



Legislation Text

File #: 12-1588, Version: 2

Dept/ Agency: Finance

Action: () Ratifying (X) Authorizing () Amending

Purpose: An Application to Local Finance Board for approval of the creation of a Municipal Utilities Authority to operate the City's Water and Sewer Systems

Name of Project(s): Newark Municipal Utility Authority

Amount to be Financed:

Funding Source:

Local Finance Board meeting date(s):

Project Information:

(Description/ Project No./ Amount Appropriated/Ordinance No.)

Additional Information:

The Municipal Utilities Authority would operate and maintain the City's Water and Sewer Systems and would operate in accordance with the Municipal and County Utilities Authorities Law, N.J.S.A. 40:14B-1 et seq.

Failed 7R5-a (s) 072412

WHEREAS, pursuant to the Municipal and County Utilities Authorities Law, N.J.S.A. 40:14B-1 et seq., the Municipal Council of the City of Newark (the "City") may, by ordinance, establish a Municipal Utilities Authority, as a public body corporate and politic for the purpose of: (i) the provision and distribution of an adequate supply of water for public and private uses within and without the City; (ii) the provision of sewage collection and disposal service within or without the City; and (iii) the operation and maintenance of utility systems owned by the City; and

WHEREAS, the City desires to make application to the Local Finance Board in the New Jersey Department of Community Affairs, Division of Local Government Services (the "Local Finance Board") for its approval of an ordinance authorizing the formation of a Municipal Utilities Authority pursuant to N.J.S.A. 40A:5A-4, in order for such authority to, inter alia, operate and maintain the Water and Sewer Utility System of the City; and

WHEREAS, the City believes that:

- (a) it is in the public interest to accomplish such formation of a Municipal Utilities Authority;
- (b) said Municipal Utilities Authority is for the health, wealth, convenience or betterment of the inhabitants of the City;
- (c) the amounts to be expended for said formation of a Municipal Utilities Authority are not unreasonable or exorbitant; and
- (d) the formation of a Municipal Utilities Authority is an efficient and feasible means of

providing services for the needs of the inhabitants of the City and will not create an undue financial burden to be placed upon the City.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT :

Section 1. An application to the Local Finance Board for the formation of a Municipal Utilities Authority is hereby authorized and approved. The Municipal Council of the City hereby authorizes the Mayor and/or his designees, the Business Administrator, the Chief Financial Officer/Director of Finance, the Corporation Counsel and their respective representatives, along with, as necessary, GluckWalrath LLP, bond counsel to the City, Samuel Klein and Company, auditor to the City, Acacia Financial, Inc., financial advisor to the City, and other officials and representatives of the City and its affiliated agencies, to prepare and submit such application to the Local Finance Board and to represent the City in such matters pertaining thereto.

Section 2. The City Clerk is hereby directed to prepare and file a certified copy of this resolution with the Local Finance Board as part of such Application.

Section 3. The Local Finance Board is hereby respectfully requested to consider such Application and to record its findings, recommendations and/or approvals as provided by the applicable New Jersey Statute.

Section 4. This resolution shall take effect immediately.

STATEMENT

This resolution authorizes and approves the filing of an application with the Local Finance Board for the creation of a Municipal Utilities Authority by the City. The Municipal Utilities Authority would operate and maintain the City's Water and Sewer Systems and would operate in accordance with the Municipal and County Utilities Authorities Law, N.J.S.A. 40:14B-1 et seq.