

MINUTES
REGULAR MEETING
MUNICIPAL COUNCIL - CITY OF RAHWAY, NEW JERSEY
MAY 12, 2014
7 P.M.

1. Council President Brown called the meeting to order at 7:01 p.m. and asked for a Roll Call.

PRESENT: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

City Clerk Jeffrey J. Jotz announced the meeting had been advertised and posted in accordance with the Open Public Meetings Act of the State of New Jersey.

This meeting of May 12, 2014 was included in a list of meetings notice sent to the *Star-Ledger*, *Home News Tribune* and the Union County *Local Source*, posted on the bulletin board in the Municipal Building on January 2, 2014 and has remained continuously posted as the required notices under the Statute. In addition, a copy of this notice is and has been available to the public and is on file in the office of the Municipal Clerk.

2. **PLEDGE OF ALLEGIANCE**

In the absence of a Member of the Clergy, Council President Brown offered an invocation.

3. **APPROVAL OF MINUTES**

April 8, 2014	7 p.m.	Pre-Meeting Conference
April 14, 2014	7 p.m.	Regular Meeting

Motion was made by Councilmember Wenson Maier and seconded by Councilmember Bresenhan and approve the above listed minutes.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

4. **PRESENTATIONS**

5. **COMMUNICATIONS FROM MAYOR, REPORTS OF CITY OFFICERS AND LIST OF PAYMENT OF BILLS FOR APRIL**

6. **REPORTS OF COUNCIL COMMITTEES**

Councilmember Baker moved to place AR-127-14 on the Agenda and Consent Agenda.

The motion was seconded by Councilmember Giacobbe.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga,
Wenson Maier, Brown

Council President Brown declared the motion carried.

Councilmember Bresenhan moved to place AR-128-14 on the Agenda and Consent Agenda.

The motion was seconded by Councilmember Giacobbe.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga,
Wenson Maier, Brown

Council President Brown declared the motion carried.

7. HEARING OF CITIZENS Items on Agenda, Except Ordinances on Second Reading

With no one appearing, Council President Brown closed the Public Hearing.

8. CONSENT AGENDA

Motion made by Councilmember Cox seconded by Councilmember Farrar to adopt the Consent Agenda, and was adopted by the following vote:

YES: Councilmember Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga,
Wenson Maier, Brown

Council President Brown declared the motion carried.

9. ORDINANCES - First Reading

O-14-14 City Clerk Jotz read AN ORDINANCE AMENDING SECTION 5-77 OF THE CODE OF THE CITY OF RAHWAY (POLICE SPECIAL DUTY JOBS).

Motion to introduce the above Ordinance on first reading was made by Councilmember Brown, seconded by Councilmember Giacobbe and adopted by the following vote:

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown: This Ordinance is declared adopted on first reading and the City Clerk is hereby authorized and directed to advertise said notice of its introduction and passage according to law. This Ordinance will come up for Public Hearing and further action at a Council Meeting at Wednesday, June 11, 2014 at 7 p.m.

O-15-14 City Clerk Jotz read AN ORDINANCE AMENDING CHAPTER 209, "FIRE PREVENTION" OF THE REVISED GENERAL ORDINANCES OF THE CITY OF RAHWAY.

Motion to introduce the above Ordinance on first reading was made by Councilmember Wenson Maier, seconded by Councilmember Baker and adopted by the following vote:

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown: This Ordinance is declared adopted on first reading and the City Clerk is hereby authorized and directed to advertise said notice of its introduction and passage according to law. This Ordinance will come up for Public Hearing and further action at a Council Meeting at Wednesday, June 11, 2014 at 7 p.m.

10. RESOLUTIONS

- *AR-108-14** Councilmember Brown presented and moved A RESOLUTION COMMENDING PHILLIP SCHROEDER.

The motion was seconded by Councilmember Cox.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

- *AR-109-14** Councilmember Bresenhan presented and moved A RESOLUTION COMMENDING JAMES TUZZO.

The motion was seconded by Councilmember Wenson Maier.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

- *AR-110-14** Councilmember Mione presented and moved A RESOLUTION AUTHORIZING THE CANCELLATION AND REFUND OF PAYMENT OF TAXES DUE TO THE GRANTING OF DISABLED VETERAN DEDUCTION FOR THE FIRST AND SECOND QUARTERS OF 2014.

The motion was seconded by Councilmember Saliga.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

- *AR-111-14** Councilmember Mione presented and moved A RESOLUTION AUTHORIZING THE CANCELLATION AND REFUND OF PAYMENT OF TAXES DUE TO THE GRANTING OF DISABLED VETERAN DEDUCTION FOR THE FIRST AND SECOND QUARTERS OF 2014.

The motion was seconded by Councilmember Saliga.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-112-14** Councilmember Cox presented and moved A RESOLUTION AUTHORIZING THE TAX COLLECTOR TO CREDIT OVERPAYMENT OF TAXES DUE TO A JUDGMENT OF THE TAX COURT OF NEW JERSEY.

The motion was seconded by Councilmember Bresenhan.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-113-14** Councilmember Brown presented and moved A RESOLUTION AUTHORIZING THE REFUND OF MONEY DUE TO THE REDEMPTION OF TAX SALE CERTIFICATES.

The motion was seconded by Councilmember Baker.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-114-14** Councilmember Saliga presented and moved A RESOLUTION TEMPORARILY SUSPENDING PROVISIONS OF 365-1 THROUGH 365-3 (SIDEWALK ENCUMBRANCES) AND 365-50 THROUGH 365-51 (CLOSING OF STREETS) OF THE CODE OF THE CITY OF RAHWAY.

The motion was seconded by Councilmember Mione.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-115-14** Councilmember Bresenhan presented and moved A RESOLUTION AUTHORIZING REFUND OF PARKS & RECREATION FEES.

The motion was seconded by Councilmember Wenson Maier.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

- *AR-116-14** Councilmember Giacobbe presented and moved A RESOLUTION AUTHORIZING CITY OF RAHWAY TO APPLY FOR AND ACCEPT FUNDS FOR 2014 NEW JERSEY DEPARTMENT OF TRANSPORTATION “TRANSPORTATION ALTERNATIVES PROGRAM”.

The motion was seconded by Councilmember Baker.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

- *AR-117-14** Council President Brown presented and moved A RESOLUTION AUTHORIZING CITY OF RAHWAY TO APPLY FOR AND ACCEPT FUNDS FOR 2014 NEW JERSEY DEPARTMENT OF TRANSPORTATION "SAFE ROUTES TO SCHOOL PROGRAM”.

The motion was seconded by Councilmember Wenson Maier.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

- *AR-118-14** Councilmember Bresenhan presented and moved A RESOLUTION AUTHORIZING THE RELEASE OF RIGHTOF WAY CONSTRUCTION BOND FEE TO MICHELLE NAPOLI FOR PERMIT# 04-13-730 DATED 04/03/13 FOR SIDEWALK AND SEWER REPLACEMENT AT 502 WEST MEADOW AVENUE.

The motion was seconded by Councilmember Cox.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-119-14** Councilmember Giacobbe presented and moved A RESOLUTION AUTHORIZING AN APPLICATION FOR A LOAN FROM THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM FOR THE CONSTRUCTION OF A NEW INTERCONNECTION WITH MIDDLESEX WATER COMPANY.

The motion was seconded by Councilmember Baker.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-120-14** Councilmember Bresenhan presented and moved A RESOLUTION AUTHORIZING AN APPLICATION FOR A LOAN FROM THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM FOR THE RAHWAY WATER TREATMENT PLANT FILTER SYSTEM UPGRADE.

The motion was seconded by Councilmember Cox.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-121-14** Council President Brown presented and moved A RESOLUTION TO AWARD A PROFESSIONAL SERVICES CONTRACT FOR SUPPLEMENTAL ENGINEERING CONSULTING SERVICES RELATIVE TO THE WATER TREATMENT PLANT UPGRADE UNDER A FAIR AND OPEN PROCESS.

The motion was seconded by Councilmember Saliga.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-122-14** Councilmember Giacobbe presented and moved A RESOLUTION AUTHORIZING AN INTERLOCAL SERVICES AGREEMENT WITH THE TOWNSHIP OF WOODBRIDGE FOR THE RESURFACING OF BRAMHALL ROAD.

The motion was seconded by Councilmember Mione.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-123-14** Councilmember Bresenhan presented and moved A RESOLUTION TO AWARD A PROFESSIONAL SERVICES CONTRACT FOR ENGINEERING CONSULTING SERVICES RELATIVE TO A HYDRAULIC STUDY OF THE WATER DISTRIBUTION SYSTEM UNDER A FAIR AND OPEN PROCESS.

The motion was seconded by Council President Brown.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-124-14** Council President Brown presented and moved A RESOLUTION AUTHORIZING THE MAYOR AND CITY COUNCIL OF THE CITY OF RAHWAY TO ACCEPT A MUNICIPAL EMERGENCY MANAGEMENT AGENCY ASSISTANCE (EMAA) GRANT FOR JANUARY 1, 2014 TO DECEMBER 31, 2014.

The motion was seconded by Councilmember Saliga.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-125-14** Councilmember Cox presented and moved A RESOLUTION AUTHORIZING REFUND OF OVERPAYMENT OF WATER BILLS.

The motion was seconded by Councilmember Bresenhan.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

AR-126-14 Councilmember Bresenhan presented and moved A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE NEW JERSEY MOTOR VEHICLE COMMISSION.

The motion was seconded by Council President Brown.

YES: Councilmembers Baker, Bresenhan, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

ABSTAIN: Councilmember Cox

Council President Brown declared the motion carried.

***AR-127-14** Councilmember Baker presented and moved A RESOLUTION TEMPORARILY SUSPENDING PROVISIONS OF 365-1 THROUGH 365-3 (SIDEWALK ENCUMBRANCES) AND 365-50 THROUGH 365-51 (CLOSING OF STREETS) OF THE CODE OF THE CITY OF RAHWAY.

The motion was seconded by Councilmember Giacobbe.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

***AR-128-14** Councilmember Bresenhan presented and moved A RESOLUTION APPOINTING A MEMBER TO THE RAHWAY PARKING AUTHORITY (SONDRA FISHINGER).

The motion was seconded by Councilmember Wenson Maier.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

11. ORDINANCES – SECOND READING

O-12-14 Council President Brown: The following Ordinance was adopted on first reading, advertised according to law, and is now before you for a public hearing and final adoption:

A BOND ORDINANCE AMENDING AND SUPPLEMENTING BOND ORDINANCE NUMBER O-44-13 (WHICH PROVIDES FOR THE 2013 ROAD RECONSTRUCTION AND RESURFACING PROGRAM) HERETOFORE FINALLY ADOPTED BY THE CITY COUNCIL OF THE CITY OF RAHWAY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY, ON NOVEMBER 12, 2013, AS AMENDED AND SUPPLEMENTED, TO AMEND THE DESCRIPTION, TO INCREASE THE APPROPRIATION BY \$300,000 AND TO INCREASE THE AUTHORIZATION OF BONDS OR NOTES BY \$285,000

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

SECTION 1. The bond ordinance of the City of Rahway, in the County of Union, State of New Jersey (the "City"), heretofore finally adopted by the City Council thereof on November 12, 2013, numbered O-44-13 and entitled, "Bond Ordinance Providing For The 2013 Road Reconstruction And Resurfacing Program, By And In The City Of Rahway, In The County Of Union, State Of New Jersey; Appropriating \$700,000 Therefor (Including Grants From The New Jersey Department Of Transportation And The Community Development Block Grant Program) And Authorizing The Issuance Of \$665,000 Bonds Or Notes Of The City To Finance Part Of The Cost Thereof" (the "Original Ordinance"), which Original Ordinance is hereby amended and supplemented, as follows:

SECTION 2. Section 3(a) of the Original Ordinance is hereby amended to read as follows, "The improvement hereby authorized and purpose for the financing of which said bonds or notes are to be issued is the 2013 Road Reconstruction and Resurfacing Program (the "Program"), said Program to include but is not limited

to, improvements to the all or a portion of the following roadways: Copobianco Plaza from Leesville Avenue to Elston Street, Montgomery Street from East Scott Avenue to East Grand Avenue, Coddington Street from St. Georges Avenue to Bryant Street, Walters Street from Jacques Avenue to Bryant Street, Midwood Drive from Lakeside Drive to Milton Boulevard, Bedford Street from Broadway to Westfield Avenue, Bramhall Road and repairs of various damaged curbs, damaged sidewalks and damaged roadways, including but not limited to, those damaged by Superstorm Sandy and the 2013-2014 Winter, all within the City, which improvements shall include, as applicable, excavation, milling, paving, reconstruction and boxing out and resurfacing or full depth pavement replacement using Flexible Pavement as defined under the Local Bond Law, and where necessary, the sealing of pavement cracks, the filling of potholes, the repairing and/or installation of curbs, sidewalks and driveway aprons, installation of curb ramps, resetting utility castings, drainage work, roadway painting, landscaping and aesthetic improvements including but not limited to seeding and installing top soil, and also including all engineering and design work, surveying, construction planning, preparation of plans and specifications, permits, bid documents, construction inspection and contract administration, and all work, materials, equipment, labor and appurtenances necessary therefor or incidental thereto, all in accordance with the plans therefor on file in the office of the City Clerk and available for public inspection and hereby approved.”.

SECTION 3. For the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, there is hereby appropriated the additional sum of \$300,000, said sum being inclusive of \$15,000 as the amount of an additional down payment required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the “Local Bond Law”), now available therefore by virtue of provisions in a previously adopted budget or budgets of the City for down payment or capital improvement purposes. The total appropriation of the Original Ordinance, as amended and supplemented hereby, is equal to \$1,000,000, including the sum of \$50,000 as the total down payment available therefor (the “Down Payment”) and also including the following grants originally appropriated in the Original Ordinance, \$200,630 as the amount of a grant received or expected to be received from the New Jersey Department of Transportation (the “NJDOT Grant”) and \$136,000 as the amount of a grant received from the Community Development Block Grant Program (the “CDBG Grant” and together with the NJDOT Grant, the “Grants”).

SECTION 4. (a) In order to finance the cost of the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, not covered by the Down Payment, additional negotiable bonds or notes of the City in the amount of \$285,000 are hereby authorized to be issued by the City, such that the total authorization of negotiable bonds or notes to be issued by the City for the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, is equal to \$950,000.

(b) The estimated maximum amount of bonds or notes to be issued for the improvement or purpose set forth in Section 3 the Original Ordinance, as amended and supplemented hereby, is equal to \$950,000.

(c) The estimated cost of the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, is equal to \$1,000,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor is the Down Payment available therefor.

SECTION 5. The Capital Budget of the City is hereby amended, as necessary, to conform with the provisions of this amendatory and supplemental bond ordinance and to the extent of any inconsistency herewith, a resolution in the form promulgated by the Local Finance Board showing full detail of the amended Capital Budget and Capital Program as approved by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs (the “Director of the Division of Local Government Services”), will be on file in the office of the Clerk and will be available for public inspection.

SECTION 6. The Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the City and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, and such statement shows that the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this amendatory and supplemental bond ordinance by \$285,000 and the said obligations authorized herein will be within all debt limitations prescribed by law.

SECTION 7. For the improvements or purposes set forth in the Original Ordinance, as amended and supplemented hereby, the additional sum of \$66,000 is hereby included for the items of expense listed in and permitted under N.J.S.A. 40A:2-20, making the total amount for such items of expense \$220,000, such total amount being included in the estimated cost indicated herein for the improvements or purposes set forth in the Original Ordinance, as amended and supplemented hereby.

SECTION 8. The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by the Original Ordinance, as amended and supplemented hereby. The obligations shall be direct, unlimited obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable property within the City for the payment of the obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. The City reasonably expects to reimburse any expenditures toward the cost of the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, and paid prior to the issuance of any bonds or notes authorized by the Original Ordinance, as amended and supplemented hereby, with the proceeds of such bonds or notes. No funds from sources other than the bonds or notes authorized by the Original Ordinance, as amended and supplemented hereby, have been or are reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the City, or any member of the same “Controlled Group” as the City, within the meaning of

Treasury Regulation Section 1.150-1(e), pursuant to its budget or financial policies with respect to any expenditures to be reimbursed. This Section 9 is intended to be and hereby is a declaration of the City's official intent to reimburse any expenditures toward the cost of the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, to be incurred and paid prior to the issuance of bonds or notes authorized by the Original Ordinance, as amended and supplemented hereby, in accordance with Treasury Regulation Section 1.150-2, and no further action (or inaction) will be an abusive arbitrage device in accordance with Treasury Regulation Section 1.148-10 to avoid the arbitrage yield restrictions or arbitrage rebate requirements under section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized by the Original Ordinance, as amended and supplemented hereby, used to reimburse the City for any expenditures toward the cost of the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, will not be used directly or indirectly (i) to "refund" an issue of governmental obligations within the meaning of Treasury Regulation Section 1.150-1(d), (ii) to create, within one year, following the reimbursement of any expenditures of bond proceeds "replacement proceeds", within the meaning of Treasury Regulation Section 1.148-1 of the bonds, or any other bond issue, or (iii) to reimburse the City for any expenditure or payment that was originally paid with the proceeds of any obligation of the City (other than borrowing by the City from one of its own funds or the funds of a member of the same "Controlled Group" within the meaning of Treasury Regulation Section 1.150-1(e)). The bonds or notes authorized by the Original Ordinance, as amended and supplemented hereby, to reimburse the City for any expenditures toward the cost of the improvement or purpose set forth in Section 3 of the Original Ordinance, as amended and supplemented hereby, will be issued in an amount not to exceed \$950,000. The costs to be reimbursed with the proceeds of the bonds or notes authorized by the Original Ordinance, as amended and supplemented hereby, will be "capital expenditures" in accordance with the meaning of section 150 of the Code and Treasury Regulation Section 1.150-1. This provision will take effect immediately, but will be of no effect with regard to expenditures for costs paid outside the permitted reimbursement period set forth in Treasury Regulation Section 1.150-2(d)(2).

SECTION 10. The City covenants to maintain the exclusion from gross income under section 103(a) of the Code, of the interest on all bonds and notes issued under the Original Ordinance, as amended and supplemented hereby.

SECTION 11. Except as expressly amended and supplemented hereby, the Original Ordinance shall remain in full force and effect.

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

Council President Brown opened the Public Hearing on this matter and asked if any citizen wished to be heard, to approach the rail, give his/her name and address and be heard.

With no one appearing, Council President Brown closed the Public Hearing.

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.

O-13-14

Council President Brown: The following Ordinance was adopted on first reading, advertised according to law, and is now before you for a public hearing and final adoption:

A BOND ORDINANCE AMENDING AND SUPPLEMENTING BOND BOND ORDINANCE PROVIDING FOR VARIOUS 2014 CAPITAL IMPROVEMENTS, BY AND IN THE CITY OF RAHWAY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY; APPROPRIATING \$600,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$571,427 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COST THEREOF

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

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the City of Rahway, in the County of Union, State of New Jersey (the "City"). For the said improvements or purposes stated in Section 3, there is hereby appropriated the aggregate sum of \$600,000, said sum being inclusive of the sum of \$28,573 as the aggregate amount of down payments for said improvements or purposes required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). The down payments are now available by virtue of a provision or provisions in a previously adopted budget or budgets of the City for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said \$600,000 appropriation not provided for by application hereunder of said down payments, negotiable bonds of the City are hereby authorized to be issued in the aggregate principal amount of \$571,427 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the City in an aggregate principal amount not exceeding \$571,427 are hereby authorized to be issued pursuant to and within the limitations prescribed by said Local Bond Law.

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

<u>Description</u>	<u>Appropriation</u>	<u>Authorization</u>	<u>Down Payment</u>	<u>Useful Life</u>
(i) <u>Fire Department</u> – various capital improvements and the acquisition and installation, as applicable, of equipment for the City Fire Department, including but not limited to, masonry capital improvements to Fire Headquarters, communication equipment improvements (base radio station improvements) and thermal imaging cameras;	\$48,000	\$45,714	\$2,286	9.2 years
(ii) <u>Department of Public Works</u> – various capital improvements and the acquisition of equipment for the Department of Public Works, including but not limited to, the construction of a Salt Dome, Nicholas and Stone Street roadway improvements, security fencing and lighting improvements and the acquisition of a Street Sweeper and a Tandem Dump Truck; and	480,000	457,142	22,858	12.5 years
(iii) <u>City Hall</u> - various capital improvements for City Hall, including but not limited to, HVAC improvements and other building capital improvements.	72,000	68,571	3,429	10 years
TOTALS	\$600,000	\$571,427	\$28,573	

(b) The above improvements or purposes set forth in Section 3(a) are more particularly described in documents on file in the Office of the City Clerk and shall also include, all work, materials, equipment, labor and appurtenances necessary therefor or incidental thereto;

(c) The aggregate estimated maximum amount of bonds or notes to be issued for said purposes is \$571,427.

(d) The aggregate estimated cost of said purposes is \$600,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor being the aggregate amount of \$571,427, is the aggregate down payments for said purposes in the amount of \$28,573.

SECTION 4. In the event the United States of America, the State of New Jersey and/or the County of Union make a contribution or grant in aid to the City for the improvements and purposes authorized hereby and the same shall be received by

the City prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey and/or the County of Union. In the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey and/or the County of Union shall be received by the City after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose.

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

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

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

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

(b) The average period of usefulness of said improvements or purposes within the limitations of said Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 11.9 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the City Clerk and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, and such statement shows that the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this bond ordinance by \$571,427 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$120,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the improvements or purposes herein before described.

SECTION 8. The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable property within the City for the payment of the obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. The City reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof and paid prior to the issuance of any bonds or notes authorized by this bond ordinance with the proceeds of such bonds or notes. This Section 9 is intended to be and hereby is a declaration of the City's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulations Section 150-2. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized by this bond ordinance used to reimburse the City for costs of the improvements or purposes described in Section 3 hereof, 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" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of any bonds or notes authorized by this bond ordinance or another issue of debt obligations of the City, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1). The bonds or notes authorized herein to reimburse the City for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will be issued in an amount not to exceed \$571,427. The costs to be reimbursed with the proceeds of the bonds or notes authorized herein will be "capital expenditures" in accordance with the meaning of Section 150 of the Code. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than any bonds or notes authorized by this bond ordinance is paid, or (ii) the date the improvements or purposes described in Section 3 hereof is "placed in service" (within the meaning of Treasury

Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

SECTION 10. The City covenants to maintain the exclusion from gross income under section 103(a) of the Code, of the interest on all bonds and notes issued under this bond ordinance.

SECTION 11. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

Council President Brown opened the Public Hearing on this matter and asked if any citizen wished to be heard, to approach the rail, give his/her name and address and be heard.

With no one appearing, Council President Brown closed the Public Hearing.

Roll Call for O-13-14:

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown: This Ordinance having been read on two separate days and having achieved the vote required by law is declared adopted. The City Clerk is directed to deliver same to the Mayor for his approval or disapproval.

***12. MISCELLANEOUS**

13. COMMUNICATIONS - Hearing of Citizens

Leona Seufert 122 W. Westfield Ave. Roselle Park
Invited public to attend the Church of the Assumption St. Anthony's Feast in Roselle Park on June 5.

Scott Caffee 756 W. Scott Ave.
Asked about installing a sign advising drivers on Route 1 and E. Scott Ave. to come to a complete stop before turning right on red. Inquired about condition of sidewalk in front of medical building on St. Georges Ave. near River Rd. Spoke on upcoming campaign.

With no one else appearing, Council President Brown closed the Public Hearing.

14. COUNCIL COMMENT

Councilmember Mione: Said that he is looking forward to Hot Rods & Harleys.

Councilmember Cox: Said that he will investigate sidewalk condition on St. Georges Ave. Asked engineer for an update on installation of handicapped curbs. Reminded everyone that Hot Rods & Harleys has been moved to May 17 due to inclement weather. Spoke about the upcoming Memorial Day Parade on May 25.

Councilmember Baker: Reminded everyone to vote on June 3.

Councilmember Giacobbe: Reminded everyone to vote on June 3.

Councilmember Bresenhan: Refuted comments by speaker on negative campaigning. Spoke on Union County College for Teens program. Encouraged everyone to vote on June 3.

Council President Brown: Encouraged everyone to vote on June 3. Praised the Mayor for his help in obtaining \$225,000 NJDOT grant for streets. He said that this Mayor is much easier to work with than the previous Mayor.

15. ADJOURNMENT

Motion to adjourn the meeting at 7:19 p.m. was made by Councilmember Bresenhan and seconded by Councilmember Giacobbe:

YES: Councilmembers Baker, Bresenhan, Cox, Farrar, Giacobbe, Mione, Saliga, Wenson Maier, Brown

Council President Brown declared the motion carried.