

**CITY OF SEA ISLE CITY  
NEW JERSEY**

**ORDINANCE NO. 1525 (2012)**

**BOND ORDINANCE PROVIDING FOR VARIOUS  
CAPITAL IMPROVEMENTS OF THE CITY OF SEA ISLE  
CITY, IN THE COUNTY OF CAPE MAY, NEW JERSEY,  
APPROPRIATING THE AGGREGATE AMOUNT OF  
\$4,600,000 THEREFOR AND AUTHORIZING THE  
ISSUANCE OF \$4,370,000 BONDS OR NOTES OF THE  
CITY TO FINANCE PART OF THE COST THEREOF.**

**BE IT ORDAINED**, BY THE CITY COUNCIL OF THE CITY OF SEA ISLE CITY, IN THE COUNTY OF CAPE MAY, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

**Section 1.** The several improvements described in Section 3 of this bond ordinance are hereby respectively authorized to be undertaken by the City of Sea Isle City, in the County of Cape May, New Jersey (the "City") as general improvements. For the several improvements or purposes described in Section 3, there are hereby appropriated the respective sums of money therein stated as the appropriation made for each improvement or purpose, such sums amounting in the aggregate to \$4,600,000, including the aggregate sum of \$230,000 as the several down payments for the improvements or purposes required by the Local Bond Law. The down payments have been made available by virtue of provision for down payment or for capital improvement purposes in one or more previously adopted budgets.

**Section 2.** In order to finance the cost of the several improvements or purposes not covered by application of the several down payments, negotiable bonds are hereby authorized to be issued in the principal amount of \$4,370,000 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 3.** The several improvements hereby authorized and the several purposes for which the bonds are to be issued, the estimated cost of each improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each improvement and the period of usefulness of each improvement are as follows:

<u>Purpose</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
a) The acquisition of equipment and vehicles, including pick-up trucks, a roll off truck, a utility van, a beach cleaning machine, parking kiosks, and salt spreaders, including all related costs and expenditures incidental thereto along with the improvement by rehabilitation of large equipment and vehicles for various departments resulting in the minimum extension of useful life of five years.	\$550,000	\$522,500	5 years
b) Various building and facility improvements, consisting of promenade railings, street end retaining walls, Public Safety Building renovations, citywide decorations, multi-purpose field and grounds improvements, skate park improvements, citywide telephone and computer systems, and general capital replacements and renovations to city buildings, including all work and materials necessary therefor and incidental thereto.	\$900,000	\$855,000	5 years
c) Remediation of the former landfill, including all work and materials necessary therefor and incidental thereto.	\$250,000	\$237,500	15 years
d) Replacement of bulkheads, including all work and materials necessary therefor and incidental thereto.	\$525,000	\$498,750	15 years
e) Citywide road reconstruction and drainage improvements in conjunction with road and utility program developed by the City engineer and administration, including all work and materials necessary therefor and incidental thereto.	\$2,100,000	\$1,995,000	10 years
f) Streetscape improvements to Landis Avenue, consisting of street lighting, crosswalks, trash receptacles, benches, and bike racks, including all work and materials necessary therefor and incidental thereto.	\$275,000	\$261,250	15 years
TOTALS	<u>\$4,600,000</u>	<u>\$4,370,000</u>	

The excess of the appropriation made for each of the improvements or purposes aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the down payment for each purpose.

**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 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 notes issued pursuant to this 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 the Local Bond Law. 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 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 ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

**Section 5.** The City hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the City is hereby amended to conform with the provisions of this 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 6.** 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. They are all improvements that the City may lawfully undertake as general improvements, and no part of the costs thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The average period of usefulness, computed on the basis of the respective amounts of obligations authorized for each purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 9.56 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 City as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$4,370,000, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$678,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated costs indicated herein for the purposes or improvements.

**Section 7.** The City hereby declares the intent of the City 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 7 is a declaration of intent within the meaning and for purposes of Treasury Regulations.

**Section 8.** Any grant moneys received for the purposes described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

**Section 9.** The chief financial officer of the City 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 City and to execute such disclosure document on behalf of the City. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the City pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the City 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 City fails to comply with its undertaking, the City shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

**Section 10.** The full faith and credit of the City 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 City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the City for the payment of the obligations and the interest thereon without limitation of rate or amount.

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

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William J. Kehner, Council President

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Leonard C. Desiderio, Mayor

I HEREBY CERTIFY THAT the foregoing ordinance was duly passed by the City Council of the City of Sea Isle City, New Jersey on first reading at the regular meeting of said Council held on the 26<sup>th</sup> day of June, 2012 and was taken up for second reading, public hearing and final passage at the regular meeting of said Council held on the 24<sup>th</sup> day of July, 2012 in the Public Safety Building, 233 John F. Kennedy Blvd., Sea Isle City, New Jersey at 10:00 a.m.

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Cindy L. Griffith, Municipal Clerk