ORDINANCE NO. 2011-2

BOND ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO ONE MILLION SIX HUNDRED SIXTY THOUSAND DOLLARS ($1,660,000.00), AGGREGATE PRINCIPAL AMOUNT, GENERAL OBLIGATION BONDS OR NOTES OF THE TOWNSHIP OF OCEAN, COUNTY OF OCEAN, NEW JERSEY FOR THE CONSTRUCTION OF CERTAIN CLEAN WATER AND DRINKING WATER PROJECTS WITHIN THE TOWNSHIP OF OCEAN, OCEAN COUNTY, NEW JERSEY

BE IT ORDAINED, BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF OCEAN, IN THE COUNTY OF OCEAN AND STATE OF NEW JERSEY, (with the affirmative concurrence of not less than two-thirds of all the members thereof) AS FOLLOWS:

Section 1. The Township of Ocean (the "Township") hereby authorizes the following projects to maintain and support compliance by the Township with the drinking water and sanitary sewer regulations of the State of New Jersey and thereby improve and protect the Township's water and sanitary sewer systems:

	IMPROVEMENT OR PURPOSE	APPROPRIATION AND ESTIMATED COST
(a)	Replacement of approximately 3,700 linear feet of existing 8" asbestos cement sewer main in Tuscarora Avenue with 8" polyvinyl chloride (PVC) pipe, including replacement of all manholes and sewer laterals, and including all costs of surveying, construction, planning, design, engineering, preparation of plans and specifications, permits, bid documents and construction inspection and administration.	$900,000
(b)	Replacement of approximately 3,700 linear feet of existing 8" asbestos cement water main in Tuscarora Avenue with 8" ductile iron pipe, and related gate valves, fire hydrants, fittings and water services, including all costs of surveying, construction, planning, design, engineering, preparation of plans and specifications, permits, bid documents and construction inspection and administration.	$760,000
	TOTAL	$1,660,000

Section 2. The cost of the improvements stated in Section 1, above, is intended to be financed through the Township's participation in the financing program being offered by the New Jersey Environmental Infrastructure Trust (the "Trust") and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), pursuant to the 2011 New Jersey Environmental Infrastructure Financing Program (the "Program"). The issuance of bonds or notes of the Township to the Trust and State in the maximum aggregate principal amount of One Million Six Hundred Sixty Thousand Dollars ($1,660,000.00) to cover the cost of the improvements or purposes stated in Section 1 and the costs of issuance of such obligations is hereby authorized (collectively, the "Bonds"). In accordance with N.J.S.A. 40A:2-11(c), no down payment shall be required in connection with the issuance of the Bonds as this bond ordinance authorizes an obligation referred to in N.J.S.A. 40A:2-7(h) for purposes that are self-liquidating as described in N.J.S.A. 40A:2-45.

Section 3. The following additional matters are hereby determined, declared and recited and stated:

(a) The said purposes described in Section 1 of this Bond Ordinance are not a current expense and are improvements which the Township may lawfully require or make and no part of the cost thereof has been or shall be specifically assessed on property specifically benefited thereby.

(b) The average period of usefulness of said purposes authorized herein, taking into consideration the respective amounts of said obligations authorized for such purposes, computed in accordance with N.J.S.A. 40A:2-22 is **40.00 years**.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the office of the Township 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 the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this Bond Ordinance by a maximum amount of One Million Six Hundred Sixty Thousand Dollars ($1,660,000.00), and the said Bonds authorized by this Bond Ordinance will be within all debt limitations prescribed by the Local Bond Law.

(d) Amounts not exceeding Five Hundred Thousand Dollars ($500,000.00) in the aggregate for interest on said Bonds, costs of issuing said Bonds, engineering and inspection costs, legal expenses, a reasonable proportion of the compensation and expenses of employees of the Township in connection with the improvements as authorized herein, and other items of expense listed in and permitted under N.J.S.A. 40A:2-20 of the Local Bond Law have been included as part of the costs of said improvement and are included in the foregoing estimate thereof.

Section 4. Payment of the principal of and interest on the Bonds shall be made from the water and sewer utility revenues received by the Township and such revenues are hereby pledged for the prompt payment of such Bonds. The aforesaid notwithstanding, the full faith and credit of the Township are hereby pledged to punctual payment of the principal of and interest on the said Bonds authorized by this Bond Ordinance. Said Bonds shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy *ad valorem* taxes upon all of the taxable property within the Township for the payment of said Bonds and interest thereon without limitation of rate or amount.

Section 5. The Bonds shall mature at such time or times not exceeding twenty (20) years from the date thereof as may be approved by the Local Finance Board of the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey ("Local Finance Board") pursuant to N.J.S.A. 58:11B-9(a) and 40A:2-26 of the Local Bond Law. All other terms of the Bonds, including, without limitation, the dates thereof, the rate or rates of interest to be paid thereon, the provisions for redemption prior to maturity thereof, and the place or places for payment thereof, shall be as determined by subsequent resolution or resolutions of the Township Committee as permitted by N.J.S.A. 40A:2-16 of the Local Bond Law.

Section 6. The Bonds shall be executed in the name of the Township by the manual or facsimile signatures of the Mayor and Chief Financial Officer under the affixed, imprinted, engraved or reproduced seal of the Township attested by the manual or facsimile signature of the Township Clerk.

Section 7. The Township is hereby authorized and directed to enter into any and all contracts or agreements necessary, desirable or convenient to effectuate the financing program with the Trust and State authorized by this Bond Ordinance.

Section 8. The Mayor, Chief Financial Officer and Township Administrator of the Township are hereby jointly and severally authorized and directed to take all actions and execute all documents and instruments necessary or appropriate to carry out the purposes of this Bond Ordinance, including, without limitation, the furnishing of such documentation and information as may be required by the Director of the Local Finance Board. All prior actions taken by such officials in connection with the financing program authorized by this Bond Ordinance are hereby ratified and confirmed.

Section 9. The Township reasonably expects to reimburse any expenditures towards the costs of the improvements described in Section 1 of this Bond Ordinance and paid prior to the issuance of any of the Bonds authorized by this Bond Ordinance with the proceeds of such Bonds. No funds from sources other than the Bonds authorized herein has been or is reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the Township, or any member of the same "control group" as the Township, within the meaning of Treasury Regulations Section 1.150-1(f), pursuant to their budget or financial policies with respect to any expenditures to be reimbursed. This Section is intended to be and hereby is a declaration of the

Township's official intent to reimburse any expenditures towards the costs of the improvements described in Section 1 hereof to be incurred and paid prior to the issuance of the Bonds authorized herein in accordance with Treasury Regulations Section 1.103-18, and no action (or inaction) will be an artifice or device in accordance with Treasury Regulation Section yield restrictions or arbitrage rebate requirements.

Section 10. The Township hereby covenants to take any action necessary or refrain from taking such action in order to preserve the tax-exempt status of the bonds and notes authorized hereunder as is or may be required under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code), including compliance with the Code with regard to the use, expenditure, investment, timely reporting and rebate of investment earnings as may be required thereunder.

Section 11. Neither this Bond Ordinance nor any resolution of the Township Committee performing, determining or authorizing matters or acts in connection with the issuance of the Bonds shall take effect until there is endorsed upon a certified copy hereof the consent of the Local Finance Board; in no event shall this Bond Ordinance be effective earlier than twenty (20) days after the first publication hereof after final passage.

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JOSEPH LACHAWIEC, MAYOR

FIRST READING:

PUBLICATION:

FINAL READING:

PUBLICATION WITH STATEMENT:

Ordinance No. 2011-

NOTICE OF PENDING BOND ORDINANCE AND SUMMARY

The Bond Ordinance, the summary terms of which are included herein, was duly introduced and passed upon first reading at a meeting of the Township Committee of the Township of Ocean, in the County of Ocean, State of New Jersey, on February 10, 2011, at the Ocean Township Municipal Building located at 50 Railroad Avenue, Waretown, New Jersey. It will be further considered for final passage, after public hearing thereon, at a meeting of the Township Committee to be held on March 10, 2011, at 7:30 o'clock P.M. at the Ocean Township Municipal Building. During the week prior to and up to and including the date of such meeting, copies of said Bond Ordinance will be available at no cost and during regular business hours, at the Township Clerk's office located in the Municipal Building 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 AUTHORIZING THE ISSUANCE OF UP TO ONE MILLION SIX HUNDRED SIXTY THOUSAND DOLLARS ($1,660,000.00), AGGREGATE PRINCIPAL AMOUNT, GENERAL OBLIGATION BONDS OR NOTES OF THE TOWNSHIP OF OCEAN, COUNTY OF OCEAN, NEW JERSEY FOR THE CONSTRUCTION OF CERTAIN CLEAN WATER AND DRINKING WATER PROJECTS WITHIN THE TOWNSHIP OF OCEAN, OCEAN COUNTY, NEW JERSEY

Purpose(s): Capital Improvements
Appropriation: $1,660,000.00
Bonds/Notes Authorized: $1,660,000.00
Grants (if any) Appropriated: 100% of Project Costs to be obtained from the New Jersey Environmental Infrastructure Trust Fund and the State Acting By and Through the New Jersey Department of Environmental Protection
Section 20 Costs: $500,000.00
Useful Life: 40.00

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Diane B. Ambrosio, Township Clerk

This Notice is published pursuant to N.J.S.A. 40A:2-17.