

TOWNSHIP OF MAURICE RIVER

ORDINANCE NO. 611

AN ORDINANCE PROVIDING APPROVAL FOR THE EAST POINT SHORE LINE EROSION CONTROL PROJECT BY MAURICE RIVER TOWNSHIP IN THE COUNTY OF CUMBERLAND, STATE OF NEW JERSEY APPROPRIATING \$110,000.00 THEREFORE AND AUTHORIZING THE ISSUANCE OF BOND AND BOND ANTICIPATION NOTES IN THE SUM OF \$100,000.00 FOR FINANCING PART OF SUCH APPROPRIATION

THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MAURICE RIVER DOES ORDAIN:

SECTION 1. The Township Committee hereby authorizes for the purposes set forth in Section 3 of this Ordinance an appropriation in the amount of \$110,000.00.

SECTION 2. For the financing of the cost of said purpose, the Township Committee hereby authorizes the issuance of bonds and bond anticipation notes in the aggregate principal amount of not more than \$100,000.00 and the issuance of serial bonds not to exceed the amount pursuant to the limitation prescribed by the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 through 40A:2-64, the proceeds of the bonds to be used to retire the notes, (if any). The note shall mature and be renewed as provided by N.J.S.A. 40A:2-8 of the Local Bond Law.

SECTION 3. The purposes herein referred to and hereby authorized and the purpose of the financing for which said obligations are to be issued are as follows:

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|----|---|--------------|
| A. | Maurice River Township's share of the cost of construction of East Point berm | \$110,000.00 |
| B. | Estimated amount of bonds and bond anticipation notes for construction of the East Point berm | 100,000.00 |
| C. | Estimated maximum amount of down payment from the reserve for construction of the East Point berm | 10,000.00 |

D. Period of usefulness

15 years

SECTION 4. It is hereby found, determined and declared that:

- (a) The purposes described in Section 3 hereof are not a current expense and is a purchase, which the Township of Maurice River may lawfully make as a purchase, and no part of the cost thereof has been made or shall be specifically assessed on property specifically benefited thereby.
- (b) The period of usefulness for this purchase of which the obligations are authorized by this Ordinance are in accordance with N.J.S.A. 40A:2-22.
- (c) The supplemental debt statement provided for in N.J.S.A. 40A:2-10 has been duly filed in the Office of the Clerk of the Township of Maurice River prior to passage of this Ordinance on first reading, and such supplemental debt statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by \$100,000.00 and the obligations authorized by this Ordinance will be within all debt limitations prescribed by the local Bond Law.
- (d) The aggregate amount included in the estimated cost of the improvements or purposes for the payment of interest on such obligations, accounting engineering and inspection costs, legal expenses architect's fees, cost of authorizing, selling and issuing obligations, preliminary planning, test and survey expenses, and a reasonable proportion of the compensation and expenses of employees of the Township of Maurice River in connection with the construction or acquisition of such improvements or property shall not exceed \$17,000.00.

SECTION 5. The full faith and credit of the Township of Maurice River is hereby pledged to the punctual payment of the principal and interest on said obligation authorized by this bond ordinance. Said obligation shall be direct, unlimited obligation of the Township, and the Township shall be obligated to levy ad valorem taxes upon all the taxable property within

the Township for payment of said obligations and interest thereon without limitation as to the rate of amount.

SECTION 6. The 2011 Capital Budget of the Township is hereby amended to conform with the provisions of this Ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board showing all detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, are on file with the Clerk and is available for public inspection.

SECTION 7. The Ordinance shall take effect twenty (20) days after publication of Notice of Adoption thereof after final passage as provided by the Local Bond Law.

SECTION 8. The Township hereby declares its intent to reimburse itself for the proceeds of the bonds or bond anticipation notes authorized by this Bond Ordinance pursuant to Income Tax Regulation Section 1.150-2(e), promulgated under the internal Revenue Code of 1986, as amended ("Code"), for "original expenditures", as defined in Income Tax Regulation Section 1.150-2(c)(2), made by the Township prior to the issuance of such bonds or bond anticipation notes.

SECTION 9. The Township hereby covenants as follows:

- (a) it shall take all actions necessary to ensure that the interest paid on the bonds or bond anticipation notes authorized by this Bond Ordinance is exempt for the gross income of the owners thereof for federal income taxation purposes, and will not become a specific item of tax preference pursuant to Section 57(a)(5) of the Code;
- (b) it will not make any use of the proceeds of the bonds or bond anticipation or do or suffer any other action that would cause the bonds or bond anticipation to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code and the Regulation promulgated hereunder;
- (c) it shall calculate or cause to be calculated and pay, when due, the rebateable arbitrage with respect to the "gross proceeds" (as such term is

used in Section 148(f) of the Code of the bonds or bond anticipation notes;

- (d) it shall timely file with the Philadelphia, Pennsylvania Service Center of the Internal Revenue Service, such information report or reports as may be required by Section 148(f) and 149(e) of the Code; and
- (e) it shall take no action that would cause the bonds or bond anticipation notes to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

INTRODUCED: 04/21/11
PUBLIC HEARING: 05/19/11