

**READINGTON TOWNSHIP COMMITTEE
MEETING – MAY 19, 2014**

Mayor Allen *calls the meeting to order at 6:30 p.m.* announcing that all laws governing the Open Public Meetings Act have been met and that this meeting has been duly advertised.

PRESENT: Mayor J. Allen, Deputy Mayor B. Muir, Mr. T. Auriemma, Mrs. B. Fort, Mr. F. Gatti

ALSO PRESENT: Administrator Mekovetz, Attorney S. Dragan

ABSENT: None

EXECUTIVE SESSION:

Clerk read the following Resolution:

RESOLUTION
EXECUTIVE SESSION

WHEREAS, N.J.S.A. 10:4-6 *et seq.*, the Open Public Meetings Act, permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, the Township Committee is of the opinion that such circumstances presently exist and desires to authorize the exclusion of the public from the portion of the meeting in accordance with the act;

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Readington, County of Hunterdon, State of New Jersey as follows:

1. The public shall be excluded from discussion of and action upon the specified subject matter as set forth in the following Exhibit “A.”

EXHIBIT A

<u>Subject Matter</u>	<u>Basis Of Public Exclusion</u>	<u>Date Anticipated When Disclosed to Public</u>
Personnel	Personnel.....	Certain information at the discretion of the Township Committee tonight...other information will remain confidential
Museums.....	Personnel.....	“ “ “
Award of Road Reclamation	Contract Negotiations.....	“ “ “
2014 Bid		
Agricultural & Maintenance.....	Contract Negotiations.....	“ “ “
Lease Bids		
Transcontinental Pipe Line Co.....	Contract Negotiations.....	“ “ “
Executive Session Minutes.....	Attorney-Client Privilege.....	“ “ “
• May 5, 2014		
Block 48, Lot 23; Block 55, Lot 33; Block 56, Lots 1, 3, 6 & 8; Block 39, Lot 24 & Block 67, Lot 2 (Solberg Aviation).....	Litigation.....	“ “ “

It is anticipated at this time that the stated subject matter will be made public on or about the time set forth in Exhibit “A.”

2. This Resolution shall take effect immediately.

A **MOTION** was made by Mrs. Fort to adopt this resolution, seconded by Mrs. Fort with a vote of ayes all, nays none recorded.

The meeting reconvened at 7:35 p.m.

Mayor Allen led those present in the *Salute to the Flag*.

Executive Session:

Personnel / Personnel

Mayor Allen stated that this matter remains in Executive Session.

Personnel / Museums

A **MOTION** was made by Mrs. Fort to hire Amie Ostmann for a part time position in the Museums at a rate of \$17 per hour for 15 hours a week, seconded by Mr. Auriemma and on Roll Call vote the following was recorded:

Mr. Auriemma	- Aye
Mrs. Fort	- Aye
Mr. Gatti	- Aye
Mrs. Muir	- Aye
Mayor Allen	- Aye

Mayor Allen added that the Museum Program receives a grant every year from the NJ Historic Preservation Commission to assist in offsetting the salary of an employee.

Contract Negotiations / Award of Road Reclamation 2014 Bid

A **MOTION** was made by Mr. Auriemma to award the contract for the 2014 Road Reclamation Bid to Reclamation LLC in the amount of \$152,466.16, seconded by Mrs. Fort and on Roll Call vote the following was recorded:

Mr. Auriemma	- Aye
Mrs. Fort	- Aye
Mr. Gatti	- Aye
Mrs. Muir	- Aye
Mayor Allen	- Aye

Contract Negotiations / Agricultural & Maintenance Lease Bids

Mayor Allen stated that this matter remains in Executive Session.

Contract Negotiations / Transcontinental Pipe Line Co.

Mayor Allen stated that this matter remains in Executive Session.

Attorney-Client Privilege / Executive Session Minutes / May 5, 2014

A **MOTION** was made by Mr. Auriemma to approve the Executive Session Minutes of May 5, 2014 for content only, seconded by Mrs. Muir with a vote of ayes all, nays none recorded.

Litigation / Solberg Aviation / Block 48, Lot 23; Block 55, Lot 33; Block 56, Lot 1, 3, 6 & 8; Block 39, Lot 24 and Block 67, Lot 2

Mayor Allen stated that this matter remains in Executive Session.

CONSENT AGENDA:

Mayor Allen read the following statement:

All items listed with an asterisk “*” are considered to be routine by the Township Committee and will be enacted by one motion. There will be no separate discussion of these items unless a committee member or citizen requests, in which event the item will be removed from the General Order of Business and considered in its normal sequence on the agenda.

- * 1. ***Approval of the Minutes*** of the meeting of May 5, 2014
- * 2. ***Resolution Authorizing Morris County Cooperative Purchases (Road Resurfacing Materials)***

The following resolution was offered for consideration:

R-2014-54

***TOWNSHIP OF READINGTON
RESOLUTION AUTHORIZING MORRIS COUNTY COOPERATIVE PURCHASES***

WHEREAS, the Township of Readington wishes to purchase road resurfacing materials from an authorized vendor under the Morris County Cooperative Purchasing Program; and

WHEREAS, the purchase of goods and services by local contracting units is authorized by the Local Public Contracts Law, *N.J.S.A. 40A:11-12*; and

WHEREAS, Schifano Construction Corporation, 1 Smalley Avenue, Middlesex, NJ, 08846 has been awarded Morris County Cooperative Contract No. #6 for road resurfacing materials for the period one (1) year, January 1, 2014 – December 31, 2014; and

WHEREAS, the purchasing agent recommends the utilization of this contract on the grounds that it represents the best price available, not to exceed \$975,000; and

WHEREAS, the Chief Finance Officer has certified the availability of funds for this contract.

NOW THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Readington, County of Hunterdon, State of New Jersey, that Schifano Construction Corporation be awarded a contract for road resurfacing materials; and

BE IT FURTHER RESOLVED, The Mayor and Township Clerk are hereby authorized to sign the contract documents necessary to effectuate the award of this contract. The Township Attorney shall review any and all contractual documents prepared in furtherance of this award; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

- * 3. ***Resolution Authorizing State Contract Purchases (Pumper Truck)***

The following resolution was offered for consideration:

#R-2014-55

**TOWNSHIP OF READINGTON
RESOLUTION AUTHORIZING STATE CONTRACT PURCHASES**

WHEREAS, the Township of Readington wishes to purchase a pumper for the Whitehouse Station Fire Company No. 22 from an authorized vendor under the State of New Jersey, Division and Purchase Property and

WHEREAS, the purchase of goods and services by local contracting units is authorized by the Local Public Contracts Law, *N.J.S.A. 40A:11-12*; and

WHEREAS, 1st Priority Emergency Services, 2444 Ridgeway Blvd., Bldg. 500, Manchester, NJ 08759 has been awarded State of New Jersey Contract # A83151 (Index G-8035) for the period between 2/28/14 through 5/14/18; and

WHEREAS, the purchasing agent recommends the utilization of this contract on the grounds that it represents the best price available; and

WHEREAS, the actual cost for the pumper truck is estimated not to exceed \$484,000; and

WHEREAS, the Chief Finance Officer has certified the availability of funds for this contract.

NOW THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Readington, County of Hunterdon, State of New Jersey, that 1st Priority Emergency Services be awarded a contract for the pumper truck; and

BE IT FURTHER RESOLVED, The Mayor and Township Clerk are hereby authorized to sign the contract documents necessary to effectuate the award of this contract. The Township Attorney shall review any and all contractual documents prepared in furtherance of this award; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

- * 4. ***Resolution Authorizing the Township of Readington to Enter into a Cooperative Pricing Agreement (Cranford Police Cooperative Pricing System)***

The following resolution was offered for consideration:

#R-2014-56

**A RESOLUTION AUTHORIZING THE TOWNSHIP OF READINGTON TO ENTER INTO
A COOPERATIVE PRICING AGREEMENT**

WHEREAS, *N.J.S.A. 40A:11-11(5)* authorizes contracting units to establish a Cooperative Pricing System and to enter into Cooperative Pricing Agreements for its administration; and

WHEREAS, the Cranford Police Cooperative Pricing System (ID # 47-CPCPS), hereinafter referred to as the “Lead Agency” has offered voluntary participation in a Cooperative Pricing System for the purchase of good and services;

WHEREAS, on May 19, 2014 the governing body of the Township of Readington, County of Hunterdon, State of New Jersey duly considered participation in a Cooperative Pricing System for the provision and performance of good and services;

Resolution #R-2014-56 cont'd:

THEREFORE BE IT RESOLVED, as follows:

1. This Resolution shall be known and may be cited as the Cooperative Pricing Resolution of the Township of Readington.
2. Pursuant to the provisions of N.J.S.A. 40A:11-11(5), the Mayor and the Municipal Clerk is hereby authorized to enter into a Cooperative Pricing Agreement with the Lead Agency.
3. The Lead Agency shall be responsible for complying with the provisions of the *Local Public Contracts Law (N.J.S.A. 40A:11-1 ES SEQ.)* and all other provisions of the revised statutes of the State of New Jersey.
4. This resolution shall take effect immediately upon passage.
- * 5. ***NJ State Firemen's Association Membership Application / Three Bridges Volunteer Fire Company*** (William Witt)
- * 6. ***Release of Board of Health Escrow*** (Kocsi / Block 55, Lot 20)
- * 7. ***Release of Hunting Lease Security Deposit / Kodiak Rod and Gun Club***
 - Block 52.01, Lot 14.06
 - Block 55, Lot 13.51
- * 8. ***Blue Light Permit*** (Gregory Church)
- * 9. ***Tax Lien Redemption (Block 36, Lot 117)***

The following resolution was offered for consideration:

READINGTON TOWNSHIP

HUNTERDON COUNTY, STATE OF NEW JERSEY

RESOLUTION

WHEREAS, an interested party has paid to the Tax Collector the amount necessary to redeem the lien on Block 36, Lot 117 and,

WHEREAS, it is the desire of the Tax Collector to refund to the lienholder the redemption amount.

NOW THEREFORE BE IT RESOLVED by the Township Committee that the Treasurer be authorized to refund the redemption amount of \$ 757.48, plus a premium paid in the amount of \$1,100.00, known as Tax Sale Certificate #2013-014, to the lienholder, FWDSL & Associates, LP.

- * 10. ***Tax Lien Redemption (Block 25, Lot 52)***

READINGTON TOWNSHIP
HUNTERDON COUNTY, STATE OF NEW JERSEY

RESOLUTION

WHEREAS, an interested party has paid to the Tax Collector the amount necessary to redeem the lien on Block 25, Lot 52 and,

WHEREAS, it is the desire of the Tax Collector to refund to the lienholder the redemption amount.

NOW THEREFORE BE IT RESOLVED by the Township Committee that the Treasurer be authorized to refund the redemption amount of \$12,843.36, plus a premium paid in the amount of \$3,100.00, known as Tax Sale Certificate #2013-008, to the lienholder, Anthony Malinowksi.

- * 11. **Payment of Bills** – (Complete bill list is on file in Clerk’s Office)

<u>Fund Description</u>	<u>Fund No.</u>	<u>Received Total</u>
CURRENT FUND	3-01	\$ 938.57
CURRENT FUND	4-01	\$ 432,835.39
TRUST FUNDS	X-03	\$ 80,369.60
MISC REFUND, COUNTY TAX, LIENS	X-05	\$ 47,549.49
PAYROLL DEDUCTIONS	X-06	\$ 184,362.45
DUE TO STATE OF NJ	X-12	<u>\$ 24,520.00</u>
TOTAL OF ALL FUNDS		\$ 770,575.50

A **MOTION** was made by Mr. Gatti to approve the Consent Agenda, seconded by Mrs. Muir and on Roll Call vote the following was recorded:

- Mr. Auriemma - Aye
- Mrs. Fort - Aye
- Mr. Gatti - Aye
- Mrs. Muir - Aye
- Mayor Allen - Aye

COMMENTS FROM THE PUBLIC for items listed on the agenda only

PUBLIC HEARINGS

Administrator Mekovetz gave a power point slide presentation on the highlights of the 2014 Municipal Budget. Administrator Mekovetz gave a brief synopsis on CAPS that provide the guidance by the State law. Mr. Gatti pointed out that Readington Township has been reimbursed 90% from FEMA for the Hurricane Sandy clean up and explained how it is reflected in the budget.

Administrator Mekovetz stated that there is a slight adjustment to the budget since the State required the Township to change the title of one line item, transferring the Sewer Expansion Trust Reserve to the Sewer Utility Surplus.

The following resolution was offered for consideration:

#R-2014-57

**TOWNSHIP OF READINGTON
RESOLUTION TO TRANSFER SEWER EXPANSION TRUST
FUND BALANCE**

WHEREAS, there is a balance in the Sewer Expansion Trust Fund which is unencumbered and needs to be transferred to the Sewer Utility Operating Fund,

NOW, THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Readington, County of Hunterdon, that \$ 265,000.00 of Sewer Expansion Trust Reserve be transferred by the Chief Financial Officer to the Sewer Utility Operating Fund effective immediately.

BE IT FURTHER RESOLVED, that a certified copy of this resolution be filed with the Director of the NJ Division of Local Government Services.

A **MOTION** was made by Mrs. Fort to adopt this resolution, seconded by Mr. Gatti and on Roll Call vote the following was recorded:

Mr. Auriemma	-Aye
Mrs. Fort	-Aye
Mr. Gatti	-Aye
Mrs. Muir	- Aye
Mayor Allen	-Aye

As it was after 7:45 p.m., A **MOTION** was made by Mr. Gatti to adjourn the regular meeting to hold a Public Hearing, seconded by Mrs. Fort with a vote of ayes all, nays none recorded.

2014 Municipal Budget

Mayor Allen asked if there were any other comments from the Governing Body.

Mr. Gatti stated that 60% of the debt of the Township is comprised of land purchases and if the Township did not maintain an aggressive posture utilizing its power of leverage, many residents may not have moved into Readington.

Mayor Allen reiterated that most important of what was presented this evening was that taxes will not increase in 2014 for the residents of Readington. Mayor Allen pointed out that for most homeowners in Readington the tax bill is less in 2013 than it was in 2010 and will continue to be less in 2014 than it was in 2010. Mr. Gatti added that the high school is projecting a decrease in their rate for Readington.

Mayor Allen asked if there were any comments from the Public.

Mark Rosenberg, Clearview Road, questioned whether amount proposed for legal fees would be sufficient in light of the upcoming litigation.

John Broten, Dogwood Drive, requested clarification on the \$3.3 million debt service percentage.

Suzanne Marinakos, Forestdale Drive, questioned the funding for green acres and commented on the decrease in recreation funding.

Don Baldwin, Morning Star Road, commented on the debt service being exempt from the cap and added that the home values are higher in Raritan Township; however, their tax bills are lower.

Marci Zweerink, Pleasant Run Road, thanked the Committee for a very good presentation and for their years of service to the Township and stated that she supported the budget.

Bill Keefe, Hankinson Road, thanked Administrator Mekovetz and CFO Tom Carro for a terrific presentation. Mr. Keefe pointed out that the assets of the Township versus the debt and commended the Township of their pristine credit rating, reiterating also that he was very satisfied.

Cheryl Filler, Round Valley Road, commented that the municipal rate and the school rate must be look at together when reviewing debt and pointed out that the school budget debt is down due to among other things, the municipality purchasing open space and thanked the Committee for doing that.

Jim Brightwell, Pleasant Run Road, commented that the preservation of land incurs a one time cost of debt; however, ultimately it benefits the Township for generations and stated he was supportive of the Committee's work in continuing in this direction.

Bob Fasinski, Winding Way, requested a more detailed breakdown of the general legal expenses.

Sandra Rosenberg, Clearview Road, requested clarification on the \$2,000 household revenue.

Tim Apgar, Chief of Chiefs of Emergency Services, thanked the Committee for reinstating the operating funds in their budget and for their continued support.

Liz Duffy, Pleasant Run Road, thanked the Committee for the budget that they presented this evening and applauded them for continuing their vision for Readington Township.

A **MOTION** was made by Mr. Gatti to close the Public Hearing and open the regular Meeting, seconded by Mrs. Fort with a vote of ayes all, nays none recorded.

A **MOTION** was made by Mr. Gatti to adopt the *amendment* to the 2014 Municipal Budget, seconded by Mrs. Fort and on Roll Call vote the following was recorded:

Mr. Auriemma	-Aye
Mrs. Fort	-Aye
Mr. Gatti	-Aye
Mrs. Muir	- Aye
Mayor Allen	-Aye

A **MOTION** was made by Mrs. Fort to adopt the 2014 Municipal Budget as amended, seconded by Mr. Auriemma and on Roll Call vote the following was recorded:

Mr. Auriemma	-Aye
Mrs. Fort	-Aye
Mr. Gatti	-Aye
Mrs. Muir	- Aye
Mayor Allen	-Aye

A **MOTION** was made by Mr. Auriemma to adjourn the regular meeting to open the Public Hearing, seconded by Mr. Gatti with a vote of ayes all, nays none recorded.

Clerk read by Title:

**REFUNDING BOND ORDINANCE OF THE TOWNSHIP OF
READINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY,
PROVIDING FOR THE ADVANCE REFUNDING OF ALL OR A PORTION
OF CERTAIN GENERAL IMPROVEMENT BONDS OF 2005,
APPROPRIATING \$9,100,000 THEREFOR AND AUTHORIZING THE
ISSUANCE BY THE TOWNSHIP OF GENERAL IMPROVEMENT
REFUNDING BONDS, SERIES 2014 IN THE AGGREGATE PRINCIPAL
AMOUNT OF NOT EXCEEDING \$9,100,000 FOR FINANCING THE COST
THEREOF**

◆ **Ordinance #12-2014**

Mayor Allen asked if there were any comments from the governing body.

Mr. Gatti pointed out that if for any reason the Township does not achieve the rate that they are hoping for, the Township is not required to proceed with this process.

Mayor Allen asked if there were any comments from the public.

Mark Rosenberg, Clearview Road, asked for clarification on language as written in the ordinance.

Sandra Rosenberg, commented that the Committee should rectify the language and that this should be able to be researched under OPRA after the three principal payments have been made and the amount has been lowered.

Don Baldwin, Morning Star Road, opined that the Township should not be accumulating enormous debt to accumulate public equity.

A **MOTION** was made by Mr. Gatti to close the Public Hearing and open the regular meeting, seconded by Mrs. Fort with a vote of ayes all, nays none recorded.

Clerk read by Title:

**REFUNDING BOND ORDINANCE OF THE TOWNSHIP OF
READINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY,
PROVIDING FOR THE ADVANCE REFUNDING OF ALL OR A PORTION
OF CERTAIN GENERAL IMPROVEMENT BONDS OF 2005,
APPROPRIATING \$9,100,000 THEREFOR AND AUTHORIZING THE
ISSUANCE BY THE TOWNSHIP OF GENERAL IMPROVEMENT
REFUNDING BONDS, SERIES 2014 IN THE AGGREGATE PRINCIPAL
AMOUNT OF NOT EXCEEDING \$9,100,000 FOR FINANCING THE COST
THEREOF**

◆ **Ordinance #12-2014**

A **MOTION** was made by Mrs. Muir to adopt this ordinance, seconded by Mr. Gatti and on Roll Call vote the following was recorded:

Mr. Auriemma	-Aye
Mrs. Fort	-Aye
Mr. Gatti	-Aye
Mrs. Muir	- Aye
Mayor Allen	-Aye

Mrs. Fort stated that the language in the ordinance should be clarified.

CORRESPONDENCE / OTHER INFORMATION

There was none.

NEW BUSINESS

1. **Running with Style Marathon**– email dated April 23, 2014 from Ashley Lauren Fisher requested to hold 1/2 Marathon and 5K Run at Solberg Airport / July 13, 2014

A **MOTION** was made by Mrs. Fort to approve this request contingent upon following the recommendations of Detective Gooley's memo, seconded by Mr. Gatti with a vote of ayes all, nays none recorded.

2. ***Resolution Determining the Form and Other Details of Not to Exceed \$9,100,000 General Improvement Refunding Bonds, Series 2014 of the Township of Readington, in the County of Hunterdon, New Jersey or Such Other Amount as Determined by the Chief Financial Officer to Accomplish the Refunding on the Terms Required by the Local Finance Board Pursuant to NJAC 5:30-2.5 and Consistent with the Refunding Provisions of the Internal Revenue Code***

Mr. Gatti stated that at the last meeting the Committee agreed to move forward with refinancing the 2005 bonds and this is a resolution determines the form which is part of the requirement.

The following resolution was offered for consideration:

#R-2014-58

RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF NOT TO EXCEED \$9,100,000 GENERAL IMPROVEMENT REFUNDING BONDS, SERIES 2014 OF THE TOWNSHIP OF READINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY OR SUCH OTHER AMOUNT AS DETERMINED BY THE CHIEF FINANCIAL OFFICER TO ACCOMPLISH THE REFUNDING ON THE TERMS REQUIRED BY THE LOCAL FINANCE BOARD PURSUANT TO NJAC 5:30-2.5 AND CONSISTENT WITH THE REFUNDING PROVISIONS OF THE INTERNAL REVENUE CODE

BE IT RESOLVED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF READINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) ***AS FOLLOWS:***

Section 1. An amount not to exceed \$9,100,000 General Improvement Refunding Bonds of the Township of Readington, in the County of Hunterdon, New Jersey (the "Township"), as more fully described in a refunding bond ordinance, finally adopted by the Township pursuant to the Local Bond Law on May 19, 2014, and entitled, "Refunding Bond Ordinance of the Township of Readington, in the County of Hunterdon, New Jersey, Providing for the Advance Refunding of All or a Portion of Certain General Improvement Bonds of 2005, Appropriating \$9,100,000 Therefor and Authorizing the Issuance by the Township of General Improvement Refunding Bonds, Series 2014 in the Aggregate Principal Amount of Not Exceeding \$9,100,000 for Financing the Cost Thereof" shall be issued as "General Improvement Refunding Bonds, Series 2014" (the "Bonds").

Section 2. The Bonds are hereby authorized to be sold to an underwriting bank selected by the Chief Financial Officer, such selection evidenced by the execution of the hereinafter defined Purchase Contract (the "Underwriter"), at a purchase price determined by the parameters set forth below and otherwise consistent with the parameters set by the Local Finance Board in the Department of Community Affairs, State of New Jersey (the "Local Finance Board") pursuant to NJAC 5:30-2.5 (the "LFB Refunding Parameters"): the principal amount of the Bonds does not exceed \$9,100,000; the net present value savings is at least three percent; the debt service on the Bonds shall be structured such that no annual debt service payment is more than the annual debt service payment on the Refunded Bonds (as defined herein) in the same year; the final year of maturity of the Bonds does not exceed the final year of maturity of the Refunded Bonds; the debt service savings are substantially level in each year across the life of the refunding; the true interest cost of the Bonds does not exceed an interest rate that would enable the Township to complete the refunding within the LFB Refunding Parameters; the Underwriter's discount does not exceed the amount referenced in Exhibit A attached hereto.

Resolution #R-2014-58 cont'd:

Section 3. The Chief Financial Officer is hereby authorized and directed, without further authorization, to enter into and execute a purchase contract (the "Purchase Contract") on behalf of the Township with the Underwriter in the form satisfactory to bond counsel to the Township and upon terms consistent with the above parameters. Upon execution of the Purchase Contract, the signature of the Mayor and/or the Chief Financial Officer shall be conclusively presumed to evidence any necessary approvals for the sale of the Bonds. If the Chief Financial Officer, after consultation with the Underwriter, determines that the above parameters cannot be satisfied in the present market, the Bonds shall not be sold until such time as said parameters may be amended, in whole or in part, or a sale on different terms is otherwise approved by resolution of this Township Committee.

Section 4. (a) The Bonds shall be issued in the par amounts consistent with the parameters set forth in Section 2 hereof and determined by the Chief Financial Officer to be necessary to pay costs of issuance and to provide an escrow fund that, when invested, will be sufficient to provide for the timely payment of the principal and redemption premium, if any, of and interest on all or a portion of the \$8,350,000 outstanding principal amount of the Township's General Improvement Bonds, dated December 15, 2005, originally issued in the aggregate principal amount of \$10,000,000, which outstanding principal amount matures on December 15 in each of the years 2016 through 2025, inclusive (the "Refunded Bonds").

(b) The Bonds shall be dated and shall bear interest at the rates per annum as the Chief Financial Officer shall determine.

(c) The Bonds shall be numbered and have such prefix or prefixes as determined necessary by the Chief Financial Officer and be sold and issued with such serial maturities or with such term bond maturities payable from mandatory sinking fund payments made by the Township as determined in the Purchase Contract.

(d) The Bonds shall mature in each of the years 2014 to 2025, inclusive, or such other years deemed consistent with the LFB Refunding Parameters and in the principal amounts as may be determined by the Chief Financial Officer and shall bear interest on the dates as may be determined by the Chief Financial Officer.

(e) The Bonds shall have redemption provisions as are set forth in the Purchase Contract.

(f) The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of Bonds maturing in each year. Both principal of and interest due on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of CEDE & CO., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with the Securities Depository. The Securities Depository will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records recording the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of \$5,000 or any integral multiple thereof through book-entries made on the books and the records of the Securities Depository and its participants except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in the denominations of \$1,000 or any integral multiple thereof.

(g) The principal of and the interest due on the Bonds will be paid to the Securities Depository by the Township on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of the Securities Depository as listed on the records of the Securities Depository as of the 15th next preceding each maturity date (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer under the official seal of the Township (or facsimile thereof) affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Clerk.

Resolution #R-2014-58 cont'd:

Section 5. The Bonds shall be substantially in the following form with such additions, deletions and omissions as may be necessary for the Township to market the Bonds:

**REGISTERED
NUMBER – GIRB - _____**

**REGISTERED
\$ _____**

**UNITED STATES OF AMERICA
STATE OF NEW JERSEY
COUNTY OF HUNTERDON**

TOWNSHIP OF READINGTON

GENERAL IMPROVEMENT REFUNDING BOND, SERIES 2014

PRINCIPAL AMOUNT:

DATED DATE:

MATURITY DATE:

INTEREST PAYMENT DATES:

INITIAL INTEREST PAYMENT
DATE:

RATE OF INTEREST PER ANNUM:

CUSIP NUMBER:

TOWNSHIP OF READINGTON, in the County of Hunterdon, New Jersey (the "Township") hereby acknowledges itself indebted and for value received promises to pay to CEDE & CO., as nominee of The Depository Trust Company, which will act as Securities Depository, on the MATURITY DATE, the PRINCIPAL AMOUNT, and to pay interest on such sum from the DATED DATE of this bond until the MATURITY DATE at the RATE OF INTEREST PER ANNUM semiannually on the INTEREST PAYMENT DATES in each year until maturity, commencing on the INITIAL INTEREST PAYMENT DATE. Interest on this bond will be paid to the Securities Depository by the Township and will be credited to the participants of the Securities Depository as listed on the records of the Securities Depository as of the 15th day prior to each INTEREST PAYMENT (the "Record Dates" for such payments). Principal of this bond, upon presentation and surrender to the Township will be paid to the Securities Depository by the Township and will be credited to the participants of The Depository Trust Company.

This bond is not transferable as to principal or interest. The participants are responsible for maintaining the records regarding the beneficial ownership interest in the bonds on behalf of the individual purchasers except to an authorized nominee of the Securities Depository. The Securities Depository shall be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of the interests among its participants.

[The bonds of this issue maturing prior to _____, 20__, are not subject to optional redemption prior to their stated maturities. The bonds of this issue maturing on or after _____, 20__ are redeemable at the option of the Township in whole or in part on any date on or after _____, 20__ at 100% of the principal amount outstanding (the "Redemption Price") plus interest accrued to the date of redemption upon notice as required herein.

Resolution #R-2014-58 cont'd:

Notice of Redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township or a duly appointed Bond Registrar. Any failure of the depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Township; the bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

So long as CEDE & CO., as nominee of the Securities Depositor, is the registered owner of the Bonds, the Township shall send redemption notices only to CEDE & CO.

If Notice of Redemption has been given as provided herein, the bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bonds after the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the bonds redeemed.

As long as The Depository Trust Company is the securities depository for the Bonds as provided herein, the procedures of The Depository Trust Company will determine the method of selection for redemption within a maturity. Otherwise, it will be by lot or by a similar method.]

[This bond is not subject to optional redemption prior to its stated maturity.]

This bond is one of an authorized issue of bonds and is issued pursuant to the Local Bond Law of the State of New Jersey, a refunding bond ordinance of the Township, finally adopted May 19, 2014, and entitled, "Refunding Bond Ordinance of the Township of Readington, in the County of Hunterdon, New Jersey, Providing for the Advance Refunding of all or a Portion of Certain General Improvement Bonds of 2005, Appropriating \$9,100,000 Therefor and Authorizing the Issuance by the Township of General Improvement Refunding Bonds, Series 2014 in the Aggregate Principal Amount of Not Exceeding \$9,100,000 for Financing the Cost Thereof" and a resolution of the Township adopted May 19, 2014.

The full faith and credit of the Township are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Township, is within every debt and other limit prescribed by such constitution or statutes.

IN WITNESS WHEREOF, the Township has caused this bond to be executed in its name by the manual or facsimile signatures of its Mayor and its Chief Financial Officer, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual or facsimile signature of its Clerk and this bond to be dated the DATED DATE as specified above.

Resolution #R-2014-58 cont'd:

TOWNSHIP OF READINGTON

By _____
Mayor

ATTEST:

By: _____
Clerk

By: _____
Chief Financial Officer

Section 6. The law firm of McManimon, Scotland & Baumann, LLC is authorized to arrange for the printing of the Bonds. The proper officials of the Township are hereby authorized and directed to execute the Bonds and to deliver them to the Underwriter upon receipt of payment therefor.

Section 7. The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by the law firm of McManimon, Scotland & Baumann, LLC, complete except for omission of its date. The Clerk is hereby authorized and directed to certify the truth and the correctness of the copy of such opinion by executing on each of the Bonds by facsimile signature a certificate in form satisfactory to that law firm and to file a signed duplicate of such written opinion in the Clerk's office. Alternatively, each Bond may be accompanied by the signed legal opinion or copy thereof.

Section 8. The Bonds are being issued to refund the Refunded Bonds. The Chief Financial Officer shall take all steps necessary to call the Refunded Bonds on the first available call date at the applicable redemption price, deposit the proceeds of the Bonds with a bank for the purpose of defeasing the Refunded Bonds, invest the proceeds of the Bonds for this purpose and assist with the redemption of the Refunded Bonds. The Chief Financial Officer is hereby authorized to enter into an agreement with a bank (the "Escrow Deposit Agreement") to effectuate the purpose of this Section 8.

Section 9. The Township hereby approves the preparation and the distribution of the Preliminary Official Statement on behalf of the Township in the form approved or to be approved by the Chief Financial Officer. Such Official Statement may be distributed in preliminary form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission on behalf of the Township by the Mayor or the Chief Financial Officer. The Preliminary Official Statement shall be prepared in final form in connection with the issuance of the Bonds and the Mayor and/or the Chief Financial Officer of the Township are authorized to execute any certificates necessary in connection with the distribution of the Official Statement. Final Official Statements shall be delivered to the Underwriter of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the Underwriter's confirmations that request payment for the Bonds.

Resolution #R-2014-58 cont'd:

Section 10. The Chief Financial Officer is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with the Securities Depository, as may be necessary in order to provide that the Bonds will be eligible for deposit with the Securities Depository and to satisfy any obligation undertaken in connection therewith.

Section 11. In the event that the Securities Depository may determine to discontinue providing its service with respect to the Bonds or is removed by the Township and if no successor Securities Depository is appointed, the Bonds which were previously issued in book-entry form shall be converted to Registered Bonds (the "Registered Bonds") in denominations of \$5,000, or any integral multiple thereof, except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in denominations of \$1,000, or any integral multiple thereof. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of such Registered Bonds. The Township shall be obligated to provide for the execution and delivery of the Registered Bonds in certificate form.

Section 12. The Township hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on Bonds, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds, if necessary.

Section 13. Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Township shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

- (a) On or prior to 270 days from the end of each fiscal year, beginning with the fiscal year ending December 31 of the year in which the Bonds are issued, to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access Dataport (the "MSRB") annual financial information with respect to the Township consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Township and certain financial information and operating data consisting of (i) Township and overlapping indebtedness including a schedule of outstanding debt issued by the Township, (ii) the Township's most current adopted budget, (iii) property valuation information, and (iv) tax rate, levy and collection data. The audited financial information will be prepared in accordance with modified cash accounting as mandated by State of New Jersey statutory principles in effect from time to time or with generally accepted accounting principles as modified by governmental accounting standards as may be required by New Jersey law and shall be filed electronically and accompanied by identifying information with the National Repository;
- (b) in a timely manner not in excess of ten business days after the occurrence of the event, to the MSRB notice of any of the following events with respect to the Bonds (herein "Material Events"):
 - (1) Principal and interest payment delinquencies;
 - (2) Non-payment related defaults, if material;
 - (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) Substitution of credit or liquidity providers, or their failure to perform;

Resolution #R-2014-58 cont'd:

- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(c) in a timely manner to the MSRB notice of failure of the Township to provide required annual financial information on or before the date specified in this resolution.

(d) If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under this resolution, insofar as the provisions of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

(e) The Chief Financial Officer shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Township prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

(f) In the event that the Township fails to comply with the Rule requirements or the written contracts or undertakings specified in this certificate, the Township shall not be liable for monetary damages. The sole remedy is hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

(g) The undertaking may be amended by the Township from time to time, without the consent of the Bondholders or the beneficial owners of the Bonds, in order to make modifications required in connection with a change in legal requirements or change in law, which in the opinion of nationally recognized bond counsel complies with the Rule.

Resolution #R-2014-58 cont'd:

Section 14. There can be no assurance that there will be a secondary market for the sale or purchase of the Bonds. Such factors as prevailing market conditions, financial condition or market position of firms who may make the secondary market and the financial condition of the Township may affect the future liquidity of the Bonds.

Section 15. The Mayor, the Chief Financial Officer, the Clerk and other appropriate representatives of the Township are hereby authorized to take all steps necessary to provide for the issuance of the Bonds and the refunding of the Refunded Bonds, including preparing and executing such agreements and documents on behalf of the Township, satisfying in full the requirements of notice of redemption of the Refunded Bonds and taking all steps necessary or desirable to implement this resolution, such agreements and documents as may be necessary and appropriate and the transactions contemplated thereby.

Section 16. The Chief Financial Officer is hereby authorized and directed to submit to the Local Finance Board, within ten days of the issuance of the Bonds, the items set forth in section (b) of N.J.A.C. 5:30-2.5.

Section 17. The Mayor and/or Chief Financial Officer are each hereby authorized and directed to pay all costs of issuance in connection with the sale of the Bonds pursuant to a certificate of the Mayor and/or Chief Financial Officer to be executed upon delivery of the Bonds, each such cost in an amount not to exceed the amount set forth in Exhibit A attached hereto or, if in any greater amount, only upon the prior approval of the Township in accordance with the customary procedure for approval and payment of bills.

Section 18. This resolution shall take effect immediately.

Exhibit A

Authorized Costs of Issuance

Phoenix Advisors, LLC, Financial Advisor	\$11,500
McManimon, Scotland & Baumann, LLC, Bond Counsel	\$22,600
Underwriter	\$6.00/bond
Suplee, Clooney & Company, Auditor	\$5,000
Verification Agent (To Be Determined)	\$3,500
Standard & Poor's Rating Agency	\$18,000
McElwee & Quinn, LLC, Printer	\$2,500
Escrow Agent (To Be Determined)	\$3,500.00
Bond Insurance	*
Miscellaneous	\$5,000.00

* To the extent the Underwriter determines that the purchase of a bond insurance policy results in a lower interest rate on the Bonds and produces a savings which is greater than the cost of such bond insurance policy, the Underwriter is authorized to purchase such bond insurance policy to raise the credit rating on the Bonds, lower the interest rate on the Bonds and increase the total net debt service savings produced by the refunding.

A **MOTION** was made by Mrs. Fort to adopt this resolution, seconded by Mr. Gatti and on Roll Call vote the following was recorded:

Mr. Auriemma	-Aye
Mrs. Fort	-Aye
Mr. Gatti	-Aye
Mrs. Muir	- Aye
Mayor Allen	-Aye

* 3. ***Resolution Authorizing Morris County Cooperative Purchases (Road Resurfacing Materials)***

This matter was addressed under the Consent Agenda.

* 4. ***Resolution Authorizing State Contract Purchases (Pumper Truck)***

This matter was addressed under the Consent Agenda.

* 5. ***Resolution Authorizing the Township of Readington to Enter into a Cooperative Pricing Agreement (Cranford Police Cooperative Pricing System)***

This matter was addressed under the Consent Agenda.

* 6. ***NJ State Firemen's Association Membership Application / Three Bridges Volunteer Fire Company*** (William Witt)

This matter was addressed under the Consent Agenda.

* 7. ***Release of Board of Health Escrow*** (Kocsi / Block 55, Lot 20)

This matter was addressed under the Consent Agenda.

* 8. ***Release of Hunting Lease Security Deposit / Kodiak Rod and Gun Club***

- Block 52.01, Lot 14.06
- Block 55, Lot 13.51

This matter was addressed under the Consent Agenda.

* 9. ***Blue Light Permit*** (Gregory Church)

This matter was addressed under the Consent Agenda.

ADMINISTRATOR'S REPORT

Administrator Mekovetz reported that the Township received monies under the Municipal Grant; addressing a prior question on open space funding from a resident, stating that there are many grant programs that are still currently active in the Township. Administrator Mekovetz reported that just recently the Township received \$47,780 for the Csepi property under a Municipal Grant.

ATTORNEY'S REPORT

Attorney Dragan stated that she had nothing further to report.

COMMITTEE REPORTS

Julia Allen

Mayor Allen stated that she had nothing further to report.

Tom Auriemma

Mr. Auriemma reported the Annual Memorial Day Parade will take place on Monday, May 26th.

Betty Ann Fort

Mrs. Fort stated that she left some information for the Committee seeking volunteers for the Third Grade Museum program.

Frank Gatti

Mr. Gatti stated that he had nothing further to report.

Beatrice Muir

Mrs. Muir updated the Committee on Animal Control and Construction Code.

COMMENTS FROM THE PUBLIC

Sandra Rosenberg, Clearview Road, opined the reason Hunterdon Central High School rates are going down is because some many of our residents are moving out in droves because they cannot afford to live in Readington Township.

Scott Scammel, Dreahook Road, stated that he is looking forward to the Memorial Day Parade.

COMMENTS FROM THE GOVERNING BODY

Mr. Gatti commented that the school funding formula for the five sending districts is more complicated than just the number of Readington students attending Hunterdon Central, continuing that it takes into account total assessment for the town plus the number of students not only in the high school but also the number of students in the elementary schools and those numbers are formulated by each Township to develop a cost of how much that particular Township is responsible for in the high school budget. Therefore, by having fewer students overall compared to Raritan Township, Readington Township pays a lesser percentage of the high school budget.

As there was no further business, ***A MOTION*** was made by Mrs. Fort at 9:32 p.m. to adjourn the meeting, seconded by Mr. Auriemma with vote of ayes all, nays none recorded.

Respectfully Submitted:

Vita Mekovetz, RMC/MMC/QPA
Municipal Clerk