

Mayor Kovach called the meeting to order at 7:30 p.m.

Flag Salute.

Roll Call: Present: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach
Absent: Insel

STATEMENT OF ADEQUATE NOTICE:

Mayor Kovach read the following statement: "Adequate notice of this meeting has been provided, indicating the time and place of the meeting and the proposed agenda, which notice was posted, made available to newspapers, and filed with the Clerk of the Town of Clinton in accordance with Section 3(d) of Chapter 231 of the Public Laws of 1975."

APPROVAL OF MINUTES

A motion was made by Mr. Smith seconded by Mr. Pendergast to approve the minutes of the Regular Council Meeting held January 24, 2012 as submitted.

Vote all ayes
Motion carried

APPROVAL OF MONTHLY REPORTS – JANUARY

A motion was made by Mr. Pendergast, seconded by Mr. Shea, to accept the monthly reports for January as submitted:

Assessor's Report, Building and Grounds Foreman's Report, Clerk's Account, Cat & Dog Licensing Accounts, Construction Control/Inspection Report, Police Report, Road Foreman's Report, Sewer Collector's Report, Tax Collector's Report, Water Collector's Report, Treasurer's Report, Water Superintendent's Report, Zoning Officer Report.

Vote all ayes
Motion carried

PUBLIC COMMENTS

Two female students from North Hunterdon High School, Sean Lin, a junior and Lorra Barile, a sophomore, attended this evening's meeting to report on it to the Hunterdon Review. Great job, ladies!

MAYOR'S COMMENTS

1. Mayor Kovach stated that people may be noticing the red lights on the Municipal Building. The lights are lit in support of "Go Red For Women" bringing awareness to heart health during the month of February.

TOWN OF CLINTON - REASSESSMENTS

Mayor Kovach reported that in light of large numbers of tax appeals over recent years and new appeals already being received this year, a reassessment or revaluation townwide is necessary. Attorney Cushing explained the process to the Mayor, Council and the audience. Mayor Kovach discussed this with Ann Marie Obiedzinski, Tax Assessor, and was informed that this process is a huge time consuming process and her schedule would not allow her to do this. An outside firm would have to be considered to inspect every property and compare it to the property records cards. At the cost of approximately \$50.00 per house and 1,000 homes in Town, the cost could be \$50,000 which could be paid over 10 years. Requests for proposals would have to be advertised because of the cost. Following a lengthy discussion, a motion was made by Mr. Pendergast, seconded by Mr. Smith, to explore the opportunities hiring an outside firm to perform the revaluations or reassessments.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

BOARD OF EDUCATION – SCHOOL ELECTION DATE CHANGED TO NOVEMBER

On January 17, 2012, Governor Chris Christie signed into law a bill that allows Boards of Education to move their School Elections from April to November to coincide with the general election. At the meeting of the North Hunterdon-Voorhees Regional High School District, the Board of Education approved a resolution to move its school elections to November, this action will be in effect for four years. On January 24, 2012, Clinton-Glen Gardner Board of Education voted to eliminate the vote on the annual budget and to move the election of school board members to the general election in November. This change in school board elections will prove to be a great savings to taxpayers.

RESOLUTION #47-12 – POSTPONEMENT OF MORTGAGE – McGuire

A motion was made by Mr. Smith, seconded by Mr. Shea, to adopt Resolution #47-12 granting a Postponement of Mortgage to Cynthia McGuire, to refinance her affordable housing unit with Wells Fargo.

RESOLUTION #47-12

**Resolution Authorizing the Postponement of a Mortgage Between
The Town of Clinton and Wells Fargo Bank, NA**

WHEREAS, on November 24, 2008, Cynthia M. McGuire made a mortgage to the N.J. Council on Affordable Housing, Town of Clinton (Clinton Town Affordable Housing Authority) for property located at Block 31, Lot 1.19 and known as 19 Rolling Hill Road, Clinton, NJ, said mortgage being filed on December 4, 2008 in Mortgage Book 3301 at Page 714 in the Hunterdon County Clerk's Office which mortgage was second and subordinate to the first mortgage; and,

WHEREAS, Cynthia M. McGuire now seeks to refinance her first mortgage with Wells Fargo Bank, N.A., in the amount of \$90,000.00, and a condition of her refinance is that the mortgage held by the Town of Clinton be subordinated to the Wells Fargo Bank, N.A. mortgage and become the second priority mortgage; and,

WHEREAS, the governing body of the Town of Clinton and the Clinton Town Affordable Housing Authority have reviewed the proposed form of Postponement of Mortgage and have determined that it may be executed without detriment to the Town of Clinton or the Clinton Town Affordable Housing Authority and herein authorize the appropriate individuals to execute the Postponement of Mortgage in the form annexed to this resolution.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Town of Clinton that the Mayor and Clerk are authorized on behalf of the Town of Clinton and the Clinton Town Affordable Housing Authority to execute the approved Postponement of Mortgage in the form annexed hereto and shall sign same within two (2) business days of the date herein; and,

BE IT FURTHER RESOLVED, that a signed copy of the Postponement of Mortgage shall be placed in the Applicant's file; and

BE IT FURTHER RESOLVED that the Fair Housing Administrator or Town Clerk will advise the Applicant when the Postponement has been signed and is available for pick up and shall receive a receipt for its delivery.

Vote all ayes
Motion carried

RESOLUTION #48-12 – OVERPAYMENT OF TAXES

A motion was made by Mr. Pendergast, seconded by Mrs. Valenta, to adopt Resolution #48-12 authorizing the Tax collector to remove the overpayment of taxes.

RESOLUTION # 48-12

WHEREAS, the Tax Collector of the Town of Clinton has received a double payment due to bank closing issues.

NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the Town of Clinton that the Chief Financial Officer be authorized to refund the overpayment to Wells Fargo Real Estate Tax Services for the following account:

<u>BLOCK</u>	<u>LOT</u>	<u>OWNER</u>	<u>AMOUNT</u>
29	3.0317 Condo	Michael & Cindy Hayes (Wells Fargo Real Estate Tax Services)	\$1,829.74

BE IT FURTHER RESOLVED that the Tax Collector remove the overpayment on the above block and lot for the 1st quarter 2012.

ROLL CALL: Ayes: Duffy Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #49-12 – EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT FOR THE TERTIARY FILTER REPLACEMENT PROJECT

A motion was made by Mr. Pendergast seconded by Mr. Smith, to adopt Resolution #49-12 as presented:

RESOLUTION #49-12

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF LOAN AGREEMENTS TO BE EXECUTED BY THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY AND EACH OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY, ACTING BY AND THROUGH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, AND FURTHER AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT, ALL PURSUANT TO THE 2012 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM

WHEREAS, the Town of Clinton (the "Town"), in the County of Hunterdon, New Jersey, has determined that there exists a need within the Town to provide for the Tertiary Filter Replacement Project at the Town Wastewater Treatment Plant (the "Project") as defined in each

of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Town and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Town and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the 2012 New Jersey Environmental Infrastructure Trust Financing Program (the "Program");

WHEREAS, the Town has determined to finance the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Town to authorize, execute, attest and deliver the Town's General Improvement Bonds, Series 2012, in an aggregate principal amount not to exceed \$1,545,000, a portion of which will be to the Trust (the "Trust Loan Bond") and a portion of which will be to the State (the "Fund Loan Bond" and, together with the Trust Loan Bond, the "Town Bonds") 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"), other applicable law and the Loan Agreements; and

WHEREAS, the Trust and the State have expressed their desire to close in escrow the making of one or more of the Loans, the issuance of one or more of the Town Bonds and the execution and delivery of one or more of the Loan Agreements, all pursuant to the terms of an Escrow Agreement (the "Escrow Agreement") to be entered into by and among the Trust, the State, the Town and the escrow agent named therein.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Town as follows:

Section 1. The Trust Loan Agreement, the Fund Loan Agreement and the Escrow Agreement (collectively, the "Financing Documents") are hereby authorized to be executed and delivered on behalf of the Town by either the Mayor or the Chief Financial Officer in substantially the forms attached hereto as Exhibits A, B and C, respectively, with such changes as the Mayor or the Chief Financial Officer (each an "Authorized Officer"), in their respective sole discretion, after consultation with counsel and any advisors to the Town (collectively, the "Town Consultants") and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants", and together with the Town Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of such Financing Documents by an Authorized Officer as determined hereunder. The Town Clerk is hereby authorized to attest to the execution of the Financing Documents by an Authorized Officer of the Town as determined hereunder and to affix the corporate seal of the Town to such Financing Documents.

Section 2. The Authorized Officers of the Town are hereby further severally authorized to (i) execute and deliver, and the Town Clerk is hereby further authorized to attest to such execution and to affix the corporate seal of the Town to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the Town Clerk, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, 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 thereof.

Section 3. This resolution shall take effect immediately.

Section 4. Upon the adoption hereof, the Town Clerk shall forward certified copies of this resolution to McManimon & Scotland, L.L.C., bond counsel to the Town, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #50-12 – INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF DEBT OBLIGATION IN CONNECTION WITH NJEIT

A motion was made by Mr. Pendergast, seconded by Mr. Smith, to adopt Resolution #50-12 as presented:

RESOLUTION #50-12

RESOLUTION OF THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF DEBT OBLIGATION IN CONNECTION WITH THE TOWN'S PARTICIPATION IN THE 2012 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM

WHEREAS, the Town of Clinton, in the County of Hunterdon, New Jersey (the "Borrower") intends to provide for the Tertiary Filter Replacement Project at the Town Wastewater Treatment Plant more fully described in Exhibit A attached hereto (the "Project");

WHEREAS, the Borrower intends to finance the Project with debt obligations of the Borrower (the "Project Debt Obligations") but may incur and pay for certain costs of the Project ("Project Costs") prior to the issuance of the Project Debt Obligations with funds of the Borrower which are not borrowed funds;

WHEREAS, the Borrower reasonably anticipates that obligations, the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), will be issued by the New Jersey Environmental Infrastructure Trust (the "Issuer") to finance the Project on a long-term basis by making a loan to the Borrower with the proceeds of the Issuer's obligations (the "Project Bonds"); and

WHEREAS, the Borrower desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs incurred and paid prior to the issuance of the Project Debt Obligations as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141 through 150, inclusive, of the Code.

NOW THEREFORE, BE IT RESOLVED by the Members of the governing body of the Borrower, in the County of Hunterdon, New Jersey as follows:

Section 1. The Borrower reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with proceeds of its Project Debt Obligations.

Section 2. This resolution is intended to be and hereby is a declaration of the Borrower's official intent to reimburse the expenditure of Project Costs incurred and paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Borrower, in accordance with Treasury Regulations Section 150.2

Section 3. The maximum principal amount of the Project Debt Obligations expected to be issued to finance the project at this time is \$1,545,000.

Section 4. The Project Costs to be reimbursed with the proceeds of the Project Debt Obligations will be "capital expenditures" in accordance with the meaning of Section 150 of the Code.

Section 5. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations Section 1.148-10 to avoid arbitrage restrictions or to avoid the restrictions under Sections 142 through 147 of the Code. The proceeds of the Project Bonds used to reimburse the Borrower for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds," including "sinking funds," "pledged funds," of funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations Section 1.148-1) of the Project Debt Obligations or another issue of debt obligations of the Borrower, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations Section 1.148-1).

Section 6. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Project Debt Obligations is paid, or (ii) the date the Project is "placed in service" (within the meaning of Treasury Regulations Section 1.150-2) or abandoned, but in no event more than three (3) years after the expenditure is paid.

Section 7. This resolution will take effect immediately.

EXHIBIT A

The Tertiary Filter Replacement Project at the Town Wastewater Treatment Plant.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #51-12 – PROVIDING FOR SALE OF BONDS TO NJEIT

A motion was made by Mr. Pendergast, seconded by Mr. Smith, to adopt Resolution #51-12 as submitted:

RESOLUTION #51-12

RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF NOT EXCEEDING \$1,545,000 GENERAL IMPROVEMENT BONDS, SERIES 2012, OF THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY PURSUANT TO THE 2012 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM.

WHEREAS, the Town of Clinton (the "Town"), in the County of Hunterdon, New Jersey, has determined that there exists a need within the Town to provide for the Tertiary Filter Replacement Project at the Town Wastewater Treatment Plant (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Town and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Town and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the 2012 New Jersey Environmental Infrastructure Trust Financing Program (the "Program");

WHEREAS, the Town has determined to finance the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Town to authorize, execute, attest and deliver the Town's General Improvement Bonds, Series 2012, in an aggregate principal amount not to exceed \$1,545,000, a portion of which will be to the Trust (the "Trust Loan Bond") and a portion of which will be to the State (the "Fund Loan Bond" and, together with the Trust Loan Bond, the "Town Bonds") 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"), other applicable law and the Loan Agreements;

WHEREAS, N.J.S.A. 40A:2-27(a)(2) of the Local Bond Law allows for the sale of the Trust Loan Bond and the Fund Loan Bond to the Trust and the State, respectively, without any public offering, and N.J.S.A. 58:11B-9(a) allows for the sale of the Trust Loan Bond to the Trust without any public offering, all under the terms and conditions set forth herein; and

WHEREAS, in connection with the issuance of the Town Bonds to the Program, the governing body of the Town wishes to authorize the execution of certain certificates and opinions as may be required by the Program or Bond Counsel to the Town (collectively, the "Escrowed Documents") by the Mayor, Chief Financial Officer, Town Clerk, Counsel to the Town, Project Engineer or Appraiser and/or Bond Counsel to the Town (collectively, the "Town Representatives") on or before the date when the Town is scheduled to close the loans in escrow with the Program (the "Escrow Closing Date"), such documents to be delivered to Bond Counsel and held by Bond Counsel until such time as the Town authorizes release of the same.

NOW, THEREFORE, BE IT RESOLVED by a 2/3 vote of the full membership of the governing body of the Town as follows:

Section 1. In accordance with N.J.S.A. 40A:2-27(a)(2) of the Local Bond Law and N.J.S.A. 58:11B-9(a), the Town hereby sells and awards its Town Bonds in an aggregate principal amount not to exceed \$1,545,000 in accordance with the provisions hereof. The Town Bonds have been referred to and are described in a bond ordinance of the Town, which bond ordinance is entitled, "BOND ORDINANCE PROVIDING FOR IMPROVEMENTS TO THE SEWER UTILITY IN AND BY THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, APPROPRIATING \$1,545,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,545,000 BONDS OR NOTES OF THE TOWN FOR FINANCING THE COST THEROF" and finally adopted by the Town at a meeting duly called and held on April 12, 2011, at which time a quorum was present and acted throughout, all pursuant to the terms of the Local Bond Law and other applicable law.

Section 2. The Chief Financial Officer of the Town (the "Chief Financial Officer") is hereby authorized to determine, in accordance with the Local Bond Law and pursuant to the terms and conditions established by the Trust and the State under the Loan Agreements and the terms and conditions hereof, the following items with respect to the Trust Loan Bond and the Fund Loan Bond:

- (a) The aggregate principal amounts of the Trust Loan Bond and the Fund Loan Bond to be issued, which aggregate principal amount shall not exceed \$1,545,000;
- (b) The maturity and annual principal installments of the Town Bonds, which maturity shall not exceed 20 years;
- (c) The date of the Town Bonds;
- (d) The interest rates of the Town Bonds;
- (e) The purchase price for the Town Bonds; and
- (f) The terms and conditions under which the Town Bonds shall be subject to redemption prior to their stated maturities.

Section 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 Town Bonds by the parties authorized under Section 4(c) hereof.

Section 4. The Town hereby determines that certain terms of the Town Bonds shall be as follows:

- (a) The Trust Loan Bond shall be issued in a single denomination and shall be numbered R-1. The Fund Loan Bond shall be issued in a single denomination and shall be numbered R-2;
- (b) The Town Bonds shall be issued in fully registered form and shall be payable to the registered owners thereof as to both principal and interest in lawful money of the United States of America; and

- (c) The Town Bonds shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer under official seal or facsimile thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Town Clerk.

Section 5. The Trust Loan Bond and the Fund Loan Bond shall be substantially in the form set forth in the Trust Loan Agreement and the Fund Loan Agreement, respectively.

Section 6. The law firm of McManimon & Scotland, L.L.C. is hereby authorized to arrange for the printing of the Town Bonds, which law firm may authorize McCarter & English, LLP, bond counsel to the Trust and the State for the Program, to arrange for same. The Town auditor is hereby authorized to prepare the financial information necessary in connection with the issuance of the Town Bonds. The Mayor, the Chief Financial Officer and the Town Clerk are hereby authorized to execute any certificates necessary or desirable in connection with the financial and other information. Bond Counsel to the Town is hereby authorized to accept and hold the Escrowed Documents on or before the Escrow Closing Date and to release same upon the direction of the Town.

Section 7. The Town hereby designates the Chief Financial Officer to award the Bonds in accordance with Section 2 hereof and such financial officer shall report in writing the results of the sale to this Council as required by law.

Section 8. The Mayor and the Chief Financial Officer are hereby severally authorized to execute any certificates or documents necessary or desirable in connection with the sale of the Town Bonds, and are further authorized to deliver same to the Trust and the State upon delivery of the Town Bonds and the receipt of payment therefor in accordance with the Loan Agreements.

Section 9. This resolution shall take effect immediately.

Section 10. Upon the adoption hereof, the Town Clerk shall forward certified copies of this resolution to McManimon & Scotland, L.L.C., bond counsel to the Town, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #52-12 – ESCROW AGREEMENT WITH NJEIT – WATER PROJECTS

A motion was made by Mr. Pendergast, seconded by Mrs. Valenta, to adopt Resolution #52-12 as presented:

RESOLUTION # 52-12

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF LOAN AGREEMENTS TO BE EXECUTED BY THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY AND EACH OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY, ACTING BY AND THROUGH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, AND FURTHER AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT, ALL PURSUANT TO

**THE 2012 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE
TRUST FINANCING PROGRAM**

WHEREAS, the Town of Clinton (the "Town"), in the County of Hunterdon, New Jersey, has determined that there exists a need within the Town to provide for water main replacement and repair and maintenance of the existing tank (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Town and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Town and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the 2012 New Jersey Environmental Infrastructure Trust Financing Program (the "Program");

WHEREAS, the Town has determined to finance the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Town to authorize, execute, attest and deliver the Town's General Improvement Bonds, Series 2012, in an aggregate principal amount not to exceed \$2,135,000, a portion of which will be to the Trust (the "Trust Loan Bond") and a portion of which will be to the State (the "Fund Loan Bond" and, together with the Trust Loan Bond, the "Town Bonds") 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"), other applicable law and the Loan Agreements; and

WHEREAS, the Trust and the State have expressed their desire to close in escrow the making of one or more of the Loans, the issuance of one or more of the Town Bonds and the execution and delivery of one or more of the Loan Agreements, all pursuant to the terms of an Escrow Agreement (the "Escrow Agreement") to be entered into by and among the Trust, the State, the Town and the escrow agent named therein.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Town as follows:

Section 1. The Trust Loan Agreement, the Fund Loan Agreement and the Escrow Agreement (collectively, the "Financing Documents") are hereby authorized to be executed and delivered on behalf of the Town by either the Mayor or the Chief Financial Officer in substantially the forms attached hereto as Exhibits A, B and C, respectively, with such changes as the Mayor or the Chief Financial Officer (each an "Authorized Officer"), in their respective sole discretion, after consultation with counsel and any advisors to the Town (collectively, the "Town Consultants") and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants", and together with the Town Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of such Financing Documents by an Authorized Officer as determined hereunder. The Town Clerk is hereby authorized to attest to the execution of the Financing Documents by an Authorized Officer of the Town as determined hereunder and to affix the corporate seal of the Town to such Financing Documents.

Section 2. The Authorized Officers of the Town are hereby further severally authorized to (i) execute and deliver, and the Town Clerk is hereby further authorized to attest to

such execution and to affix the corporate seal of the Town to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the Town Clerk, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, 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 thereof.

Section 3. This resolution shall take effect immediately.

Section 4. Upon the adoption hereof, the Town Clerk shall forward certified copies of this resolution to McManimon & Scotland, L.L.C., bond counsel to the Town, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

**EXHIBIT A
TRUST LOAN AGREEMENT**

**EXHIBIT B
FUND LOAN AGREEMENT**

**EXHIBIT C
ESCROW AGREEMENT**

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #53-12 – PROMISE TO REIMBURSE EXPENDITURES FOR PROJECTS

A motion was made by Mr. Smith, seconded by Mr. Pendergast, to adopt Resolution #53-12 as submitted:

RESOLUTION #53-12

RESOLUTION OF THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF DEBT OBLIGATION IN CONNECTION WITH THE TOWN'S PARTICIPATION IN THE 2012 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM

WHEREAS, the Town of Clinton, in the County of Hunterdon, New Jersey (the "Borrower") intends to provide for water main replacement and repair and maintenance of the existing tank more fully described in Exhibit A attached hereto (the "Project");

WHEREAS, the Borrower intends to finance the Project with debt obligations of the Borrower (the "Project Debt Obligations") but may incur and pay for certain costs of the Project

("Project Costs") prior to the issuance of the Project Debt Obligations with funds of the Borrower which are not borrowed funds;

WHEREAS, the Borrower reasonably anticipates that obligations, the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), will be issued by the New Jersey Environmental Infrastructure Trust (the "Issuer") to finance the Project on a long-term basis by making a loan to the Borrower with the proceeds of the Issuer's obligations (the "Project Bonds"); and

WHEREAS, the Borrower desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs incurred and paid prior to the issuance of the Project Debt Obligations as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141 through 150, inclusive, of the Code.

NOW THEREFORE, BE IT RESOLVED by the Members of the governing body of the Borrower, in the County of Hunterdon, New Jersey as follows:

Section 1. The Borrower reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with proceeds of its Project Debt Obligations.

Section 2. This resolution is intended to be and hereby is a declaration of the Borrower's official intent to reimburse the expenditure of Project Costs incurred and paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Borrower, in accordance with Treasury Regulations Section 150.2

Section 3. The maximum principal amount of the Project Debt Obligations expected to be issued to finance the project at this time is \$2,135,000.

Section 4. The Project Costs to be reimbursed with the proceeds of the Project Debt Obligations will be "capital expenditures" in accordance with the meaning of Section 150 of the Code.

Section 5. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations Section 1.148-10 to avoid arbitrage restrictions or to avoid the restrictions under Sections 142 through 147 of the Code. The proceeds of the Project Bonds used to reimburse the Borrower for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds," including "sinking funds," "pledged funds," of funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations Section 1.148-1) of the Project Debt Obligations or another issue of debt obligations of the Borrower, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations Section 1.148-1).

Section 6. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Project Debt Obligations is paid, or (ii) the date the Project is "placed in service" (within the meaning of Treasury Regulations Section 1.150-2) or abandoned, but in no event more than three (3) years after the expenditure is paid.

Section 7. This resolution will take effect immediately.

EXHIBIT A

Water main replacement and repair and maintenance of the existing tank.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #54-12 – BONDS AND PROVISIONS FOR THEIR SALE

A motion was made by Mr. Smith, seconded by Mrs. Valenta, to adopt Resolution #54-12 as presented:

RESOLUTION #54-12

RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF NOT EXCEEDING \$2,135,000 GENERAL IMPROVEMENT BONDS, SERIES 2012, OF THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY PURSUANT TO THE 2012 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM.

WHEREAS, the Town of Clinton (the "Town"), in the County of Hunterdon, New Jersey, has determined that there exists a need within the Town to provide for water main replacement and repair and maintenance of the existing tank (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Town and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Town and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the 2012 New Jersey Environmental Infrastructure Trust Financing Program (the "Program");

WHEREAS, the Town has determined to finance the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Town to authorize, execute, attest and deliver the Town's General Improvement Bonds, Series 2012, in an aggregate principal amount not to exceed \$2,135,000, a portion of which will be to the Trust (the "Trust Loan Bond") and a portion of which will be to the State (the "Fund Loan Bond" and, together with the Trust Loan Bond, the "Town Bonds") 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"), other applicable law and the Loan Agreements;

WHEREAS, N.J.S.A. 40A:2-27(a)(2) of the Local Bond Law allows for the sale of the Trust Loan Bond and the Fund Loan Bond to the Trust and the State, respectively, without any public offering, and N.J.S.A. 58:11B-9(a) allows for the sale of the Trust Loan Bond to the Trust without any public offering, all under the terms and conditions set forth herein; and

WHEREAS, in connection with the issuance of the Town Bonds to the Program, the governing body of the Town wishes to authorize the execution of certain certificates and opinions as may be required by the Program or Bond Counsel to the Town (collectively, the "Escrowed Documents") by the Mayor, Chief Financial Officer, Town Clerk, Counsel to the Town, Project Engineer or Appraiser and/or Bond Counsel to the Town (collectively, the "Town Representatives") on or before the date when the Town is scheduled to close the loans in escrow with the Program (the "Escrow Closing Date"), such documents to be delivered to Bond Counsel and held by Bond Counsel until such time as the Town authorizes release of the same.

NOW, THEREFORE, BE IT RESOLVED by a 2/3 vote of the full membership of the governing body of the Town as follows:

Section 1. In accordance with N.J.S.A. 40A:2-27(a)(2) of the Local Bond Law and N.J.S.A. 58:11B-9(a), the Town hereby sells and awards its Town Bonds in an aggregate principal amount not to exceed \$2,135,000 in accordance with the provisions hereof. The Town Bonds have been referred to and are described in bond ordinances of the Borrower entitled "BOND ORDINANCE PROVIDING FOR IMPROVEMENTS TO THE WATER UTILITY IN AND BY THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, APPROPRIATING \$1,035,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,035,000 BONDS OR NOTES OF THE TOWN FOR FINANCING THE COST THEROF" (Project #1005001-003), "BOND ORDINANCE PROVIDING FOR VARIOUS IMPROVEMENTS TO THE WATER UTILITY IN AND BY THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, APPROPRIATING THE AGGREGATE AMOUNT OF \$4,775,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$4,775,000 BONDS OR NOTES OF THE TOWN FOR FINANCING THE COST THEROF" and "BOND ORDINANCE PROVIDING A SUPPLEMENTAL APPROPRIATION OF \$2,675,000 FOR IMPROVEMENTS TO THE WATER UTILITY IN AND BY THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY AND AUTHORIZING THE ISSUANCE OF \$2,675,000 BONDS OR NOTES OF THE TOWN FOR FINANCING PART OF THE APPROPRIATION" (Project #1005001-004), finally adopted by the Town May 24, 2011, August 25, 2009 and June 22, 2010, respectively, at which time a quorum was present and acted throughout, all pursuant to the terms of the Local Bond Law and other applicable law.

Section 2. The Chief Financial Officer of the Town (the "Chief Financial Officer") is hereby authorized to determine, in accordance with the Local Bond Law and pursuant to the terms and conditions established by the Trust and the State under the Loan Agreements and the terms and conditions hereof, the following items with respect to the Trust Loan Bond and the Fund Loan Bond:

- (a) The aggregate principal amounts of the Trust Loan Bond and the Fund Loan Bond to be issued, which aggregate principal amount shall not exceed \$2,135,000;
- (b) The maturity and annual principal installments of the Town Bonds, which maturity shall not exceed 20 years;
- (c) The date of the Town Bonds;

- (d) The interest rates of the Town Bonds;
- (e) The purchase price for the Town Bonds; and
- (f) The terms and conditions under which the Town Bonds shall be subject to redemption prior to their stated maturities.

Section 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 Town Bonds by the parties authorized under Section 4(c) hereof.

Section 4. The Town hereby determines that certain terms of the Town Bonds shall be as follows:

- (a) The Trust Loan Bond shall be issued in a single denomination and shall be numbered R-1. The Fund Loan Bond shall be issued in a single denomination and shall be numbered R-2;
- (b) The Town Bonds shall be issued in fully registered form and shall be payable to the registered owners thereof as to both principal and interest in lawful money of the United States of America; and
- (c) The Town Bonds shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer under official seal or facsimile thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Town Clerk.

Section 5. The Trust Loan Bond and the Fund Loan Bond shall be substantially in the form set forth in the Trust Loan Agreement and the Fund Loan Agreement, respectively.

Section 6. The law firm of McManimon & Scotland, L.L.C. is hereby authorized to arrange for the printing of the Town Bonds, which law firm may authorize McCarter & English, LLP, bond counsel to the Trust and the State for the Program, to arrange for same. The Town auditor is hereby authorized to prepare the financial information necessary in connection with the issuance of the Town Bonds. The Mayor, the Chief Financial Officer and the Town Clerk are hereby authorized to execute any certificates necessary or desirable in connection with the financial and other information. Bond Counsel to the Town is hereby authorized to accept and hold the Escrowed Documents on or before the Escrow Closing Date and to release same upon the direction of the Town.

Section 7. The Town hereby designates the Chief Financial Officer to award the Bonds in accordance with Section 2 hereof and such financial officer shall report in writing the results of the sale to this Council as required by law.

Section 8. The Mayor and the Chief Financial Officer are hereby severally authorized to execute any certificates or documents necessary or desirable in connection with the sale of the Town Bonds, and are further authorized to deliver same to the Trust and the State upon delivery of the Town Bonds and the receipt of payment therefor in accordance with the Loan Agreements.

Section 9. This resolution shall take effect immediately.

Section 10. Upon the adoption hereof, the Town Clerk shall forward certified copies of this resolution to McManimon & Scotland, L.L.C., bond counsel to the Town, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #55-12 – CANCELLATION OF LEIN

A motion was made by Mr. Duffy, seconded by Mrs. Valenta, to adopt Resolution #55-12 as presented, authorizing the Tax Collector to cancel the Lien on Block 31, Lot. 1.14.

RESOLUTION # 55-12

WHEREAS, the Tax Collector of the Town of Clinton has been paid \$160.29 the amount necessary to redeem Tax Sale Certificate #2011-8 on Block 31, Lot 1.14 Condo, assessed to Kim E. Crimmins, and purchased by U.S. Bank Cust for Pro Capital I, LLC.

NOW THEREFORE BE IT RESOLVED, on this 14th day of February, 2012 by the Mayor and Council of the Town of Clinton, County of Hunterdon, that the Chief Financial Officer be authorized to issue a check in the amount of \$160.29 payable to U.S. Bank-Cust for Pro Capital I, LLC, 2 Liberty Place, 50 South 16th Street-Suite 1950, Philadelphia, PA, 19102, upon receipt of the original Tax Sale Certificate endorsed for cancellation, and

BE IT FURTHER RESOLVED that the Tax Collector be authorized to cancel Lien #2011-8 on Block 31, Lot 1.14 Condo, assessed to Kim E. Crimmins, from the Town of Clinton Tax Records.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #56-12 – EMERGENCY APPROPRIATION

Kathy Olsen, CFO, explained the reason for the emergency appropriation in the amount of \$93,765.00 in order to make payment to the State Tax court of Appeals Judgment for 111 West Main Street Holding, LLC. A motion was made by Mr. smith, seconded by Mr. Duffy, to adopt Resolution #56-12 as presented:

RESOLUTION #56-12

WHEREAS, an emergency has arisen with respect to payment of State Tax Court of Appeals Judgment for 111 W. Main Street Holdings, LLC, and no adequate provision was made in the 2012 temporary budget for the aforesaid purpose, and

WHEREAS, N.J.S. 40A:4-20 provides for the creation of a temporary emergency appropriation for the purpose above mentioned, and

WHEREAS, the total amount of the emergency appropriation created including the appropriation to be created by this resolution is \$93,765.00,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Clinton, County of Hunterdon, State of New Jersey (not less than two-thirds of all the members thereof affirmatively concurring) that in accordance with N.J.S.A. 40A:4-48 that:

1. A temporary emergency appropriation be and the same is hereby made for in the amount of \$93,765.00.
2. That said temporary emergency appropriation shall be provided in full in the 2012 budget.
3. That the Chief Financial Officer has certified that the expenditures to be financed through this resolution are related to the aforementioned temporary emergency.
4. That an "Emergency Note" not in excess of the above amount authorized pursuant to N.J.S.A. 40A:4-48 and in accordance with the provision of N.J.S.A. 40A:4-51.
5. That such note shall be executed by the Chief Financial Officer and by the Town Clerk.
6. That two certified copies of this resolution be filed with the Director of Local Government Services.

STATEMENT RE: EMERGENCY RESOLUTION

This statement must be prepared in duplicate by the Chief Financial Officer or other responsible official, and must be filed with the Municipal Clerk prior to the adoption of the emergency resolution. The duplicate thereof must be filed with the Director of Local Government Services at the time of filing the emergency resolution.

Need of Emergency Appropriation:

Tax Court of New Jersey Civil Action Judgment – (Tax Appeal)
111 W. Main Street Holdings, LLC vs. Town of Clinton

Date of Occurrence: 1/31/12

Have any contracts been awarded or purchase orders placed in connection with this temporary emergency appropriation? NO

Have any payments been made in connection with the temporary emergency appropriation? NO
If costs are in excess of \$36,000 for either labor or materials, or both, will bids be advertised for? N/A

If not, have resolutions been adopted declaring an exigency to exist which will not permit the advertisement for public bids? N/A

Will work be performed by contract, force account or otherwise? N/A

Roll Call: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #57-12 – LOCAL FINANCE BOARD

A motion was made by Mr. Duffy, seconded by Mrs. Valenta, to adopt Resolution #57-12 as submitted:

RESOLUTION #57-12

**RESOLUTION OF TOWN OF CLINTON MAKING APPLICATION TO
THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A. 40A:2-51**

WHEREAS, the Town of Clinton, in the County of Hunterdon, New Jersey (the "Town") desires to make application to the Local Finance Board for its review and approval of a proposed refunding bond ordinance authorizing the issuance of tax appeal refunding bonds or notes to finance amounts owed to 111 West Main Street Holdings, LLC for the payment of taxes in accordance with N.J.S.A. 40A:2-51;

WHEREAS, the Town believes that:

- (a) it is in the public interest to accomplish such purpose;
- (b) said purpose or improvements are for the health, welfare, convenience or betterment of the inhabitants of the local unit;
- (c) the amounts to be expended for said purpose or improvements are not unreasonable or exorbitant;
- (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the local unit and will not create an undue financial burden to be placed upon the local unit;

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY as follows:

Section 1. The application to the Local Finance Board is hereby approved, and the Town's Bond Counsel, along with other representatives of the Town, are hereby authorized to prepare such application and to represent the Town in matters pertaining thereto.

Section 2. The Clerk of the Town is hereby directed to prepare and file a copy of the proposed ordinance and 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 approval as provided by the applicable New Jersey Statute.

Recorded Vote

<u>AYE</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Duffy			Insel
Pendergast			
Shea			
Smith			
Valenta			
Mayor Kovach			

STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF LOCAL GOVERNMENT SERVICES
LOCAL FINANCE BOARD
APPLICATION CERTIFICATION

APPLICANT'S NAME: TOWN OF CLINTON, NEW JERSEY

I, JANICE KOVACH, MAYOR OF THE TOWN OF CLINTON, IN THE COUNTY OF HUNTERDON DO HEREBY DECLARE:

That the documents submitted herewith and the statements contained herein are true to the best of my knowledge and belief; and

That this application was considered and its submission to the Local Finance Board approved by the governing body of the Town on February 14, 2012; and

That the governing body of the Town has notified each participating local unit of its submission of this application to the Local Finance Board and has made available to each, a true copy of this application.

RESOLUTION #58-12 ALTERNATE TOWN ENGINEER

Councilman Smith explained that the Town solicited Requests for Proposals for Alternate Town Engineer, three were received. A recommendation to award a contract to Andrew S. Holt, P.E. of the Firm of Suburban Consulting Engineers, Inc. was made. Mr. Holt works closely with Mr. Clerico, P.E. of Van Cleef Engineering and with the projects taking place in Town, it is the logical choice. A motion was made by Mr. Smith, seconded by Mr. Shea, to award the contract for Alternate Town Engineer to Andrew S. Holt, P.E.

Vote all ayes
Motion carried

RESOLUTION #59-12 – AUTHORIZATION TO SIGN CHECK

A motion was made by Mrs. Valenta, seconded by Mr. Duffy, to adopt Resolution #59-12 authorizing signature of two checks made payable to Motor Vehicle commission in order to register the two new Town trucks.

**RESOLUTION #59-12
AUTHORIZATION TO SIGN CHECK FOR MOTOR VEHICLE COMMISSION**

WHEREAS, the Water and Sewer Utilities recently purchased two 2012 Ford Trucks and must register them with the New Jersey Motor Vehicle Commission, at a cost of \$60.00 each, a check must be issued in the amount of \$120.00, and

WHEREAS, the first Council meeting is held on the second Tuesday of the month when bills are approved for payment and the delay in registering them will prove to be inefficient,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Clinton that the Chief Financial Officer be authorized to issue a check payable to the New Jersey Motor Vehicle Commission in the amount of \$120.00, and

BE IT FURTHER RESOLVED that the Mayor be authorized to sign said check providing that the voucher for said payment be included on the bill list for approval at the next Council Meeting.

ROLL CALL: AYES; Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

INTRODUCTION OF ORDINANCE #12-3 – REFUNDING BOND ORDINANCE

A motion was made by Mr. Smith, seconded by Mr. Duffy, to adopt Ordinance #12-3 on first reading as submitted:

BOND ORDINANCE #12-3

REFUNDING BOND ORDINANCE PROVIDING FOR
PAYMENT OF AMOUNTS OWING TO 111 WEST MAIN
STREET HOLDINGS, LLC FOR TAXES LEVIED IN AND
BY THE TOWN OF CLINTON, IN THE COUNTY OF
HUNTERDON, NEW JERSEY, APPROPRIATING \$100,000
THEREFOR AND AUTHORIZING THE ISSUANCE OF
\$100,000 BONDS OR NOTES OF THE TOWN FOR
FINANCING THE COST THEREOF.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CLINTON, IN
THE COUNTY OF HUNTERDON, NEW JERSEY (not less than two-thirds of all members
thereof affirmatively concurring) AS FOLLOWS:

The Town of Clinton, in the County of Hunterdon, New Jersey (the "Town") is hereby
authorized to pay an aggregate amount not exceeding \$93,765 for amounts owed by the Town to
111 West Main Street Holdings, LLC for taxes levied, as more particularly described in the
Judgment of the Tax Court of New Jersey and available for inspection in the office of the Town
Clerk, which is hereby incorporated by reference as if set forth at length herein.

An aggregate amount not exceeding \$6,235 for items of expense listed in and permitted
under N.J.S.A. 40A:2-51(b) has been included in the aggregate principal amount of refunding
bonds authorized herein.

In order to finance the cost of the purpose described in Section 1 hereof, negotiable
refunding bonds are hereby authorized to be issued in the principal amount of \$100,000 pursuant
to the Local Bond Law.

In anticipation of the issuance of the refunding bonds, negotiable bond anticipation notes
are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local
Bond Law. All refunding bond anticipation notes issued hereunder shall mature at such times as
may be determined by the chief financial officer, provided that no note shall mature later than one
year from its date. 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 notes issued pursuant to this ordinance, and the chief financial
officer's signature upon the notes shall be conclusive evidence as to all such determinations.

All notes issued hereunder may be renewed from time to time, but all such notes
including renewals shall mature and be paid no later than the fifth anniversary of the date of the
original notes or such other time period as determined by the Local Finance Board; provided,
however, that no notes shall be renewed beyond the first or any succeeding anniversary date of
the original notes unless an amount of such notes, at least equal to the first legally payable
installment of the bonds in anticipation of which the notes are issued, determined in accordance
with the maturity schedule for the bonds approved by the Local Finance Board, is paid and retired
on or before such anniversary date; and provided, further, that the period during which the bond
anticipation notes and any renewals thereof and any permanent bonds are outstanding, shall not
exceed the period set for the maturity of the bonds by the Local Finance Board.

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 purchasers thereof upon receipt of
payment of the purchase price plus accrued interest 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

ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

The chief financial officer of the Town 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 Town and to execute such disclosure document on behalf of the Town. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Town 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 Town 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 Town fails to comply with its undertaking, the Town shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 6. The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Town as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$100,000, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

Section 7. The full faith and credit of the Town 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 Town, and the Town shall be obligated to levy ad valorem taxes upon all the taxable real property within the Town for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 8. A certified copy of this refunding bond ordinance as adopted on first reading has been filed with the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey prior to final adoption, together with a complete statement in the form prescribed by the Director and signed by the chief financial officer of the Town as to the indebtedness to be financed by the issuance of the refunding bonds authorized herein.

Section 9. The Town hereby declares the intent of the Town to issue the bonds or bond anticipation notes in the amount authorized in Section 3 of this bond ordinance and to use proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 1 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. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law, provided that the consent of the Local Finance Board has been endorsed upon a certified copy of this ordinance as finally adopted.

A copy of this Ordinance will be published in the Hunterdon Review edition of February 29, 2012. A second reading and public hearing will be held March 27, 2012.

Vote all ayes
Motion carried

PERMIT WAIVER – CLINTON FIRST AID & RESCUE SQUAD

A motion was made by Mr. Pendergast, seconded by Mr. Smith, to waived the fee for the permit required to replace the HVAC items at the Squad building. The fee is \$186.00.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

BANNER REQUEST – “DOING CLINTON SPRINGTIME”

Council is in receipt of a banner request from the Downtown Business district to display a banner from April 23 through April 30th, announcing their “Doing Clinton Springtime” event. The event is scheduled for April 28 and 29, 2012. A motion was made by Mr. Pendergast, seconded by Mr. Duffy, to approve the request as submitted.

Vote all ayes
Motion carried

CORRESPONDENCE

1. Notification has been received from Comcast announcing an award has been made to Marian Guzman Marquez, 1 Alexandra Way, student at Voorhees High School. The \$1,000 Comcast Leaders and Achievers Scholarship has been made to students throughout the Garden State.
2. Notification from the League of Municipalities working in partnership with the New Jersey Education Association to promote reading and family literacy through *Read Across America*. If anyone is available to read at Clinton Public School on March 2, 2012, please advise.

REPORTS FROM COUNCIL & TOWN OFFICIALS

Police Chief Matheis

1. Chief Matheis, acting PW/Business Administrator, updated Council on the water main work being done on Lower Center Street, Main and East Main Streets. There have been no reported problems and Z Brothers, the contractors, have been very cooperative.

Kathy Olsen, CFO

1. The Clinton Fire Department forwarded a bill to fix their fire truck window in the amount of \$350. There is a \$500 deductible on their insurance. Question, is the Town responsible for fixing a window that fell out of the track? Council discussed it and consider this a maintenance issue and the Town is not responsible. The Fire Department will be advised that they will pay for the repair.

Councilman Smith

1. The Rescue Squad responded to 167 calls at an average of 4.2 minutes per call.
2. Water Committee to meet Wednesday, February 15 at 8:00 a.m. The new 2.5 MG Water Tank is expected to be completed by April 1, 2012. Pre-construction meeting for the rehabilitation of the old water storage tank is scheduled.
3. There is a bill before the Senate and Assembly requiring the fluoridation of all public Community water systems in New Jersey. The League of Municipalities opposes this Mandate, stating that it would impose added costs on ratepayers. Mr. Smith stated it would also impose great costs to municipalities with a water department to add new equipment such as pumps. Will update on further developments.

Councilman Shea

1. Roads Committee met and discussed the current projects and sidewalk issues.
2. The Safe Routes to School grant has been processed by the State and we are now waiting for the Federal government to sign off on it.
3. Discussed the upcoming changes on Leigh Street and waiting to hear if the Town will get a grant to fund the work.
4. Received correspondence from HART regarding crosswalks and found the ones that needed repainting are on the roads now being worked on and will be painted upon completion of the project. The other crosswalks that need painting will be addressed.

Attorney Cushing

Mayor Kovach asked Mr. Cushing to update Council on the Kullman Brothers building in Lebanon Borough. They currently owe \$8,000 for water charges and arrangements have been made to have Nancy Burgess, Water Collector, to contact Clinton Township and make sure that the Town gets a lien so we eventually get paid in full.

Councilman Pendergast

1. Sewer Committee has had communication with High Bridge. High Bridge is not happy with the costs of processing their sewerage. The Sewer Committee will review original agreements.
2. Black Potatoe reps attended a volunteer program at North Hunterdon, they had the busiest table! Several confirmed artists already signed up for the Music Festival. Approximately 106 acts lined up. Off site parking being arranged at North Hunterdon High School.

Councilwoman Valenta

1. The next school board meeting is Thursday, February 23 at 7 p.m.
2. The Bull Dogs made a clean sweeps of the Basketball season! Boys and Girl's Teams Triumphed! Congratulations!
3. Historical Commission is showing a DVD that was made by Christine Wood, narrated by Historian Allie McGaheran. Mayor Kovach said former Mayor McGaheran will also be narrating a tour of the cemetery on Center Street next to the Presbyterian Church. The Red Mill is hosting a session on Monday morning, February 20th, the 1891 Great Clinton Fire, also narrated by Mrs. McGaheran. Postcard exhibit at the Red Mill now open.

Councilman Duffy

1. Senior Luncheon scheduled for May 6, 2012 at the Clinton Rescue Squad Building.
2. Summer Recreation will begin accepting registrations after Easter. Registration will be open to neighboring municipalities. Exploring the possibilities of having a full day outing, possibly at a water park.

3. The Clinton Fire Department responded to 365 calls in 2011. This is the highest recorded number of calls for the fire department ever. The Clinton Fire Department has been a long time participant in shared services through a mutual aid agreement with many of our surrounding towns. These towns also reciprocate with assistance to the Clinton Fire Department. The CFD handled 120 calls on our own, received mutual aid on 110 calls and provided mutual aid 135 times. Of the 365 calls, most are Level 1 calls, 284, of minor nature which may include auto accidents, fire alarms or minor outdoor fires. Level 2 calls are more involved which may include chimney fires, smoke odors, appliance fires, etc and included about 9 calls. The more serious fire calls, Level 3, which include structure fires, smoke in building, gas leaks, etc., resulted in 57 calls.

APPROVAL OF STANDBY AND OVERTIME

A motion was made by Mr. Pendergast seconded by Mr. Shea to approve the standby and overtime pay attached to these minutes January 20, 2012 through February 2, 2012.

ROLL CALL: AYES: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

PAYMENT OF BILLS

A motion was made by Mr. Smith seconded by Mr. Pendergast to approve the voucher list attached to these minutes.

ROLL CALL: Ayes: Duffy, Pendergast, Shea, Smith, Valenta, Mayor Kovach

Vote all ayes
Motion carried

RESOLUTION #- 60--12 – EXECUTIVE SESSION –Potential Litigation/Contract Negotiations

A motion was made by Mr. Shea seconded by Mr. Smith to enter into Executive Session at 9:05 p.m. to discuss matters of Potential Litigation and Contract Negotiations.

**RESOLUTION # 60-12
RESOLUTION AUTHORIZING EXECUTIVE SESSION**

WHEREAS, the Open Public Meetings Act; *N.J.S.A. 10:4-6 et seq.*, declares it to be the public policy of the State to insure the right of citizens to have adequate advance notice of and the right to attend meetings of public bodies at which business affecting the public is discussed or acted upon; and

WHEREAS, the Open Public Meetings Act also recognizes exceptions to the right of the public to attend portions of such meetings; and

WHEREAS, the Mayor and Council find it necessary to conduct an executive session closed to the public as permitted by the *N.J.S.A. 40:4-12*; and

WHEREAS, the Mayor and Council will reconvene in public session at the conclusion of the executive session;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Clinton, County of Hunterdon, State of New Jersey that they will conduct an executive session to discuss the following topic(s) as permitted by *N.J.S.A. 40:4-12*:

A matter which Federal Law, State Statute or Rule of Court requires be kept confidential or excluded from discussion in public (Provision relied upon: _____);

_____A matter where the release of information would impair a right to receive funds from the federal government;

_____A matter whose disclosure would constitute an unwarranted invasion of individual privacy;

_____A collective bargaining agreement, or the terms and conditions thereof (Specify contract: _____)

_____A matter involving the purpose, lease or acquisition of real property with public funds, the setting of bank rates or investment of public funds where it could adversely affect the public interest if discussion of such matters were disclosed;

_____Tactics and techniques utilized in protecting the safety and property of the public provided that their disclosure could impair such protection;

_____Investigations of violations or possible violations of the law; _____

X _____Pending or anticipated litigation or contract negotiation in which the public body is or may become a party; (the general nature of the litigation or contract negotiations is: _____the public disclosure of such information at this time would have a potentially negative impact on the municipality's position in the litigation or negotiation; therefore this information will be withheld until such time as the matter is concluded or the potential for negative impact no longer exists.)

_____Matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his or her ethical duties as a lawyer; (The general nature of the matter is: _____)

OR _____ the public disclosure of such information at this time would have a potentially negative impact on the municipality's position with respect to the matter being discussed; therefore this information will be withheld until such time as the matter is concluded or the potential for negative impact no longer exists);

_____Matters involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance, promotion or disciplining of any specific prospective or current public officer or employee of the public body, where all individual employees or appointees whose rights could be adversely affected have not requested in writing that the matter(s) be discussed at a public meeting; (The employee(s) and/or general nature of discussion is _____)

OR _____ the public disclosure of such information at this time would violate the employee(s) privacy rights; therefore this information will be withheld until such time as the matter is concluded or the threat to privacy rights no longer exists.;

_____ Deliberation occurring after a public hearing that may result in the imposition of a specific civil penalty or loss of a license or permit;

BE IT FURTHER RESOLVED that the Mayor and Council hereby declare that their discussion of the subject(s) identified above may be made public at a time when the Town Attorney advises them that the disclosure of the discussion will not detrimentally affect any right, interest or duty of the Town or any other entity with respect to said discussion. That time is currently estimated to be:20 minutes (estimated length of time) OR upon the occurrence of

BE IT FURTHER RESOLVED that the Mayor and Council, for the reasons set forth above, hereby declare that the public is excluded from the portion of the meeting during which the above discussion shall take place.

Vote all ayes
Motion carried

A motion was made by Mr. Pendergast, seconded by Mrs. Valenta, to return to the Regular Council meeting at 9:34 p.m.

Vote all ayes
Motion carried

ADJOURNMENT: There being no further business, a motion was made by Mr. Pendergast seconded by Mrs. Valenta to adjourn the meeting at 9:35 p.m..

Vote all ayes
Motion carried

Cecilia Covino, RMC/CMC
Town Clerk

Janice Kovach, Mayor