

**MINUTES OF THE HARDYSTON TOWNSHIP COUNCIL MEETING HELD ON
JANUARY 16, 2007**

The meeting was called to order by Mayor Kievit at 7:00 P.M. with the opening statement that the meeting had been duly advertised and met all the requirements of the Sunshine Law. Also present were: Deputy Mayor Hamilton, Councilman Ross, Councilman Lasinski,, Manager Marianne Smith and Clerk Jane Bakalarczyk.

SALUTE THE FLAG:

SERVICE AWARD PRESENTATION:

6 YEARS

Edward Zinck Planning Board

10 YEARS

Gerald Laughlin Zoning Board
Scott Holzauer Tax Assessor
Christian Bonfiglio Police Department
Edward O'Rourke Police Department

20 YEARS

Kenneth Brenzel Police Department
Richard Stickle Police Department

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CONSENT AGENDA: ALL MATTERS LISTED BELOW ARE CONSIDERED TO BE ROUTINE IN NATURE AND WILL BE ENACTED BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THE ITEMS. IF ANY DISCUSSION IS DESIRED, THAT PARTICULAR ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED SEPARATELY.

Monthly Reports:

1. Municipal Clerk Report – December 2006
2. Construction Official Report – December 2006
3. Tax Collector Report – December 2006
4. Sales Listing Report – 1/1/06 – 12/31/06
5. Smoke Detector/CO Compliance Report – 2006
6. Finance Officer Report – November 2006
7. Zoning Officer Report – November 2006
8. HTMUA - Minutes of 11/8/06
9. Zoning Board – Minutes of 11/2/06
10. Zoning Board – Minutes of 12/7/06
11. Sparta Health Department – November 2006

Minutes:

1. Regular Minutes of 12/12/06
2. Executive Session Minutes of 12/12/06
3. Reorganization Minutes of 1/1/07
4. Workshop Minutes of 1/9/07
5. Executive Session Minutes of 1/9/07

Agreements/Licenses:

1. Meridien Associates, Inc. – Security System Service Agreement
2. XTC Consulting – Phone Audit Services

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3. Arrow Elevator Incorporated - Maintenance Agreement
4. United Fire Protection – Fire Alarm, Wet Sprinkler and Fire Pump Inspection and Maintenance Service
5. Raffle – Walkkill Valley Booster Club

A motion was made by Ross to approve the consent agenda as presented, seconded by Lasinski. All in favor. Motion carried.

OLD BUSINESS:

ORDINANCES:

1st READING: 2007-01

AN ORDINANCE TO AMEND THE ESTABLISHED MINIMUM AND MAXIMUM SALARIES FOR OFFICERS AND EMPLOYEES OF THE TOWNSHIP OF HARDYSTON TO PROVIDE THE METHOD FOR THE PAYMENT OF ANNUAL SALARY INCREMENTS IN THE DISCRETION OF THE TOWNSHIP COUNCIL

BE IT ORDAINED by the Township Council of the Township of Hardyston as follows:

Section 1. The minimum and maximum salary range for officers or employees of the Township of Hardyston who are employed on an annual salary basis shall be and is hereby fixed as follows:

POSITION	MINIMUM	MAXIMUM
Township Council	\$ 3,000.00	\$ 4,500.00
Township Manager	\$ 70,000.00	\$ 124,000.00
Deputy Manager	\$ 8,000.00	\$ 15,000.00
Police Chief	\$ 40,000.00	\$ 117,000.00
Acting Police Chief	\$ 40,000.00	\$ 105,000.00
Township Clerk/Registrar/Search Officer	\$ 25,000.00	\$ 62,000.00
Deputy Clerk/Deputy Registrar	\$ -	\$ 35,000.00
Chief Financial Officer/Treasurer	\$ 25,000.00	\$ 40,000.00
Tax Collector/Search Officer	\$ 15,000.00	\$ 44,000.00
Tax Assessor	\$ 14,000.00	\$ 50,000.00
Land Use Administrator	\$ 35,000.00	\$ 55,000.00
Planning/Zoning Board/EDC/Council Meeting		
Meeting Stipend Land Use Admin/Twp Clerk (per session)	\$ 82.00	\$ 97.00
Construction Code Official	\$ 45,000.00	\$ 94,000.00
Building Subcode Official	\$ 35,000.00	\$ 75,000.00
Water & Sewer Operator	\$ 55,000.00	\$ 78,000.00
Administrative Assistant - Public Works	\$ 2,000.00	\$ 4,000.00
Municipal Court Administrator	\$ 22,000.00	\$ 45,000.00
Municipal Court Administrator (Night Court per session)	\$ 75.00	\$ 100.00
Deputy Court Clerk (per session)	\$ 50.00	\$ 100.00
Municipal Court Magistrate	\$ 13,000.00	\$ 39,000.00
Zoning Officer	\$ 5,000.00	\$ 30,000.00
Recycling Coordinator	\$ 1.00	\$ 3,000.00
Fire Official	\$ 8,734.00	\$ 13,734.00
Fire Prevention Inspector	\$ 5,154.00	\$ 10,154.00
Emergency Management Coordinator	\$ 2,000.00	\$ 8,500.00
Summer Recreation Director	\$ 1,500.00	\$ 4,000.00
Summer Recreation Assistant Director	\$ 1,000.00	\$ 3,500.00
Recreation Program Director	\$ 10,000.00	\$ 50,000.00
Summer Recreation Art Director	\$ 500.00	\$ 3,500.00
Summer Recreation Nurse	\$ 1,000.00	\$ 2,100.00

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Section 2. The minimum and maximum rates of compensation for each employee or class of employees who are employed on an hourly basis shall be and are hereby fixed as follows:

POSITION	MINIMUM HOURLY	MAXIMUM HOURLY
Director of Public Works	\$ 28.00	\$ 37.00
Road Supervisor	\$ 24.25	\$ 28.00
Assistant Road Supervisor	\$ 24.00	\$ 27.00
Laborer/Driver	\$ 16.72	\$ 27.00
Seasonal Laborer/Driver	\$ 10.00	\$ 20.00
Laborer	\$ 14.00	\$ 18.00
Laborer with CDL	\$ 16.00	\$ 20.00
Custodian	\$ 14.00	\$ 16.00
Senior Clerk/Radio Dispatcher	\$ 8.00	\$ 23.00
Clerk/Radio Dispatcher	\$ 8.00	\$ 22.00
Radio Dispatcher	\$ 10.00	\$ 22.00
Plumbing Subcode Official	\$ 15.00	\$ 35.00
Electric Subcode Official	\$ 15.00	\$ 41.00
Building Inspector	\$ 15.00	\$ 31.00
Secretary/Administrative	\$ 10.00	\$ 19.00
Secretary/Clerical	\$ 8.00	\$ 15.00
Seasonal/Temporary/Clerical	\$ 7.15	\$ 12.00
Assistant to Recreation Director	\$ 8.00	\$ 14.50
Recreation Program Presenter	\$ 12.00	\$ 28.00
Recreation On-Call Staff	\$ 9.00	\$ 11.00
Summer Recreation Sr. Counselors	\$ 7.15	\$ 11.00
Summer Recreation Jr. Counselors	\$ 7.15	\$ 10.00

Section 3. Any officer or employee of the Township of Hardyston who is at any time receiving less than the maximum compensation or salary as hereinabove provided may, as hereinafter provided, be given an additional annual increment of salary until the maximum salary has been reached.

Section 4. No officer or employee shall be entitled to receive an additional increment of salary until the same has been approved by resolution of the Township Council, and no officer or employee shall receive more than one (1) additional increment of salary in any one calendar year.

Section 5. Nothing herein contained shall be so construed as to make mandatory the payment of annual salary increments to any officer or employee of the Township of Hardyston. Salary or wage increases shall be contingent upon the availability of funds and shall be granted on a merit basis.

Section 6. The Township Council reserves the right to pay a salary to any new employee during his or her probationary period of ninety (90) days which may be less than the minimum rate of salary or compensation as hereinabove provided. However, upon the satisfactory completion of such probationary period said employee shall be paid not less than the minimum salary provided for the particular office or employment.

Section 7. The Township Council further reserves the right to pay a salary to any new employee at any figure between the minimum and maximum salary provided for such office or position and not necessarily the minimum salary.

Section 8. The adoption of this Ordinance shall not operate to either increase or decrease the present pay of any officer or employee of the Township of Hardyston, and the salaries or compensations provided by existing ordinances shall remain in full force and effect until such time as the Township Council may grant and approve such additional increments of salary as may be deemed advisable pursuant to the terms of this Ordinance. A resolution of the Township Council establishing specific salaries or wages may be made retroactive to January 1st of the year in which the resolution is adopted.

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Section 9. Salaries shall be paid in the same manner and the same time as heretofore provided by ordinance.

Section 10. All ordinances or parts of ordinances which may be inconsistent with the terms of this ordinance are to the extent of such inconsistency hereby repealed.

A motion was made by Ross to approve Ordinance 2007-01 on first reading, seconded by Lasinski. All in favor. Motion carried.

ORDINANCES:

2nd READING: None

NEW BUSINESS:

- A. Resolution authorizing the Tax Collector to cancel of record any overpayment or underpayment of taxes in the amount of \$10.00 or less for the calendar year 2006

BE IT RESOLVED by the Mayor and Council of the Township of Hardyston, County of Sussex and State of New Jersey, to authorize the tax collector to cancel of record any overpayment or underpayment of taxes in the amount of \$10.00 (ten dollars) or less for the calendar year 2006, in accordance with the provisions of N.J.S.A. 54:4-99.

A motion was made by Ross to approve the resolution as presented, seconded by Lasinski. All in favor. Motion carried.

- B. Resolution setting interest rate for non-payment of taxes

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWNSHIP OF HARDYSTON, COUNTY OF SUSSEX AND STATE OF NEW JERSEY, that the rate of interest to be charged for non-payment of taxes on or before the date that they would become delinquent shall be set at the rate of 8% per annum on the first \$1500 of the delinquency, and 18% per annum on any amount in excess of \$1500, and

BE IT FURTHER RESOLVED, that in accordance with the provisions of N.J.S.A. 54:4-67, a six percent (6%) penalty shall be charged to a taxpayer with a delinquency in excess of Ten Thousand and no/100 Dollars (\$10,000) who fails to pay the delinquency prior to the end of the calendar year. Delinquency in this instance means the sum of all taxes and municipal charges due on a given parcel of property covering any number of quarters or tax years.

BE IT FURTHER RESOLVED, that no interest shall be charged if payment of any installation is made within ten days after the date which same became payable.

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

A motion was made by Lasinski to approve the resolution as presented, seconded by Ross. All in favor. Motion carried.

- C. Bond Resolution providing for the sale and issuance of general obligation general improvement bonds of the Township in the principal amount not to exceed \$4,825,000 and determining the form and other details of such bonds authorized in and by the Township of Hardyston, in the County of Sussex, New Jersey

WHEREAS, the Township Council (the "Council") of the Township of Hardyston, County of Sussex, New Jersey (the "Township") has deemed it in the best interests of the Township to authorize and issue bonds to finance various capital improvement projects.

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**NOW THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE
TOWNSHIP OF HARDYSTON, IN THE COUNTY OF SUSSEX, NEW JERSEY, AS
FOLLOWS:**

Section 1. Authorization for the Bonds. Pursuant to the provisions of the Local Bond Law, N.J.S.A. 40A:2-1, et seq. (the “Local Bond Law”), specifically including N.J.S.A 40A:2-26(f)and N.J.S.A. 40A:2-27 and in lieu of the issuance of more than one (1) issue of bonds, the issuance of not to exceed \$4,825,000 of General Obligation General Improvement Bonds (the “Bonds”), authorized by the Bond Ordinances (the “Ordinance”) set forth in Section 2 shall be combined into one (1) issue of bonds as hereinafter set forth.

Section 2. Projects to be funded. The Bonds are authorized to be issued pursuant to the Ordinance and for the following purposes:

Ordinance No. And dated of Adoption	Authorized Amount	Bonds to be Issued	Purpose
No. 2004-06 adopted April 20, 2004, as supplemented and amended	\$6,341,000	\$3,990,000	Construction of a New Municipal Building
Bond Ordinance No. 2005-10 on August 16,2005	\$835,000	\$835,000	Acquisition of Vehicles and Equipment for Use by the Fire Department

Section 3. Details of the Bonds The terms of the Bonds shall be and are more particularly described as follows:

Dated: February 1, 2007

Interest Payments Dates: February 1 and August 1

Record Date: January 15 and July 15

Registrar & Paying Agent: Chief Financial Officer, or as designated by subsequent resolution.

Officers to Execute Bonds: Mayor and Chief Financial Officer, or their authorized deputies.

Attesting Officer: Township Clerk, Deputy Clerk or Acting Clerk.

The Bonds will be titled “General Obligation General Improvement Bonds, Series 2007A” and will be dated February 1, 2007, with interest payable semiannually on February 1 and August 1 in each year (the “Interest Payment Dates”) until maturity, commencing February 1, 2008. The Bonds shall mature on February 1 in each year in the principal amounts (subject to modification by the Chief Financial Officer consistent with the Notice of Sale and the accepted bid) as follows:

GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS, SERIES 2007A	
<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>
2008	\$ 10,000
2009	10,000
2010	150,000
2011	150,000
2012	150,000
2013	150,000
2014	150,000
2015	150,000
2016	250,000
2017	250,000
2018	250,000
2019	250,000

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2020	250,000
2021	250,000
2022	250,000
2023	250,000
2024	250,000
2025	300,000
2026	300,000
2027	300,000
2028	300,000
2029	300,000
2030	155,000

The Bonds will be issued in fully registered book-entry form, without coupons, in denominations of \$5,000 or any integral multiple thereof or such other denomination as is determined by the Township’s Chief Financial Officer (the “Financial Officer”). The Bonds shall be payable in lawful money of the United States of America, shall be executed by the manual or facsimile signatures of the Mayor and the Financial Officer or other financial officer, or acting Financial Officer under the official seal, affixed, imprinted or reproduced thereon and attested to by the manual or facsimile signature of the Township Clerk, Deputy Clerk or Acting Clerk, and the Bonds shall be authenticated by the manual signature of an Authorized Officer of the Registrar of the Bonds, as required and directed by the Financial Officer in accordance with law.

REDEMPTION

The Bonds maturing on or after February 1, 2017 shall be redeemable at the option of the Township in whole or in part on any date on or after February 1, 2016 at the respective prices expressed as percentages of principal amount set forth below (the “redemption price”), plus, in each case, accrued interest to the date fixed for redemption:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption</u> <u>Price</u>
February 1, 2016 and thereafter.....	100%

The Bonds may be subject to Mandatory Sinking Fund Redemption of any principal amounts aggregated by a bidder in accordance with N.J.S.A. 40A:2-32(g). A bidder may aggregate consecutive principal maturities of the Bonds, for which such bidder bids the same interest rate, into term Bonds. Each such term Bond shall mature on the final maturity date of its consecutive maturities in an aggregate principal amount equal to the sum of the principal amounts of its consecutive maturities. Such term Bonds will be subject to mandatory sinking fund redemption at one hundred percent (100%) of the principal amount thereof, together with accrued interest to the date fixed for such redemption, in the amounts and on the dates that would have been consecutive serial maturities had no term Bond designation been made. Notice of redemption shall be given as provided herein.

If the Township determines to redeem a portion of the Bonds prior to maturity, such Bonds shall be selected in any order of maturity and by lot within a maturity by the Chief Financial Officer or his designee. So long as the Bonds are in Book-Entry form in the DTC System, the portion of such Bonds to be redeemed shall be selected in a manner consistent with DTC practice.

Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Registrar on behalf of the Township by mailing a copy of an official redemption notice by registered or certified mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Registrar.

All official notices of redemption shall be dated and shall state: (i)the redemption date; (ii)the Redemption Price; (iii)the CUSIP numbers of all Bonds being redeemed; (iv)the maturity date of each Bond being redeemed; (v)the original issue date of the Bonds;(vi) the rate of interest borne by each Bond being redeemed; (vii)if less than all outstanding Bonds are to be redeemed, the

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identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (viii) any other descriptive information needed to identify accurately the Bonds being redeemed; (ix) that on the redemption date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (x) the place where such Bonds are to be surrendered for payment of the Redemption Price, which place of payment shall be the principal corporate trust office of the Paying Agent.

Prior to any redemption date, the Township shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds which are to be redeemed on that date. Upon the payment of the Redemption Price of the Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Township shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the Redemption Price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal or there shall be made an appropriate notation on the Bond certificate indicating the date and amounts of such reduction in principal, except in case of final maturity.

In addition to the foregoing notice, further notice shall be given by the Registrar on behalf of the Township as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

1. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption.
2. Each further notice of redemption shall be sent at least 30 days prior to the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being The Depository Trust Company of New York, New York; Midwest Securities Trust Company of Chicago, Illinois; Pacific Securities Depository Trust Company of San Francisco, California; and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

So long as the Bonds are in Book-Entry form in the DTC System, the notice of redemption shall be given in a manner consistent with DTC practice.

If Notice of Redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with accrued interest to the date fixed for redemption. Payment shall be made upon surrender of the Bonds redeemed.

INTEREST & PRINCIPAL

The Bonds will bear interest at the rate or rates determined upon their sale in accordance with the official Notice of Sale at a single rate per annum expressed in a multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%). Interest on the Bonds is payable by check, draft or wire transfer mailed, transmitted or delivered on the Interest Payment Dates to the registered

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owners thereof as of the first day of the month in which an Interest Payment Date occurs (the "Record Dates") at his or her address as shown on the registration books (the "Bond Register") of the Township kept for that purpose at the principal corporate trust office of the Registrar for the Bonds. The Bonds as to principal, when due, will be payable at the principal corporate trust office of the Paying Agent upon presentation and surrender of the Bonds.

So long as the Bonds are in Book-Entry form in the DTC System, interest will be paid on the Interest Payment Dates by payment of money to The Depository Trust Company or its authorized nominee. The Depository Trust Company will credit payments of principal of and interest on the Bonds to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company.

Transfer

The Bonds are transferable only upon the Bond Register, by the registered owner in person or by his attorney duly authorized in writing, upon surrender of a Bond with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney and upon the payment of any tax, fee, governmental or administrative charge or expense. Upon surrender for transfer of a Bond, the Registrar shall issue in the name of the transferee, a bond or bonds equal in aggregate principal amount to the Bond so surrendered for transfer. The Township, Registrar and Paying Agent may deem and treat the person in whose name a Bond is registered as the absolute owner thereof for the purpose of such person receiving payment of the principal and interest due thereon, and for all other purposes whatsoever.

Section 4. Additional Matters. The following additional matters are hereby determined, declared, recited and stated:

- (a) The Bonds described in Sections 1 and 2 hereof have not been heretofore sold or issued and the Ordinances described in Section 1 have not been rescinded and now remain in full force and effect as authorization for the aggregate principal amount of the Bonds.
- (b) The purposes for which the Bonds described in Sections 1 and 2 hereof have been authorized to be issued are purposes for which bonds may lawfully be issued pursuant to the Local Bond Law.
- (c) All Bonds issued hereunder, except to the extent otherwise specifically set forth herein, shall bear interest at such rate and shall mature in such principal amounts and at such times as may be determined by the Financial Officer or as such rates shall be determined by receipt and acceptance of bids from potential purchasers by the Financial Officer as hereinafter provided.
- (d) The Bonds shall be sold and issued in accordance with the provisions of the Local Bond Law, N.J.S.A. 40A:2-1, et seq., applicable to the sale and issuance of multiple issues of bonds and accordingly may be sold with other issues of bonds.
- (e) The Bonds of this issue shall mature at a period within the average period of usefulness for all bonds authorized by the Ordinance set forth herein, taking into consideration the respective amount of bonds authorized by the Ordinance and the period or average period of usefulness therein determined. Said average period of usefulness for the Bonds is hereby determined to be 34.9 years.
- (f) If any Bond is mutilated, destroyed, lost or stolen and replaced in accordance with the Local Bond Law, including specifically N.J.S.A. 40A:2-36, the owner thereof shall be responsible for all costs incurred in connection with the replacement thereof, including legal, printing and other related costs.

Section 5. The Depository Trust Company. The Bonds shall be made eligible for The Depository Trust Company ("DTC") Book-Entry-Only System. The appropriate Township officials are hereby authorized and directed to execute the appropriate Letter of Representation to DTC, and to take such action and execute such other documents consistent herewith as is

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necessary to qualify the Bonds as eligible for the DTC Book-Entry-Only System. The terms of the Letter of Representations are hereby agreed to and approved.

The Financial Officer is authorized to withdraw the Bonds from the DTC Book-Entry-Only System and qualify the Bonds for another book-entry-only system. In the event the Bonds are withdrawn from the DTC Book-Entry-Only System and are not transferred to another book-entry-only system, the Bonds shall become certificated bonds. The "Beneficial Owners" (i.e., the actual individual purchasers of the Bonds with ownership interests as evidenced on the records of their broker-dealer or other DTC Participant) of the Bonds shall be entitled to become registered owners upon submission to the Registrar proof of ownership interest, payment of all applicable fees and expenses, and the approval thereof by the Registrar, who shall be responsible and is directed to issue bond certificates representing such ownership interests and reflecting terms identical to the Bonds as of the original issue date.

Section 6. Additional Covenants. The Township hereby covenants, to the extent permitted by the Constitution and laws of the State of New Jersey and to the extent that such action is within the control of the Township, that it will comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") relating to the preservation of the exclusion from gross income of interest on the Bonds for Federal income tax purposes and Code provisions relating to the deductibility of related interest expenses of affected financial institutions, including any continuing requirements of the Code and including, but not limited to, the following specific matters:

(a) Private Activity Bonds. No bonds issued hereunder shall be "private activity bonds" within the meaning of Section 141 of the Code in that, among other requirements, no more than 10% of the proceeds of the Bonds are to be used for any private business use, or repayment of more than 10% of the proceeds is secured by property used for a private business use nor shall any loan from the proceeds be made to any persons other than governmental units.

(b) All Lawful Action. To take all lawful action within the Township's control and which is necessary under the Code to ensure that interest on the Bonds will remain excluded from the gross income of the recipients thereof for Federal income tax purposes and to refrain from taking any action that would cause interest on the Bonds to become included in such gross income.

(c) Bank Eligibility. For the purposes of meeting the requirements of Section 265(b)(3) of the Code, the Township reasonably expects to limit the issuance of its obligations to an aggregate face amount not to exceed \$10,000,000 for the calendar year 2007 (excluding refundings), including in said amount the obligations of any "subordinate entities" of the Township, as the term is used in the Code.

Section 7. Security for the Bonds. Any Bond issued pursuant to this Resolution shall be a general obligation of the Township, and the Township's full faith and credit are hereby pledged to the punctual payment of the principal of and the interest on the Bonds and, unless otherwise paid or payment provided for, an amount sufficient for such payment shall be inserted in the budget and a tax sufficient to provide for the payment thereof shall be levied and collected.

Section 8. Form of the Bonds. The Bonds shall be in substantially the form as provided in Attachment "A", subject to such modifications as are approved in the reasonable discretion of the Financial Officer in consultation with Bond Counsel, and consistent with applicable law.

Section 9. Sale of the Bonds. The Bonds shall be sold upon sealed proposals on January 25, 2007 or such other date and time as the Financial Officer in his reasonable discretion shall select. All proposals are to be received by the Financial Officer until 11:00 a.m., prevailing time on said date, or by and ELECTRONIC PROPOSALS received via Grant Street Group's MuniAuction Website ("MuniAuction"), in a closed auction, from 10:45 a.m. to 11:00 a.m., local time, and the opening of the sealed proposals by the Financial Officer shall occur at said time in his office at the Municipal Building, Hardyston, New Jersey. An award will be made by the Financial Officer on said date, with no withdrawals of bids allowed until 11:30 p.m., prevailing time on said date and only if such award has not been made prior to the withdrawal.

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Section 10. Notice of Sale. The Notices of Sale of the Bonds, attached hereto as Attachment B is hereby approved as to both form and content, subject to such modification as are approved in the reasonable discretion of the Financial Officer and consistent with applicable law, and the Township Clerk is hereby authorized and directed to publish the Notice of Sale in the official local newspaper of the Township and a summary of same in the Daily or Weekly Bond Buyer, a financial newspaper published and circulating in the Township of New York, State of New York, the first publication to be not less than seven (7) days prior to the date of sale, all in consultation with Bond Counsel and in accordance with the Local Bond Law. The terms of the final form of the Notice of Sale are incorporated herein and made a part hereof.

Section 11. Preliminary Official Statement. The Official Statement to be prepared in preliminary form in connection with the sale of the Bonds is hereby approved and is further authorized to be prepared in final form, with such modifications as are approved in the reasonable discretion of the Financial Officer, in accordance with law, with copies to be made available to the purchasers of the Bonds at such time as the Financial Officer shall determine, in accordance with law.

Section 12. Delegation of Authority. Except as otherwise provided herein, the Financial Officer is hereby authorized and directed to sell and award the Bonds in accordance with the advertised terms of public sale and to make such modifications to said terms, except for increasing the total principal amount of Bonds authorized, as is consistent with the Local Bond Law, and pursuant to the advice of Bond Counsel, and to determine all matters in connection with the Bonds not determined by this or a prior or subsequent resolution, including the determination and selection of printers of the Bonds and the Official Statement, all in consultation with Bond Counsel, and the manual or facsimile signature of the Financial Officer upon the Bonds shall be conclusive as to such determinations. The Financial Officer is further authorized to sign the Official Statement on behalf of the Township in as many counterparts as are needed for the Closing and delivery of the Bonds. The Financial Officer and the Township Clerk are hereby authorized and directed to execute and deliver such documents as are necessary for the issuance and delivery of Bonds and to take such actions or refrain from such actions as are necessary for the issuance of the Bonds, in consultation with Bond Counsel.

Section 13. Authorization of Officials. The appropriate officials of the Township are hereby authorized and directed to execute the Bonds and such certificates and closing documents as are needed for the Closing and delivery of the Bonds, and to deliver same to the purchasers and other parties to the issuance of the Bonds upon receipt of payment therefor in accordance with this Resolution.

Section 14. Closing and Delivery of the Bonds. The Township shall cause the Bonds to be prepared and made ready for delivery on the Closing Date, which shall within 30 days after the date of sale of the bonds or at such other time as agreed to by the Financial Officer. The delivery of and payment for the Bonds shall take place at the offices of Frohling & Hudak, LLC., Bond Counsel, or at such other place as is agreed to by the Financial Officer. At the Closing, the Township will deliver the Bonds to the purchaser in definitive or temporary form duly executed and authenticated, together with the other required documents and, subject to the terms and conditions hereof, the purchaser will accept such delivery and pay the aggregate purchase price of the Bonds in immediately available funds.

Section 15. Report on the Bonds. The Financial Officer is hereby directed to report in writing to the governing body of the Township at the meeting next succeeding the date when any action relating to the sale or delivery of the Bonds pursuant to this resolution has occurred. After the sale of Bonds, such report shall include the principal amount, description, interest rate and maturities of the Bonds sold, the price obtained and the name of the purchaser.

Section 16. Legal Opinion on the Bonds. At the discretion of the Financial Officer, upon advice of Bond Counsel, the Bonds may have printed thereon a copy of the written opinion (complete except for omission of the date) with respect to the Bonds which is to be rendered by the firm of Frohling & Hudak, LLC, Newark, New Jersey, Bond Counsel to the Township. The Township Clerk is hereby authorized and directed to certify to the correctness of the copy of

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such opinion by executing, by manual or facsimile signature, a certificate on each of the Bonds, in form satisfactory to said firm, and to file a signed duplicate of such written opinion in said Clerk's Office.

Section 17. Appointment of Auditor. Ferraioli, Wilcotz, Cirillo & Cuva is hereby appointed and reappointed as Auditor to the Township for the purpose of the issuance of the Bonds and is hereby authorized to do all things necessary to accomplish the issuance of the Bonds.

Section 18. Appointment of Bond Counsel. John G. Hudak, of the law firm of Frohling & Hudak, LLC, Newark, New Jersey, is hereby appointed and reappointed as Bond Counsel to the Township for the issuance of the Bonds and is hereby authorized to do all things necessary to accomplish the issuance of the Bonds.

Section 19. Appointment of Registrar & Paying Agent. The Registrar and Paying Agent for the Bonds, if other than the Chief Financial Officer, shall be appointed under separate resolution.

Section 20. Continuing Disclosure. The Township covenants and agrees that it will comply with and carry out the provisions of the Continuing Disclosure Certificate to be provided at the closing of the sale of the Bonds. The appropriate Township official is hereby authorized to execute the Continuing Disclosure Certificate.

Notwithstanding any other provisions of this Resolution, failure of the Township to comply with the Continuing Disclosure Certificate shall not be considered an event of default, however, any Bondholder may, at the Bondholder's own cost and expense, take such action as may be necessary and appropriate, including seeking mandate or specific performance by Court Order, to cause the Township to comply with its obligations under this Section.

"Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate executed by an authorized official of the Township, and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Nothing herein shall be deemed to create an obligation or duty upon any member of the governing body or any official of the Township, individually, and failure of the Township to comply with the covenant herein shall not result in any liability to any such person under this Resolution. In addition, the Township's failure to comply with this covenant shall not give rise to any claim for damages under this Resolution, and any Bondholders sole and exclusive remedy shall be to seek specific performance of this provision.

Section 21. Repealer. To the extent that any previous resolution is inconsistent with or contradictory hereto, said resolution is hereby repealed or amended to the extent necessary to make it consistent herewith.

Section 22. Effective Date. This resolution shall take effect immediately.

A motion was made by Ross to approve the resolution as presented, seconded by Hamilton. All in favor. Motion carried.

- D. Release of Executive Session Minutes of 11/29/05, 12/13/05, 12/20/05, 12/27/05, 1/10/06, 1/24/06, 2/14/06, 3/14/06, 3/28/06, 4/25/06, 5/16/06, 5/23/06, 6/13/06, 7/11/06, 7/18/06, 8/8/06, 8/15/06, 9/12/06, 9/19/06, 9/26/06, 10/10/06, 10/17/06, 10/24/06, 11/21/06, 11/28/06, 12/5/06 and correction to minutes of 10/17/06 to reflect that Thomas F. Collins is the Township "Planning Board Attorney"

A motion was made by Hamilton to approve the release of the above executive session minutes per the recommendations of the Township Attorney, and to make the correction to the minutes of 10/17/06. Thomas F. Collins was referred to as the "Township Attorney" for purposes of St. Clare's contract negotiations. Minutes to be corrected to reflect that Thomas F. Collins is the "Planning Board Attorney". Motion seconded by Ross. All in favor with

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Lasinski abstaining on the minutes of 12/20/05, 12/27/05, 10/24/06 and 12/5/06. Motion carried.

- E. 2007 Junkyard/Auto Auction License Renewal – Central Auto Liquidators, Inc.

A motion was made by Hamilton to approve the renewal, seconded by Ross. All in favor. Motion carried.

- F. 2007 Soil Removal and Quarry License Renewals

1. North Church Gravel, Inc.

A motion was made by Ross to approve the Soil Removal renewal, seconded by Hamilton. All in favor. Motion carried.

2. Beaver Run Farms

A motion was made by Ross to approve the Soil Removal and Quarry license renewal, seconded by Hamilton. All in favor. Motion carried.

3. Eastern Concrete Materials

Based on the recommendation of the Township Engineer, a motion was made by Ross to approve the Quarry license renewal and to also approve the request for encroachment into the buffer area due to safety issues, seconded by Hamilton. All in favor. Motion carried.

4. Shotmeyer Brothers, Inc.

Based on the recommendation of the Township Engineer, a motion was made by Ross to grant a conditional license until April 30, 2007 in order to correct violation of creation of pit. If completed on or before April 30, 2007, and upon inspection and satisfaction of Township Engineer, Township Clerk is authorized to upgrade to an unconditional license, seconded by Lasinski. All in favor. Motion carried.

- G. Resolution opposing A-3857 and S-2451 which, if enacted, would eliminate RCA's as a tool to facilitate municipal compliance with Mount Laurel

WHEREAS, in the landmark 1975 decision commonly referred to as Mount Laurel I, the Supreme Court not only required developing municipalities to satisfy their fair shares, but also clearly implied that they could do so at least in part if a municipality could enter a "binding agreement" with another municipality (see Mount Laurel I at 189); and

WHEREAS, in Mount Laurel II, another landmark decision issued in 1983, the Supreme Court referenced with approval the principle embodied in Mount Laurel I that a municipality could satisfy a portion of its fair share if it could enter into a binding agreement with another municipality (see Mount Laurel II at 237-238); and

WHEREAS, in 1985, in the light of the landmark decisions referenced above, the Legislature enacted the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., in which it specifically authorized a municipality to enter into a "binding agreement" with another municipality to create or rehabilitate deteriorated housing in the so called "receiving community"; and

WHEREAS, more specifically, N.J.S.A. 52:27D-312 expressly authorizes a "sending municipality" to satisfy up to 50 percent of its fair share by funding an agreement with a "receiving municipality", and

WHEREAS, N.J.S.A. 52:27D-312 includes a series of safeguards to ensure that regional contribution agreements create a realistic opportunity for the creation of new or rehabilitated affordable housing within the receiving municipalities; and

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WHEREAS, the creation of the right of a municipality to satisfy a portion of its responsibilities via RCA's fueled a firestorm of litigation with developers and nonprofits vigorously attacking RCA's and with sending and receiving municipalities vigorously defending this affordable housing technique; and

WHEREAS, a Mount Laurel trial judge upheld the constitutionality of RCA's in a case entitled Morris County Fair Housing Council v. Boonton Tp. 209 N.J. Super. 393, 431-32 (Law Div, October 1985) and the Supreme Court upheld the constitutionality of RCA's in Mount Laurel III, 103 N.J. 1 at 47 n. 13; and

WHEREAS, RCA's have proven to be an enormously useful and beneficial compliance technique to both sending and receiving municipalities and have also provided the an enormous benefit to those in need of affordable housing; and

WHEREAS, sending municipalities have committed to provide \$210,311,820 to fund the creation of 10,256 new or rehabilitated affordable units just in the RCA's COAH has approved to date (see COAH RCA Analysis at <http://www.state.nj.us/dca/coah/rcas.xls>); and

WHEREAS, in addition, many municipalities have included RCA's as an essential component of the affordable housing plans they have adopted, filed and sought approval of in response to their obligations under COAH's cycle III regulations; and

WHEREAS, receiving municipalities have realized an enormous much need benefit as a result of the many millions of dollars paid or owed pursuant to RCA's COAH has already approved—benefits which are likely to increase dramatically as COAH approves the many RCA's “in the pipeline” in the hundreds of Cycle III plans awaiting Court or COAH approval; and

WHEREAS, sending municipalities have also benefited from RCA's in that this technique has facilitated the ability of sending municipalities to meet the enormous burden created by the substantial fair share responsibilities COAH has imposed in each of the three housing cycles; and

WHEREAS, many thousands of low and moderate households have also benefited from RCA's as a result of deteriorated housing being rehabilitated or new affordable housing being created—benefits that will grow dramatically as COAH approves new RCA's in cycle III plans and as monies are transferred pursuant thereto; and

WHEREAS, notwithstanding the benefit of RCA's, A-3857, which was introduced on December 14th, 2006 and S-2451 introduced on January 9th, 2007 seeks to eliminate RCA's as a technique by which sending municipalities can satisfy their affordable housing responsibilities and by which receiving communities can realize the benefit of the many RCA's that are essential components of many of the hundreds of municipalities that have adopted affordable housing plans and sought approval of same; and

WHEREAS, this bill, if enacted would radically undermine the affordable housing plans of numerous municipalities that have, at great effort and expense, adopted, filed and sought approval of their affordable housing plans from COAH or a court and which include RCA's as an essential component of the municipal strategy for compliance; and

WHEREAS, such an undermining of affordable housing plans would benefit developers who would seek to exploit the shortfalls that would result, but would not benefit municipalities or the those in need of affordable housing who stand to benefit from approved plans and these agreements; and

WHEREAS eliminating RCA's would also undermine a policy clearly embodied in COAH's Cycle III regulations: namely, that municipalities often find that it is preferable to create affordable housing by taking existing housing and making it affordable instead of having

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to zone for the flood of new housing that so typified affordable housing plans in the first and second housing cycles;

WHEREAS, for the reasons set forth above and other reasons, it is not in the interest of the State, the region or our communities A-3857 and S-2451 be enacted.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Township of Hardyston declares that A-3857 and S-2451 is not in the best interest of our State, our region, our community or lower income persons.

2. The Township of Hardyston vigorously opposes A-3857 and S-2451.

3. The Clerk is hereby directed to submit copies of this Resolution to Senator Robert E. Littell and Assemblywoman Alison McHose to inform them of our strong views on this bill and to urge them to oppose it, and to the New Jersey State League of Municipalities, all Sussex County Municipalities, the Senate Community and Urban Affairs Committee, the Assembly Housing and Local Government Committee, Congressman E. Scott Garrett, Assemblyman Guy R. Gregg and the Sussex County Board of Chosen Freeholders

A motion was made by Ross to approve the resolution as presented, seconded by Hamilton. All in favor. Motion carried.

H. Correspondence

1. Township of Lafayette
2. Borough of Hamburg
3. Township of Roxbury
4. Township of Jefferson
5. Franklin Borough
6. Sparta Township
7. Franklin Borough
8. Borough of Hamburg
9. Borough of Hamburg
10. Township of Green
11. Township of Vernon
12. NJ State League of Municipalities
13. NJ State League of Municipalities
14. NJ State League of Municipalities
15. NJ State League of Municipalities
16. NJ State League of Municipalities
17. NJ State League of Municipalities
18. NJ State League of Municipalities
19. NJ State League of Municipalities
20. NJ State League of Municipalities
21. NJ State League of Municipalities
22. NJ State League of Municipalities
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24. NJ State League of Municipalities
25. NJ State League of Municipalities
26. NJ State League of Municipalities
27. NJ State League of Municipalities
28. NJ State League of Municipalities
29. NJ State League of Municipalities
30. NJ State League of Municipalities
31. State of NJ
32. State of NJ
33. State of NJ
34. State of NJ

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35. State of NJ
36. Sills, Cummis, Epstein & Gross
37. Wander Ecological Consultants
38. Dolan and Dolan

A motion was made by Ross to approve the correspondence as presented, seconded by Lasinski. All in favor. Motion carried.

MANAGERS REPORT: Township Manager Marianne Smith gave a written and verbal presentation on the following:

- 2007 Budget Preparations/Development of Strategic Plan
- Highlands Legislation and Adoption of Master Plan
- Capital Improvement Planning
- Bond Sale
- Planning Issues
- Future Meetings/Events
- Programs In Progress

BILLS TO BE PAID: A motion was made by Ross to approve the bill list as presented, seconded by Lasinski. All in favor. Motion carried.

PUBLIC PORTION: A motion was made and seconded to open the meeting to the public. All in favor. Motion carried. No public comment. A motion was made and seconded to close the meeting to the public. All in favor. Motion carried.

EXECUTIVE SESSION: WHEREAS, NJSA 10:4-12 allows for a Public body to go into closed session during a Public meeting, and

WHEREAS, the Township Council of the Township of Hardyston has deemed it necessary to go into closed session to discuss certain matters which are exempted from the Public.

WHEREAS the regular meeting of this council will reconvene.

NOW THEREFORE BE IT RESOLVED, that the Township Council of Hardyston Township will go into closed session for the following reason as outlined in NJSA 10:4-12:

X Any pending or anticipated litigation or contract negotiation in which the public body is or may become a party. Any matters falling within the attorney client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer.

___ Any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance of, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body, unless all the individual employees or appointees whose right could be adversely affected request in writing that such matter or matters be discussed at a public meeting.

Motion to adopt: Ross
Seconded by: Kievit
Discussion: None

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MOTION	YES	NO	ABSTAIN	ABSENT
Ross	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Kievit	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Lasinski	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Hamilton	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Armstrong	<u> </u>	<u> </u>	<u> </u>	<u> x </u>

Motion carried.

ADJOURNMENT: A motion was made by Ross to adjourn, seconded by Lasinski. All in favor. Motion carried.

Jane Bakalarczyk, RMC/CMC
Municipal Clerk