CITY OF CAPE MAY, COUNTY OF CAPE MAY, STATE OF NEW JERSEY

ORDINANCE NO. 597-2026

BOND ORDINANCE PROVIDING FOR VARIOUS 2026 CAPITAL IMPROVEMENTS, BY AND IN THE CITY OF CAPE MAY, IN THE COUNTY OF CAPE MAY, STATE OF NEW JERSEY; APPROPRIATING $3,780,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF $3,605,997 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF CAPE MAY, IN THE COUNTY OF CAPE MAY, STATE OF NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), **AS FOLLOWS:**

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the City of Cape May, in the County of Cape May, State of New Jersey (the "City"). For the said improvements or purposes stated in Section 3, there is hereby appropriated the aggregate sum of $3,780,000, said sum being inclusive of the sum of $180,003 as the aggregate amount of down payments for said improvements or purposes required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). The down payments are now available by virtue of a provision or provisions in a previously adopted budget or budgets of the City for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said $3,780,000 appropriation not provided for by application hereunder of said down payments, negotiable bonds of the City are hereby authorized to be issued in the aggregate principal amount of $3,605,997 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the City in an aggregate principal amount not exceeding $3,605,997 are hereby authorized to be issued pursuant to and within the limitations prescribed by said Local Bond Law.

SECTION 3. (a) The improvements hereby authorized and purposes for the financing of which said obligations are to be issued include, but are not limited to:

Description	**Appropriation**	**Authorization**	**Down Payment**	**Useful Life**
(i) **Police Department** – Acquisition And Installation, As Applicable, Of Equipment Including, But Not Limited To, Tactical Defense Equipment, Tasers, Radar Units And Trailers, Camera System, And Mobile	$145,000	$138,095	$6,905	5.00 years

Description	Appropriation	Authorization	Down Payment	Useful Life
Data/Patrol Car Computers;				
(ii) **City Buildings, Facilities And Park Improvements** – Various Improvements To City Buildings, Facilities And Parks Including, But Not Limited To, Bank Street Retaining Wall, Tennis Courts And Lafayette Street Park;	$485,000	$461,904	$23,096	15.00 years
(iii) **Police Building** – Construction Of New Police Building And Various Related Improvements Including, But Not Limited To, Equipment, Furnishings, Landscaping And Hardscaping, Computers Hardware And Software And Aesthetic Improvements; And	$360,000	$342,857	$17,143	30.00 years
(iv) **Vehicles And Equipment** – Acquisition Of Various Vehicles And Equipment Including, But Not Limited To, An Ambulance For the Fire Department, A Hook And Lift Truck, Police Vehicles, Recycling Truck, Tire Machine And Office Of Emergency Management Weather Warning System.	$1,580,000	$1,504,761	$75,239	7.73 years
(v) **Roads** – Various Roadway, Bicycle And Pedestrian Path Improvements Throughout The City Which Improvements Shall Include, But Not Be Limited To, As Applicable, Excavation, Milling, Paving, Reconstruction And Boxing	$1,210,000	$1,152,380	$57,620	20.00 years

Description	Appropriation	Authorization	Down Payment	Useful Life
Out And Resurfacing Or Full Depth Pavement Replacement, And Where Necessary, The Sealing Of Pavement Cracks, The Repairing And/Or Installation Of Curbs, Sidewalks And Driveway Aprons, Installation Of Curb Ramps In Compliance With ADA, Drainage Improvements, Resetting of Utility Castings, Roadway Painting, Signage, Landscaping And Aesthetic Improvements;				
Totals	$3,780,000	$3,605,997	$180,003	

(b) The above improvements or purposes set forth in Section 3(a) shall include, as applicable, all engineering, architectural or design work, construction planning, preparation of plans and specifications, permits, bid documents, inspection and contract administration; and all work, materials, equipment, labor and appurtenances necessary therefor or incidental thereto.

(c) The aggregate estimated maximum amount of bonds or notes to be issued for said purposes is $3,605,997.

(d) The aggregate estimated cost of said purposes is $3,780,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor being the aggregate amount of $3,605,997, is the aggregate down payments for said purposes in the amount of $180,003, and the Chief Financial Officer may reappropriate the amounts among the improvements or purposes set forth in Section 3(a).

SECTION 4. In the event the United States of America, the State of New Jersey, the County of Cape May and/or a private entity make a contribution or grant in aid to the City for the improvements and purposes authorized hereby and the same shall be received by the City prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey, the County of Cape May and/or a private entity. In the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey, the County of Cape May and/or a private entity shall be received by the City after the issuance of

the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the City (the "Chief Financial Officer"), provided that no note shall mature later than one (1) year from its date unless such bond anticipation notes are permitted to mature at such later date in accordance with applicable law. The 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 notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of N.J.S.A. 40A:2-8(a). The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon from their dates to the date 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 or delivery of the notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate and the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 6. The capital budget of the City is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith and a resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital programs as approved by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, is on file in the Office of the City Clerk and is available for public inspection.

SECTION 7. 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 and are improvements or purposes which the City may lawfully undertake as general improvements or purposes, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of said improvements or purposes within the limitations of said Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 14.60 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the City Clerk and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, and such statement shows that the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this bond ordinance by $3,605,997 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding $756,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the improvements or purposes herein before described.

SECTION 8. The full faith and credit of the City 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 City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable property within the City for the payment of the obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. The City hereby declares the intent of the City to issue the bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 9 is a declaration of intent within the meaning and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

SECTION 10. The City Chief Financial Officer is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the City and to execute such disclosure document on behalf of the City. The City Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the City pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the City and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the City fails to comply with its undertaking, the City shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 11. The City covenants to maintain the exclusion from gross income under section 103(a) of the Code, of the interest on all bonds and notes issued under this bond ordinance.

SECTION 12. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

ATTEST:

_____
Erin C. Burke, City Clerk

CITY OF CAPE MAY, a municipal corporation of the State of New Jersey

BY: _____
Zachary M. Mullock, Mayor

NOTICE

Ordinance 597-2026 was introduced at a Regular meeting of the City Council of the City of Cape May, held on February 17, 2026 and was further considered for final passage during a Regular meeting of the City Council, held at the Cape May City Hall Auditorium, 643 Washington Street, Cape May, New Jersey, on March 17, 2026 at 5:00 P.M. at which time a Public Hearing was held.

Erin C. Burke, City Clerk

Roll Call	Ayes	Nays	Absent	Abstain	Motion	Second
Meier	X					
McDade	X					X
Bodnar	X				X	
Baldwin	X					
Mullock	X					

Introduced: February 17, 2026
1st Publication: February 25, 2026
2nd Reading & Adoption: March 17, 2026
Final Publication: March 18, 2026
Effective Date: April 7, 2026