



# City of Newark

City Hall  
920 Mayor Kenneth A.  
Gibson Boulevard  
Newark, New Jersey 07102

## Legislation Text

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File #: 25-1475, Version: 1

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### **..Title**

**Dept/ Agency:** Finance

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

**Purpose:** Approving loan and escrow agreements for ADDITIONAL FILTERS AT THE PEQUANNOCK WATER TREATMENT PLANT

**Amount to be Financed:** \$15,000,000.00

**Source of Appropriation:** New Jersey Infrastructure Bank

**Project Information:**

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

**RESOLUTION OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY, DETERMINING THE FORM AND OTHER DETAILS OF ITS NOTE OR NOTES RELATING TO THE WATER BANK CONSTRUCTION FINANCING PROGRAM OF THE NEW JERSEY INFRASTRUCTURE BANK, TO BE ISSUED IN THE ORIGINAL OR AGGREGATE PRINCIPAL AMOUNT OF UP TO \$15,000,000.00, AND PROVIDING FOR THE ISSUANCE AND SALE OF SUCH NOTE OR NOTES TO THE NEW JERSEY INFRASTRUCTURE BANK, AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH NOTE OR NOTES BY THE CITY OF NEWARK IN FAVOR OF THE NEW JERSEY INFRASTRUCTURE BANK, ALL PURSUANT TO THE NEW JERSEY INFRASTRUCTURE BANK WATER BANK CONSTRUCTION FINANCING PROGRAM AND IN CONNECTION WITH THE ADDITIONAL FILTERS AT THE PEQUANNOCK WATER TREATMENT PLANT PROJECT**

**Additional Information:**

**WHEREAS**, the City of Newark (the “Local Unit”), in the County of Essex, New Jersey, has determined that there exists a need within the Local Unit to construct and install the Additional Filters at the Pequannock Water Treatment Plant project (the “Project”), and it is the desire of the Local Unit to obtain financing for such Project through participation in the environmental infrastructure financing program (the “Environmental Infrastructure Financing Program”) of the New Jersey Infrastructure Bank (the “I-Bank”); and

**WHEREAS**, on June 25, 2025, the Local Unit issued under Bond Ordinance 6PSF-h adopted on December 18, 2024 (the “Original Bond Ordinance”) and delivered to the I-Bank a \$11,400,000.00 Note Relating to the Water Bank Construction Financing Program of the New Jersey Infrastructure Bank (the “CFP Note”); and

**WHEREAS**, on March 5, 2025, the Local Unit adopted an amendment to the Original Bond Ordinance increasing the authorized amount of bonds and notes that may be issued thereunder by \$3,600,000.00, from \$11,400,000.00 to \$15,000,000.00; and

**WHEREAS**, the Local Unit has determined to temporarily finance the construction of a portion of the costs of the Project prior to the closing with respect to the Environmental Infrastructure Financing Program, including, if required, the refinancing of the CFP Note, and to undertake such

temporary financing with the proceeds of a short-term loan or loans to be made by the I-Bank (each, a "Construction Loan" and, if more than one Construction Loan is entered into in connection with the Project, the "Construction Loans") to the Local Unit, pursuant to the Water Bank Construction Financing Program of the I-Bank (the "Water Bank Construction Financing Program"); and

**WHEREAS**, in order to (i) evidence and secure the repayment obligations of the Local Unit to the I-Bank with respect to the Construction Loan or Construction Loans and (ii) satisfy the requirements of the Water Bank Construction Financing Program, it is the desire of the Local Unit to issue and sell to the I-Bank one or more of the Local Unit's "Note Relating to the Water Bank Construction Financing Program of the New Jersey Infrastructure Bank" in an original or aggregate principal amount of up to \$15,000,000.00 (each, a "Note" and, if more than one Note is entered into in connection with the Project, the "Notes"); and

**WHEREAS**, it is the desire of the Local Unit to authorize, execute, attest and deliver the Note or Notes to the I-Bank pursuant to the terms of the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the Revised Statutes of the State of New Jersey (the "Local Bond Law"), and other applicable law; and

**WHEREAS**, Section 28 of the Local Bond Law and N.J.S.A. 58:11B-9 allows for the sale of the Note or Notes to the I-Bank without any public offering, all under the terms and conditions set forth therein.

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

accordance with Section 28 of the Local Bond Law and N.J.S.A. 58:11B-9, the City of Newark (Local Unit) hereby authorizes the issuance, sale and award of the Note or Notes in accordance with the provisions hereof. The obligation represented by the Note or Notes has been appropriated and authorized by bond ordinance number 6PSF-h December 18, 2024 of the Local Unit, as amended and restated by bond ordinance number 6SF-c September 17, 2025 (collectively, the "Bond Ordinances"), which Bond Ordinances are entitled "AN ORDINANCE OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY, PROVIDING FOR ADDITIONAL FILTERS AT THE PEQUANNOCK WATER TREATMENT PLANT AND OTHER RELATED EXPENSES IN AND FOR THE CITY AND APPROPRIATING \$11,400,000.00 THEREFOR, AND PROVIDING FOR THE ISSUANCE OF \$11,400,000.00 IN BONDS OR NOTES OF THE CITY TO FINANCE THE SAME" and "AN ORDINANCE OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY, AMENDING ORDINANCE NUMBER 6SF-h OF THE CITY ADOPTED DECEMBER 18, 2024, PROVIDING FOR ADDITIONAL FILTERS AT THE PEQUANNOCK WATER TREATMENT PLANT AND OTHER RELATED EXPENSES IN AND FOR THE CITY AND APPROPRIATING \$15,000,000.00 THEREFOR, AND PROVIDING FOR THE ISSUANCE OF \$15,000,000.00 IN BONDS OR NOTES OF THE CITY TO FINANCE THE SAME", respectively, and which Bond Ordinances were finally adopted by the Local Unit at meetings duly called and held on December 18, 2024 and September 17, 2025, at which times a quorum was present and acted throughout, all pursuant to the terms of the Local Bond Law and other applicable law.

**2.** The Chief Financial Officer of the Local Unit (the "Chief Financial Officer") is hereby authorized to determine, in accordance with the Local Bond Law and pursuant to the terms and conditions hereof, (i) the final principal amount of the Note or each of the Notes (subject to the

maximum limitation set forth in Section 4(a) hereof), and (ii) the dated date of the Note or each of the Notes.

3. Any determination made by the Chief Financial Officer pursuant to the terms hereof shall be conclusively evidenced by the execution and attestation of the Note or Notes by the parties authorized pursuant to Section 4(h) hereof.

4. The Local Unit hereby determines that certain terms of the Note shall be as follows:

- (a) the principal amount of the Note, or the aggregate principal amount of the Notes, to be issued shall be an amount up to \$15,000,000.00;
- (b) the maturity of the Note or Notes shall be as determined by the I-Bank;
- (c) the interest rate of the Note or Notes shall be as determined by the I-Bank;
- (d) the purchase price for the Note or Notes shall be par;
- (e) the Note or Notes shall be subject to prepayment prior to its or their stated maturity in accordance with the terms and conditions of the Note or Notes;
- (f) the Note or each of the Notes shall be issued in a single denomination and shall be numbered as determined by the Chief Financial Officer upon consultation with the I-Bank;
- (g) the Note or each of the Notes shall be issued in fully registered form and shall be payable to the registered owner thereof as to both principal and interest in lawful money of the United States of America; and
- (h) the Note or each of the Notes shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer of the Local Unit (each, an "Authorized Officer" and, collectively, the "Authorized Officers") under the official seal or a facsimile thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Local Unit City Clerk.

5. The Note or Notes shall be substantially in the form attached hereto as Exhibit A.

6. The law firm of DeCotiis, FitzPatrick, Cole & Giblin, LLP, is hereby authorized to arrange for the printing of the Note, which law firm may authorize McCarter & English, LLP, bond counsel to the I-Bank for the Water Bank Construction Financing Program, to arrange for same.

7. The Authorized Officers of the Local Unit are hereby further severally authorized to (i) execute and deliver, and the Local Unit City Clerk is hereby further authorized to attest to such execution and to affix the corporate seal of the Local Unit to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the City Clerk of the Local Unit, as applicable, in their respective sole discretion, after consultation with counsel and any advisors to the Local Unit and after further consultation with the I-Bank and its representatives, agents, counsel and advisors, to be executed in connection with the issuance and sale of the Note or the Notes and the participation of the Local Unit in the Water Bank Construction Financing Program, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery of the Note or the Notes and the participation of the Local Unit in the Water Bank Construction Financing Program.

8. This resolution shall take effect immediately.

9. Upon the adoption hereof, the Local Unit City Clerk shall forward certified copies of this resolution to William R. Mayer, Esq., DeCotiis, FitzPatrick, Cole & Giblin, LLP, Bond Counsel to the Local Unit, David Zimmer, Executive Director of the I-Bank, and Richard T. Nolan, Esq., McCarter & English, LLP, Bond Counsel to the I-Bank.

### **STATEMENT**

Resolution determining the form and other details of its “Note relating to the Water Bank Construction Financing Program of the New Jersey Infrastructure Bank”, to be issues in the principal amount of up to \$15,000,000.00, and providing for the issuance and sale of such note to the New Jersey Infrastructure Bank, and authorizing the execution and delivery of such note by the City of Newark for the purpose of financing the additional filters at the Pequannock Water Treatment Plant Project.