, negotiable notes of the Borough in a principal amount not exceeding \$1,500,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by said Local Bond Law.

Section 3. (a) The improvement hereby authorized and purpose for the financing of which said obligations are to be issued is the improvement of the water supply

**and distribution system in and by the Borough, including the construction of an above ground water tank on property owned by the Borough and identified as Lot 23 in Block 501 on the Official Tax Map of the Borough, including all structures, site work, equipment, 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 Borough Clerk and hereby approved.**

**(b) The estimated maximum amount of bonds or notes to be issued for said purpose is \$1,500,000.**

**(c) The estimated cost of said purpose is \$4,500,000, the excess thereof over the said estimated maximum amount of bonds or notes to be issued therefor being the amount of the said \$3,000,000 in developers' contributions previously appropriated therefor by the Borough.**

**Section 4. The following additional matters are hereby determined, declared, recited and stated:**

**(a) The said purpose described in Section 3 of this bond ordinance is not a current expense and is a property or improvement which the Borough 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 benefitted thereby.**

**(b) The period of usefulness of said purpose 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 forty (40) years.**

**(c) The supplemental debt statement required by said Local Bond Law has been duly made and filed in the office of the Borough 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 Borough determined as provided in said Local Bond Law is not increased by this bond ordinance, the gross debt of the Borough as defined in said Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance by \$1,500,000, 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 \$100,000 for interest on said obligations, costs of issuing said obligations 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 cost of said improvement and is included in the foregoing estimate thereof.**

**(e) This bond ordinance authorized obligations of the Borough solely for purposes described in paragraph (h) of section 40A:2-7 of said Local Bond Law, and the said obligations authorized by this bond ordinance are to issued for a purpose which is self-liquidating within the meaning and limitations of section 40A:2-45 of said Local Bond Law and are deductible, pursuant to paragraph of (c) of section 40A:2-44 of said Local Bond Law, from the gross debt of the Borough.**

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

**First Reading: May 23, 2016**  
**Second Reading: June 13, 2016**

**ATTEST:**

**BOROUGH OF WHARTON**

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**WILLIAM J. CHEGWIDDEN,  
MAYOR**

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**Gabrielle Evangelista,  
Borough Clerk**