ORDINANCE NO. 2025-16

BOND ORDINANCE PROVIDING FOR VARIOUS WATER / SEWER UTILITY IMPROVEMENTS BY THE BOROUGH OF KEYPORT, APPROPRIATING THE AGGREGATE AMOUNT OF $5,443,750 THEREFOR, INCLUDING A GRANT IN THE AMOUNT OF $2,347,000 EXPECTED TO BE RECEIVED FROM THE UNITED STATES DEPARTMENT OF ENVIRONMENTAL PROTECTION, AND AUTHORIZING THE ISSUANCE OF $3,096,750 BONDS OR NOTES OF THE BOROUGH TO FINANCE THE COST THEREOF

BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF KEYPORT (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized to be undertaken by the Borough of Keyport, a municipal corporation of the State of New Jersey (the "Borough") as general improvements. For the improvements or purposes described in Section 3 of this bond ordinance, there is hereby appropriated the sum of $5,443,750 (which is the aggregate amount of the sums of money appropriated for each respective improvement or purpose), including a $2,347,000 grant expected to be received from the United States Department of Environmental Protection (EPA Community Grant - FY23 Congressionally Directed Spending). No down payment is required by the Local Bond Law because the improvements or purposes authorized herein are deemed self-liquidating pursuant to N.J.S.A. 40A:2-45 and the obligations authorized herein are deductible from the gross debt of the Borough pursuant to N.J.S.A. 40A:2-44(c).

Section 2. In order to finance the cost of the improvements or purposes described in Section 3 of this bond ordinance, negotiable bonds are hereby authorized to be issued in the principal amount of $3,096,750 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 improvements or purposes hereby authorized for which bonds or notes are to be issued, the estimated cost of each improvement or purpose and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each improvement or purpose, and the period of usefulness of each improvement or purpose are as follows:

(a) The Lockport Neighborhood Water Distribution System Improvements Project as set forth on the project list filed in the Finance Department, including all work and materials necessary therefor or incidental thereto.

APPROPRIATION	BOND AUTHORIZATION	PERIOD OF USEFULNESS
$3,333,750 (including a grant in the amount of $2,347,000 expected to be received from the United States Department of Environmental Protection (EPA Community Grant - FY23 Congressionally Directed Spending))	$986,750	40 years

(b) Sewer main repairs as set forth on the project list filed in the Finance Department, including all work and materials necessary therefor or incidental thereto.

APPROPRIATION	BOND AUTHORIZATION	PERIOD OF USEFULNESS
$2,110,000	$2,110,000	40 years

TOTAL APPROPRIATION	TOTAL BOND AUTHORIZATION	AVERAGE PERIOD OF USEFULNESS
$5,443,750	$3,096,750	40 years

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 bond anticipation note shall mature later than one year from its date. The bond anticipation 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 bond anticipation notes issued pursuant to this bond ordinance, and the Chief Financial Officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation 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 a part, or all, of the bond anticipation 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, if any, from their dates to the dates 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 of bond anticipation notes issued pursuant to this bond ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

Section 5. 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.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses. They are all improvements or purposes that the Borough may lawfully undertake as general improvements, and no part of the costs thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of the improvements or purposes described in Section 3 of this bond ordinance, computed on the basis of the amounts of obligations authorized for each improvement or purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 40 years.

(c) An aggregate amount not exceeding $620,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost of the improvements or purposes set forth in Section 3 of this bond ordinance.

(d) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and submitted to 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 Borough is increased by $3,096,750 (the amount of the authorization of the obligations provided for in this bond ordinance), although such amount is deductible from the gross debt of the Borough pursuant to the Local Bond Law which results in a zero increase in the net debt of the Borough. The obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

Section 7. The Borough reasonably expects to commence the acquisition and/or construction of the improvements or purposes described in Section 3 of this bond ordinance, and to advance all or a portion of the costs in respect thereof, prior to the issuance of bonds or notes hereunder. To the extent such costs are advanced, the Borough further reasonably expects to reimburse such expenditures from the proceeds of the obligations authorized in Section 2 of this bond ordinance. This Section 7 is intended to be and hereby is a declaration of official intent under Treasury Regulation Section 1.150-2.

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 real property within the Borough for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 9. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

Recorded Vote:

AYES: Brady, Gross, McNamara, Merla, Reilly, Vecchio

NAYES:

ABSENT:

ABSTAIN:

The foregoing is a true copy of a bond ordinance introduced and adopted on first reading by the governing body of the Borough of Keyport on October 7, 2025.

Michele Clark
Clerk

Recorded Vote:

AYES: Brady, McNamara, Merla, Reilly, Vecchio

NAYES:

ABSENT: Gross

ABSTAIN:

The foregoing is a true copy of a bond ordinance finally adopted by the governing body of the Borough of Keyport on October 21, 2025.

Michele Clark
Clerk

Introduced: October 7, 2025
Public Hearing: October 21, 2025
Adopted: October 21, 2025

Michele Clark, RMC
Borough Clerk

Rose P. Araneo, Mayor
Borough of Keyport