

ORDINANCE NO. 2022.04

**ORDINANCE OF THE TOWNSHIP OF PENNSAUKEN,
COUNTY OF CAMDEN, NEW JERSEY, AUTHORIZING THE
GUARANTY BY THE TOWNSHIP OF THE PAYMENT OF THE
PRINCIPAL OF AND INTEREST ON THE WATER REVENUE
BONDS, IN ONE OR MORE SERIES, PROJECT NOTES, OR
OTHER OBLIGATIONS EVIDENCING DEBT TO BE ISSUED
BY THE MERCHANTVILLE-PENNSAUKEN WATER
COMMISSION, IN AN AGGREGATE PRINCIPAL AMOUNT
NOT EXPECTED TO EXCEED \$8,800,000 FOR THE
PURPOSE OF PROVIDING ADDITIONAL SECURITY FOR
THE PAYMENT OF SAID REVENUE BONDS OR BOND
ANTICIPATION NOTES; AND DETERMINING CERTAIN
MATTERS IN CONNECTION THEREWITH**

BACKGROUND

WHEREAS, the Merchantville-Pennsauken Water Commission ("Commission"), a body politic of the State of New Jersey, situated at 6751 Westfield Avenue, Pennsauken, New Jersey 08110, has been duly organized in accordance with the provisions of *N.J.S.A. 40:62-108 et seq.*; and

WHEREAS, the Commission is jointly owned by the Borough of Merchantville, County of Camden, New Jersey ("Borough") and the Township of Pennsauken, County of Camden, New Jersey ("Township") in the following percentages:

Borough of Merchantville	11.58%
Township of Pennsauken	<u>88.42</u>
	<u>100.00%</u>

WHEREAS, the Commission has determined there exists a need within its service area for various improvements to its water system consisting of: the design, construction, and equipping of an approximately 6,500 square foot new water treatment plant to be located near the Commission's existing National Highway Treatment Plant, which treatment plant shall be located in Pennsauken, New Jersey (the "Plant"). The Plant is being constructed in order to meet applicable federal and state regulations and standards associated with the removal of PFOS compounds from drinking water (the construction of the Plant shall be referred to in this Ordinance as the "2022 Project"); and

WHEREAS, the Commission has determined to finance the costs of the 2022 Project through the issuance of debt, being water revenue bonds, project notes or other obligations,

in an aggregate principal amount not expected to exceed \$8,800,000 (collectively, the "Obligations"); and

WHEREAS, the Commission further issue the Obligations through the New Jersey Environmental Infrastructure Trust Financing Program, or through a public or private sale, as may be determined by Commission; and

WHEREAS, the Township Committee (the "Committee"), after due deliberation, has ascertained that it will be in the best interest of the Commission to issue any such Obligations to finance the costs of the 2022 Project; and

WHEREAS, it is the desire of the Township to guarantee repayment of any such Obligations in the event of a default by the Commission.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF PENNSAUKEN, COUNTY OF CAMDEN, NEW JERSEY, AS FOLLOWS:

Section 1. The Township hereby guarantees repayment of the principal of and interest on any Obligations issued by the Commission in connection with the 2022 Project, when due, in the event the Commission is unable to make such payment.

Section 2. Said unconditional guarantee by the Township shall be to the full extent of its ownership interest in the Commission, that being 88.42% of the amount of any default by the Commission.

Section 3. The term of this Ordinance shall extend until all Obligations issued by the Commission in connection with the 2022 Project have been paid in full.

Section 4. All ordinances, or parts of ordinances, inconsistent or in conflict with the provisions of this Ordinance are hereby repealed to the extent of any such inconsistency.

Section 5. This Ordinance shall authorize the duly elected or appointed officers of the Committee, acting together or alone, to execute any instrument, certification, or other document necessary to carry out the intent of this Ordinance and allow the Commission to consummate the Project, and issue the Obligations.

Section 6. This Ordinance shall take effect upon publication and final enactment as provided by law.

[signatures on following page]

THE TOWNSHIP OF PENNSAUKEN

BY: _____
Pamela Scott-Forman, Township Clerk

[SEAL]Statement to be Published After Introduction with Ordinance

STATEMENT

Notice is hereby given that the foregoing proposed Ordinance was introduced and passed by the Township Committee of the Township of Pennsauken at its regular meeting which was held on February 17, 2022 and that a public hearing upon the said Ordinance will be conducted by the Township Committee at a meeting on March 17, 2022 at the Municipal Building at 5605 N. Crescent Blvd. Pennsauken, NJ 08110.

Pamela Scott-Forman, RMC / CMR
Pennsauken Township Clerk

Statement to be Published After Final Adoption

STATEMENT

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The foregoing named Ordinance was duly adopted at a meeting of the Township Committee of the Township of Pennsauken held on _____.

Dated:

Pamela Scott-Forman, Township Clerk