

**READINGTON TOWNSHIP COMMITTEE
MEETING – April 17, 2017**

Mayor Smith *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 B. Smith, Deputy Mayor B. Fort, Mr. J. Broten, Mrs. M.E. Duffy, Mr. S. Tropello

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>
Police Department.....	Personnel.....	Certain information at the discretion of the Township Committee tonight...other information will remain confidential
(Block 44, Lot 15).....	Contract Negotiations.....	“ “ “
2 Railroad Avenue (Block 22, Lot 66) ..	Contract Negotiations.....	“ “ “
Executive Session Minutes.....	Attorney-Client Privilege.....	“ “ “
<ul style="list-style-type: none"> • April 3, 2017 • February 21, 2017 (<i>For Redaction</i>) • November 2, 2015 (<i>For Redaction</i>) 		
Affordable Housing.....	Potential Litigation.....	“ “ “
Block 48, Lot 23; Block 55, Lot 33; Block 56, Lots 1, 3, 6 & 8; Block 67, Lot 2 (Solberg Aviation).....	Litigation.....	“ “ “
Solberg Aviation v. Township of Readington Civil Action (Prerogative Writ)	Litigation.....	“ “ “

388 Route 22 Readington Realty..... Litigation..... “ “ “
Holdings, LLC v. Twp of Readington

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 Mr. Broten to adopt this resolution, seconded by Mrs. Duffy with a vote of ayes all, nays none recorded.

The meeting reconvened at 8:03 p.m.

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

Executive Session:

Personnel / Police Department

Mayor Smith stated that this matter remains in Executive Session.

Contract Negotiations / Block 15, Lot 44

Mr. Broten recused himself from this matter.

A MOTION was made by Mrs. Duffy to accept the donation from the Duke Foundation for Block 15, Lot 44, seconded by Mrs. Fort and on Roll Call vote the following was recorded:

Mrs. Duffy	-Aye
Mrs. Fort	- Aye
Mr. Tropello	- Aye
Mayor Smith	- Aye

Contract Negotiations / 2 Railroad Avenue (Block 22, Lot 66)

Mayor Smith stated that this matter remains in Executive Session.

Attorney-Client Privilege / Executive Session Minutes / April 3, 2017

A MOTION was made by Mrs. Fort to approve the minutes for content only, seconded by Mr. Broten with a vote of ayes all, nays none recorded.

Attorney-Client Privilege / Executive Session Minutes / February 21, 2017 (For Redaction)
Attorney-Client Privilege / Executive Session Minutes / November 2, 2015 (For Redaction)

A MOTION was made by Mrs. Fort to approve the Executive Session minutes of February 21, 2017 and November 2, 2015 for release as redacted, seconded by Mr. Broten with a vote of ayes all, nays none recorded.

Potential Litigation / Affordable Housing

Mayor Smith stated that this matter remains in Executive Session.

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 Smith stated that nothing was discussed.

Litigation / Solberg Aviation v. Twp. of Readington Civil Action (Prerogative Writ)

A ***MOTION*** was made by Mrs. Duffy to appeal the decision of Judge Miller, setting aside the airport safety and zoning ordinance, and Judge Ciccone’s decision awarding Solberg’s counsel fees in connection with that challenge, seconded by Mrs. Fort and on Roll Call vote the following was recorded:

Mr. Broten	- Nay
Mrs. Duffy	-Aye
Mrs. Fort	- Aye
Mr. Tropello	- Nay
Mayor Smith	- Aye

Litigation / 388 Route 22 Readington Realty Holdings, LLC vs. Twp. of Readington

Mayor Smith stated that this matter remains in Executive Session.

CONSENT AGENDA:

Mayor Smith 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.

Mr. Broten requested to remove *Item #4 under New Business* from the Consent Agenda for a separate discussion.

- * 1. **APPROVAL OF MINUTES** of the April 3, 2017 meeting

- * 2. ***Tax Lien Redemption***

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 21.06, Lot 201.06 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 \$2,049.44, plus a premium paid in the amount of \$1,200.00, known as Tax Sale Certificate #2014-003, to the lienholder, FWDSL & Associates, LP.

* 3. *Certificate Making Award of General Improvement Bonds, Series 2017*

<i>NAME OF BIDDER</i>	<i>TRUE INTEREST COST</i>	<i>AMOUNT OF BONDS BID FOR</i>	<i>AMOUNT BID</i>
Roosevelt & Cross	3.308120 %	\$ 14,184,000.00	\$ 14,374,528.32
Raymond James	3.340476 %	\$ 14,184,000.00	\$ 14,572,962.96
Robert Baird	3.346115 %	\$ 14,184,000.00	\$ 14,388,294.12
Bank of America Merrill Lynch	3.379715 %	\$ 14,184,000.00	\$ 14,609,520.00

AWARDED TO:

Purchaser: Roosevelt & Cross

Purchase Price: \$ 14,374,528.32

Amount of Bonds Bid: \$14,184,000.00

* 4. *Corrective Action Plan to 2016 Audit*

**CORRECTIVE ACTION PLAN
 2016
 AUDIT REPORT**

***TOWNSHIP OF READINGTON
 COUNTY OF HUNTERDON***

The following recommendations were included in the 2016 Township audit as submitted by the firm of Lerch, Vinci and Higgins, CPA/RMA:

Finance/Purchasing:

- 1) Internal controls over the Township’s encumbrance accounting system be reviewed and enhanced.

Response: Contracts will be encumbered for the full estimated amounts through blanket purchase orders and adjusted as needed. Goods or services required will be encumbered prior to said being received by departments.

- 2) Dedications by rider be obtained or balances be disposed of for each of the miscellaneous reserves in the other trust fund.

Response: Riders have been applied for from the NJ Division of Local Government Services in the past and some have been rejected due to title allowed. The finance department will review the mentioned trust funds and determine if they can be canceled, combined or re-named in order to comply with state regulations.

Departments:

- 3) Reports issued by the Municipal Court from the automated traffic system be in compliance with the Administrative Office of the Courts Procedures Manual.

Response: The Court Administrator will retrieve outstanding ticket books held by officers for more than six months.

* 5. **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	6-01	\$ 2,270.66
CURRENT FUND	7-01	\$ 631,140.33
TRUST FUNDS	X-03	\$ 19,424.06
MISC REFUND, COUNTY TAX, LIENS	X-05	\$ 7,407.70
PAYROLL DEDUCTIONS	X-06	\$ 147,581.63
DUE TO STATE OF NJ	X-09	\$ 300.00
2015 CAP. IMPROVEMENTS	X-15	\$ 21,012.00
2016 CAP. IMPROVEMENTS	X-16	\$ <u>37,148.02</u>
TOTAL OF ALL FUNDS		\$ 866,284.40

A **MOTION** was made by Mrs. Fort to approve the *Consent Agenda with the removal of Item #4*, seconded by Mr. Broten and on Roll Call vote the following was recorded:

- Mr. Broten - Aye
- Mrs. Duffy -Aye
- Mrs. Fort - Aye
- Mr. Tropello - Aye
- Mayor Smith - Aye

COMMENTS FROM THE PUBLIC for items listed on the agenda only

There were none.

PUBLIC HEARINGS

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

2017 Municipal Budget

Administrator Mekovetz gave a power point slide presentation, assisted by Chief Financial Officer Tom Carro and Township Auditor Ralph Piccone on the highlights of the 2017 Municipal Budget.

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

Mr. Broten pointed out that in this year’s budget there are two items, legal fees and debt service, which comprise approximately one third of the tax dollars being spent. Mr. Broten requested clarification from the Township Auditor with regard to the language on *over expenditure of appropriations* when in fact it is overspending of legal fees in the budget. Mr. Broten added that although he was not necessarily in favor of the amount of appropriations for legal fees, it is a more realistic estimate for what will be spent.

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

Suzy Nagle, High Ridge Court, questioned how much money is invested and asked about the estimated 2016 tax rate from last year. Mrs. Nagle also commented on the municipal court fees and the increased tax rate.

Paula Baldwin, Morning Star Road, commented on the legal fee line item in the budget and also questioned the requirement of a Board of Health.

Don Baldwin, Morning Star Road, commented on the increase of the municipal tax rate and the legal appropriations compared to other municipalities.

A **MOTION** was made by Mrs. Duffy 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 Mrs. Fort to adopt the 2017 Municipal Budget, seconded by Mrs. Duffy and on Roll Call vote the following was recorded:

Mr. Broten	-Aye
Mrs. Duffy	-Aye
Mrs. Fort	- Aye
Mr. Tropello	- Aye
Mayor Smith	- Aye

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

Clerk read by Title:

An Ordinance of the Township of Readington in Hunterdon County, State of New Jersey Authorizing and Approving a Financial Agreement Between the Township of Readington and Whitehouse Urban Renewal Associates, LLC Pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 Et Seq.

◆ ***Ordinance #05-2017***

Attorney Dragan stated that there already is a financial agreement under HMFA with the previous developer and now that the agreement has been signed to Whitehouse Urban Renewal Associates they will be using an agreement under the long term tax exemption law. Attorney Dragan provided a brief overview of the PILOT.

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

There were none.

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

Peter Schapley, Main Street, commented on the financial agreement.

Kate Coffey, Day Pitney, on behalf on the applicant for the PILOT, added that the current proposed PILOT is better than the previously agreed to PILOT, since it has incremental step ups, which were not included in the prior PILOT agreement.

Scott Scammell, Dreahook Road, commented on the language of a repealer clause in the ordinance.

Suzy Nagle, High Ridge Court, commented on the PILOT and the County's portion.

Delores Wilhems, made comments *not related* to the Public Hearing of the ordinance.

Denise Hupka, Violet Court, made comments *not related* to the Public Hearing of the ordinance.

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

Clerk read by Title:

An Ordinance of the Township of Readington in Hunterdon County, State of New Jersey Authorizing and Approving a Financial Agreement Between the Township of Readington and Whitehouse Urban Renewal Associates, LLC Pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 Et Seq.

◆ ***Ordinance #05-2017***

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

Mr. Broten	-Aye
Mrs. Duffy	-Aye
Mrs. Fort	- Aye
Mr. Tropello	- Aye
Mayor Smith	- Aye

CORRESPONDENCE / OTHER INFORMATION

There was none.

NEW BUSINESS

1. ***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 General Improvement Bonds, Series 2011, Appropriating &7,800,000 therefor and Authorizing the Issuance by the Township of Refunding Bonds in the Aggregate Principal Amount of Not Exceeding \$7,800,000 for Financing the Cost thereof***

Administrator Mekovetz explained that the reason for this ordinance is to obtain an improved rate from a 2011 sale and the Township is hoping to save approximately \$250,000 to \$400,000 over the life of the issue.

The following ordinance was offered for consideration:

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 GENERAL IMPROVEMENT BONDS, SERIES 2011, APPROPRIATING \$7,800,000 THEREFOR AND AUTHORIZING THE ISSUANCE BY THE TOWNSHIP OF REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$7,800,000 FOR FINANCING THE COST THEREOF

ORDINANCE #06-2017

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

Section 1. The Township of Readington, in the County of Hunterdon, New Jersey (the "Township") is hereby authorized to advance refund all or a portion of the \$6,860,000 outstanding principal amount of its General Improvement Bonds, Series 2011 (the "Bonds"), originally issued in the principal amount of \$11,000,000, dated January 18, 2011, which amount matures on January 15 in the years 2022 through 2031, inclusive (the "Refunded Bonds") and which are subject to redemption on or after January 15, 2021 at the option of the Township at a redemption price of 100% of the principal amount of the Refunded Bonds to be redeemed.

Section 2. In order to finance the cost of the purpose described in Section 1 hereof and the costs of issuance associated therewith, negotiable refunding bonds are hereby authorized to be issued in one or more series in the aggregate principal amount not exceeding \$7,800,000 (the "Refunding Bonds") pursuant to the Local Bond Law of the State of New Jersey.

Ordinance #06-2017 cont'd:

Section 3. An aggregate amount not exceeding \$125,000 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.

Section 4. The Township desires to provide for all or a portion of the principal amount of the Refunded Bonds outstanding and the interest and redemption premium, if any, thereon in order to provide for savings in debt service as a result of lower interest rates in the bond markets.

Section 5. 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 Township is increased by the authorization of the Refunding Bonds provided in this refunding bond ordinance by \$7,800,000, and that an amount representing the principal amount of the Refunded Bonds equal to \$6,860,000 will be deductible from gross debt. The obligations authorized herein will be within all debt limitations prescribed by that law.

Section 6. 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.

Section 7. This refunding 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 MOTION was made by Mr. Broten to introduce this ordinance, seconded by and on Roll Call vote the following was recorded:

Mr. Broten	-Aye
Mrs. Duffy	-Aye
Mrs. Fort	- Aye
Mr. Tropello	- Aye
Mayor Smith	- Aye

The Public Hearing was scheduled for May 1, 2017 at 7:45 p.m.

2. *Bond Ordinance Providing for Various Capital Improvements in and by the Township of Readington, in the County of Hunterdon, New Jersey, Appropriating \$1,754,000 therefor and Authorizing the Issuance of \$1,666,3000 Bonds or Notes of the Township to Finance Part of the Cost thereof*

Administrator Mekovetz provided a brief overview of the various items that are listed for capital improvements for 2017 and explained the premise of bonding for capital improvement over time.

Mr. Broten stated that there was a matter with regard to a repair for erosion at 8 Brookview Road which had been previously discussed although not listed, and would like to see it included in ordinance. Administrator Mekovetz responded that this could be amended to be a part of the description. Mr. Broten also expressed concern about adding to the Township debt. Mayor Smith maintained that they are paying down debt in the budget therefore this should be debt mutual this year.

The following ordinance was offered for consideration:

BOND ORDINANCE PROVIDING FOR VARIOUS CAPITAL IMPROVEMENTS IN AND BY THE TOWNSHIP OF READINGTON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, APPROPRIATING \$1,754,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,666,300 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF

ORDINANCE #07-2017

BE IT ORDAINED 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. The several improvements described in Section 3 of this bond ordinance are hereby respectively authorized to be undertaken by the Township of Readington, in the County of Hunterdon, New Jersey (the "Township") as general improvements. For the several improvements or purposes described in Section 3, there are hereby appropriated the respective sums of money therein stated as the appropriation made for each improvement or purpose, such sums amounting in the aggregate to \$1,754,000, and further including the aggregate sum of \$87,700 as the several down payments for the improvements or purposes required by the Local Bond Law. The down payments have been made available from the Capital Improvement Fund.

Section 2. In order to finance the cost of the several improvements or purposes not covered by application of the several down payments, negotiable bonds are hereby authorized to be issued in the principal amount of \$1,666,300 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. The several improvements hereby authorized and the several purposes for which the bonds are to be issued, the estimated cost of each improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each improvement and the period of usefulness of each improvement are as follows:

<u>Purpose</u>	<u>Appropriation & Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds & Notes</u>	<u>Period of Usefulness</u>
a) Various road improvements, including overlaying and reclamation, to various streets, including, but not limited to, Van Horne Road, Cornelius Lane, Holand Brook Road (Conover to County Bridge), Indian Run, Van Pelt Drive, and paving at Ryland Development and Brookview Road drainage easement repair, all as set forth on a list on file in the Office of the Clerk, including all work and materials necessary therefor and incidental thereto.	\$1,032,770	\$981,132	10 years
b) The acquisition of a dump truck with spreader and asphalt hot box tow, including all related costs and expenditures incidental thereto.	\$176,040	\$167,239	5 years

<i>Ordinance #07-2017 cont'd:</i>				
c) The replacement of the fire alarm control panel and improvements to the Department of Public Works roof, including all related costs and expenditures incidental thereto and further including all work and materials necessary therefor and incidental thereto.	\$123,762	\$117,574	10 years	
d) The acquisition of playground equipment for Pickell Park, including all related costs and expenditures incidental thereto.	\$90,687	\$86,153	15 years	
e) The replacement of the telephone system at various locations, including all related costs and expenditures incidental thereto.	\$29,873	\$28,379	10 years	
f) The acquisition and installation of radar signs, including all related costs and expenditures incidental thereto and further including all work and materials necessary therefor and incidental thereto.	\$34,141	\$32,433	10 years	
g) The acquisition of equipment, including, but not limited to, generators and electric pumps, including all related costs and expenditures incidental thereto.	\$266,727 (to be partially reimbursed by the Federal Emergency Management Agency)	\$253,390	15 years	
TOTAL:	<u>\$1,754,000</u>	<u>\$1,666,300</u>		

The excess of the appropriation made for each of the improvements or purposes aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the down payment for each purpose.

Ordinance #07-2017 cont'd:

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no bond anticipation note shall mature later than one year from its date. The bond anticipation 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 bond anticipation notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law. The chief financial officer is hereby authorized to sell part or all of the bond anticipation 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 bond anticipation notes pursuant to this bond ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

Section 5. The Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses. They are all improvements or purposes that the Township may lawfully undertake as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The average period of usefulness, computed on the basis of the respective amounts of obligations authorized for each purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 10.51 years.

(c) 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 Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$1,666,300, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$110,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements.

Section 7. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes or improvements described in Section 3 of this bond ordinance. This Section 7 is a declaration of intent within the meaning and for purposes of Treasury Regulations.

Section 8. Any grant moneys received for the purposes or improvements described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Ordinance #07-2017 cont'd:

Section 9. The chief financial officer of the Township 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 Township and to execute such disclosure document on behalf of the Township. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township 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 Township 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 Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 10. The full faith and credit of the Township 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 Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 11. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

A MOTION was made by Mrs. Fort to introduce this ordinance as amended, seconded by Mrs. Duffy and on Roll Call vote the following was recorded:

Mr. Broten	-Aye
Mrs. Duffy	-Aye
Mrs. Fort	- Aye
Mr. Tropello	- Aye
Mayor Smith	- Aye

The Public Hearing was scheduled for May 1, 2017 at 7:45 p.m.

*** 3. Certificate Making Award of General Improvement Bonds, Series 2017**

This matter was addressed under the Consent Agenda.

3. Acceptance of 2016 Audit Report

Mr. Broten requested some clarification from the Municipal Auditor on some details within the audit.

The following resolution was offered for consideration:

R-2017-43

**TOWNSHIP OF READINGTON
RESOLUTION**

WHEREAS, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions; and

WHEREAS, The Annual Report of Audit for the year 2016 has been filed by the Registered Municipal Accountant with the Municipal Clerk as per the requirements of N.J.S.A. 40A:5-6, and a copy has been received by each member of the governing body; and

WHEREAS, R.S. 52:27BB-34 authorizes the Local Finance Board of the State of New Jersey to prescribe reports pertaining to the local fiscal affairs; and

Resolution #R-2017-43 cont'd:

WHEREAS, the Local Finance Board has promulgated a regulation requiring that the governing body of each municipality shall by resolution certify to the Local Finance Board of the State of New Jersey that all members of the governing body have reviewed, at a minimum, the sections of the annual audit entitled “General Comments and Recommendations and

WHEREAS, the members of the governing body have personally reviewed, at a minimum, the Annual Report of Audit, and specifically the sections of the Annual Audit entitled “General Comments and Recommendations” as evidenced by the group affidavit form of the governing body; and

WHEREAS, such resolution of certification shall be adopted by the Governing Body no later than forty-five days after the receipt of the annual audit, pursuant to N.J.A.C. 5:30-6.5; and

WHEREAS, all members of the governing body have received and have familiarized themselves with at least the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board; and

WHEREAS, failure to comply with the promulgations of the Local Finance Board of the State of New Jersey may subject the members of the local governing body to the penalty provisions of R.S. 52:27BB-52 - to wit:

R.S. 52:27BB-52 - A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office.

NOW, THEREFORE, BE IT RESOLVED, that the governing body of the Township of Readington, hereby states that it has complied with N.J.A.C. 5:30-6.5 and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

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

* 5. **Corrective Action Plan to 2016 Audit**

This matter was addressed under the Consent Agenda.

ADMINISTRATOR'S REPORT

Administrator Mekovetz stated that she had nothing further to report.

ATTORNEY'S REPORT

Attorney Dragan stated that she had nothing further to report.

COMMITTEE REPORTS

JOHN BROTEN

Mr. Broten recognized the continued good work of the road department on clearing the roads after a storm.

M. ELIZABETH DUFFY

Mrs. Duffy stated that she had nothing further to report.

BETTY ANN FORT

Mrs. Fort stated that she had nothing further to report.

BEN SMITH

Mayor Smith stated that he had nothing further to report.

SAM TROPELLO

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

COMMENTS FROM THE PUBLIC

Delores Wilhems, Nelson Street, commented on the proposed Nelson Street Redevelopment.

Denise Hupka, Violet Court, commented on the notification of property owners with regard to the Nelson Street Redevelopment, potential flooding and asked about future affordable housing developers.

Michelle Januarajs, Pulaski Road, questioned the protocol should the Nelson Street Development not go through or if the number of units could be reduced.

Scott Scammell, Dreahook Road, asked about a \$400,000 Green Acre loan on the budget and also questioned a proposed property donation. Mr. Scammell further commented on the cost of an appeal with regard to the Solberg Prerogative Writ case.

Kip Wilhems, Nelson Street, commented on the proposed Nelson Street Redevelopment and also asked about future affordable housing developments.

Suzy Nagle, High Ridge Court, questioned if the Township is allowed to reverse the zoning of property that is presently deed restricted. Mrs. Nagle asked if an appeal is required to be included in the budget and also questioned the number of credits the Township currently has for affordable housing.

Michelle Januarajs, Pulaski Road, questioned the procedural process of the Planning Board with regard to approving an applicant's site plan.

Peter Schapley, Main Street, questioned the reasoning behind a Planning Board member's recusal and if a member is absent are they eligible to vote.

Denise Hupka, Violet Court, commented on the DEP application for the Nelson Street Redevelopment.

COMMENTS FROM THE GOVERNING BODY

There were none.

As there was no further business, ***A MOTION*** was made by Mrs. Duffy at 11:03 p.m. to adjourn the meeting, seconded by Mr. Broten with vote of ayes all, nays none recorded.

Respectfully Submitted:

Vita Mekovetz, *RMC/MMC/QPA*
Municipal Clerk