

**ORDINANCE NO. 2022.04**

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**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**

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**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 \_\_\_\_\_, 2022 and that a public hearing upon the said Ordinance will be conducted by the Township Committee at a meeting on \_\_\_\_\_ at \_\_\_\_\_.

Dated:

\_\_\_\_\_  
Pamela Scott-Forman, Township Clerk

**Statement to be Published After Final Adoption**

**STATEMENT**

**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**

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