

MINUTES
PRE-MEETING CONFERENCE / REGULAR MEETING
MUNICIPAL COUNCIL - CITY OF RAHWAY, NEW JERSEY
NOVEMBER 7, 2012
7 P.M.

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

PRESENT: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Steinman

ABSENT: Councilmembers Saliga, Wenson Maier

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 November 7, 2012 was included in a list of meetings notice sent to the *Star-Ledger*, *Home News Tribune*, *The Union County Localsource* and the *Rahway News-Record*, posted on the bulletin board in the Municipal Building on December 30, 2011 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, Councilmember Brown offered an invocation.

3. APPROVAL OF MINUTES

October 2, 2012	7 p.m. Pre-Meeting Conference
October 9, 2012	7 p.m. Regular Meeting

Motion was made by Councilmember Scaturo and seconded by Councilmember Mione to accept and approve the above listed minutes.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Steinman

ABSENT: Councilmembers Saliga, Wenson Maier

Council President Steinman declared the motion carried.

4. PRESENTATIONS

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

Councilmember Wenson Maier arrived at 7:02 p.m.

6. REPORTS OF COUNCIL COMMITTEES

Mayor Proctor addressed the Council on Hurricane Sandy. He said that the City began preparations on Oct. 25. DPW was ordered to clean streams and gutters of leaves and debris. The City Engineer created a City map detailing the coming storm surge and expected areas of flooding in the City. Flooding and evacuation notifications were delivered door to door by CERT and other public safety personnel on Oct. 28 & 29. Police Officers and Fire Fighters still had to rescue residents during the storm. On Oct. 29, DPW manned pumps along the levee and remained there until the storm surge topped the levee. The storm destroyed much of the City's electrical grid and disabled the Sewaren generating station for four days. The Recreation Center floor was destroyed and the Library roof was damaged. He stated that he and the Police Chief were in contact with PSE&G daily and that as of today, 1,600 customers remained without power. He said that PSE&G expects 95% of the power to be restored by Friday, but he will not be satisfied until the number is 100%. The Mayor added that the City hired two crane crews to remove 84 trees that have fallen on homes; approximately 50 trees have been removed to date. The City set up cell phone charging stations, a 24-hour call center and a regional shelter and warming stations. He said he is proud of the work of City employees and the patience of the residents. The Mayor commented that additional warming stations were established at Rahway High School, St. Thomas Church and Grover Cleveland School. The City used Nixle and Facebook throughout the storm. Power outages hampered efforts. He urged residents to sign up on www.nixle.com. Said that before the storm, the number of Nixle users in Rahway was approximately 400; now it is nearing 2,000.

6A.REVIEW AGENDA

The Councilmembers reviewed all Agenda items.

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

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

8. CONSENT AGENDA

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

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturro, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

9. ORDINANCES - First Reading

O-32-12 City Clerk Jotz read AN ORDINANCE OF THE CITY OF RAHWAY, COUNTY OF UNION, NEW JERSEY, ACCEPTING DEDICATION OF A SANITARY SEWER EASEMENT FROM ST. GEORGES CENTER ASSOCIATES, LLC OVER A PORTION OF LANDS LOCATED AT 998-1110 ST. GEORGES AVENUE, ALSO KNOWN AS A PORTION OF LOTS 1 & 2 IN BLOCK 140 ON THE TAX MAP OF THE CITY OF RAHWAY AND AUTHORIZING THE EXECUTION OF AN EASEMENT AGREEMENT REGARDING SAME.

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

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson
Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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 the Regular Meeting on Monday, December 10, 2012 at 7 p.m.

O-33-12 City Clerk Jotz read A BOND ORDINANCE PROVIDING FOR IMPROVEMENTS TO THE POLICE DEPARTMENT 911 DISPATCH CENTER, BY AND IN THE CITY OF RAHWAY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY; APPROPRIATING \$260,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$247,500 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COST THEREOF.

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

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson
Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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 the Regular Meeting on Monday, December 10, 2012 at 7 p.m.

O-34-12 City Clerk Jotz read A BOND ORDINANCE PROVIDING FOR THE IMPROVEMENT OF THE STORM SEWER ON DONALD AVENUE, BY AND IN THE CITY OF RAHWAY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY; APPROPRIATING \$140,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$133,300 IN BONDS OR NOTES TO FINANCE THE COST THEREOF.

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

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson
Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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 the Regular Meeting on Monday, December 10, 2012 at 7 p.m.

O-35-12 City Clerk Jotz read A BOND ORDINANCE PROVIDING FOR VARIOUS 2012 CAPITAL IMPROVEMENTS TO THE RECREATION CENTER, LIBRARY, CITY HALL AND DEPARTMENT OF PUBLIC WORKS, BY AND IN THE CITY OF RAHWAY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY; APPROPRIATING \$750,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$714,285 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COST THEREOF.

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

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson
Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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 the Regular Meeting on Monday, December 10, 2012 at 7 p.m.

10. RESOLUTIONS

- *AR-246-12** Councilmember Mione presented and moved A RESOLUTION URGING THE STATE OF NEW JERSEY TO KEEP THE WOODBRIDGE DEVELOPMENTAL CENTER OPEN.

The motion was seconded by the entire Council.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-247-12** Councilmember Wenson Maier presented and moved A RESOLUTION AUTHORIZING THE REFUND OF BLOCK PARTY DEPOSIT.

The motion was seconded by Councilmember Steinman.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-248-12** Councilmember Baker presented and moved A RESOLUTION AUTHORIZING REFUND OF OVERPAYMENT OF WATER BILLS.

The motion was seconded by Councilmember Steinman.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-249-12** Councilmember Brown presented and moved A RESOLUTION AUTHORIZING REFUND OF PARKS & RECREATION FEES.

The motion was seconded by Councilmember Cox.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-250-12** Councilmember Cox presented and moved A RESOLUTION AUTHORIZING REFUND OF SENIOR SERVICES FEES.

The motion was seconded by Councilmember Brown.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-251-12** Councilmember Wenson Maier presented and moved A RESOLUTION AUTHORIZING THE RELEASE OF RIGHT OF WAY CONSTRUCTION BOND FEE TO JOAQUIN BOURDIER FOR PERMIT# 08-11-515 DATED 8/25/11 FOR DRIVEWAY APRON AND CURB.

The motion was seconded by Councilmember Baker.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-252-12** Councilmember Steinman presented and moved A RESOLUTION AUTHORIZING THE REFUND OF MONEY DUE TO THE REDEMPTION OF TAX SALE CERTIFICATES.

The motion was seconded by Councilmember Mione.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo,
Wenson Maier, Steinman

Council President Steinman declared the motion carried.

***AR-253-12** Councilmember Baker presented and moved A RESOLUTION AUTHORIZING THE REFUND OF OVERPAYMENT OF TAXES.

The motion was seconded by Councilmember Mione.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

***AR-254-12** Councilmember Steinman presented and A RESOLUTION AUTHORIZING THE REFUND OF PAYMENT OF TAXES DUE TO JUDGMENTS OF THE UNION COUNTY BOARD OF TAXATION.

The motion was seconded by Councilmember Wenson Maier.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

***AR-255-12** Councilmember Brown presented and moved A RESOLUTION ENDORSING AN APPLICATION FOR FUNDING FROM NJDOT UNDER THE TRANSIT VILLAGE PROGRAM FOR STREETScape SECTION VII LOCATED ON COACH STREET (IRVING STREET TO MAIN STREET), ELIZABETH AVENUE (IRVING STREET TO MAIN STREET), AND LEWIS STREET (IRVING STREET TO MAIN STREET).

The motion was seconded by Councilmember Cox.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-256-12** Councilmember Scaturo presented and moved A RESOLUTION AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF RAHWAY AND THE BOARD OF EDUCATION OF THE CITY OF RAHWAY FOR NURSING SERVICES FOR NONPUBLIC SCHOOL PUPILS.

The motion was seconded by Councilmember Rachlin.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-257-12** Councilmember Wenson Maier presented and moved A RESOLUTION AUTHORIZING AN EMERGENCY APPROPRIATION AS PER N.J.S.A. 40A:4-48.

The motion was seconded by Councilmember Baker.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

- *AR-258-12** Councilmember Brown presented and moved A RESOLUTION AMENDING THE 2012 CAPITAL BUDGET.

The motion was seconded by Councilmember Cox.

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.

11. Ordinances – Second Reading

O-28-12 Council President Steinman: The following Ordinance was adopted on first reading, advertised according to law, and is now before you for a public hearing and final adoption.

AN ORDINANCE AMENDING CHAPTER 401 OF THE CODE OF THE CITY OF RAHWAY (VEHICLES AND TRAFFIC)

BE IT ORDAINED BY THE MAYOR AND THE MUNICIPAL COUNCIL OF THE CITY OF RAHWAY, THE FOLLOWING CHAPTER BE AMENDED AS FOLLOWS:

401-72 Schedule XIV: Parking Prohibited Certain Hours.

Amend:

<i>Name of Street</i>	<i>Side</i>	<i>Time</i>	<i>Location</i>
Montgomery Street	East	8am-4pm Mon-Fri	From a point beginning 138 feet north of the northerly curblin of East Milton Avenue and extending to a point 429 feet thereof

ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT WITH THE PROVISIONS OF THIS ORDINANCE ARE HEREBY REPEALED.

THIS ORDINANCE SHALL TAKE EFFECT UPON FINAL PASSAGE AND PUBLICATION AS PROVIDED BY LAW

Council President Steinman 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.

No one appearing, Council President Steinman closed the Public Hearing.

Roll Call for O-28-12:

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturro,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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.

O-29-12

Council President Steinman: 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 PROVIDING FOR IMPROVEMENTS TO A
PORTION OF ELM AVENUE AND THE ASSOCIATED
REIMBURSEMENT TO LANDMARK AT RAHWAY, LLC FOR SUCH
IMPROVEMENTS ALONG A PORTION OF ELM AVENUE, BY AND IN
THE CITY OF RAHWAY, IN THE COUNTY OF UNION, STATE OF NEW
JERSEY; APPROPRIATING \$250,000 THEREFOR AND AUTHORIZING
THE ISSUANCE OF \$238,000 TAXABLE OR TAX-EXEMPT 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 members thereof affirmatively concurring)
AS FOLLOWS:**

SECTION 1. The improvement or purpose described in Section 3 of this bond ordinance is hereby authorized as a general improvement or purpose to be undertaken by the City of Rahway, in the County of Union, State of New Jersey (the "City"). For the said improvement or purpose stated in Section 3, there is hereby appropriated the sum of \$250,000, which sum includes \$12,000 as the amount of down payment for said improvement or purpose required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). Said down payment is now available therefor 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 improvement or purpose described in Section 3 hereof and to meet the part of said \$250,000 appropriation not provided for by application hereunder of said down payment, negotiable bonds of the City are hereby authorized to be issued in the principal amount of \$238,000 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvement or purpose, negotiable notes of the City in a principal amount not exceeding \$238,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The improvement hereby authorized and purpose for the financing of which said bonds or notes are to be issued is the improvement of a portion of Elm Avenue between Irving Street and West Main Street, in the City, including various street and streetscape improvements, including but not limited to, the paving and resurfacing of the roadway, which improvements shall include, as applicable, excavation, milling, paving, reconstruction and boxing out and resurfacing or full depth pavement, the sealing of pavement cracks, the repairing and/or installation of curbs, sidewalks and driveway aprons, installation of curb ramps, resetting utility castings and poles, 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, and the associated reimbursement to Landmark at Rahway, LLC for the cost of all such work and improvements, as applicable, all in accordance with the plans therefor on file in the office of the City Clerk and available for public inspection and hereby approved.

(b) The estimated maximum amount of bonds or notes to be issued for said improvement or purpose is \$238,000.

(c) The estimated cost of said improvement or purpose is \$250,000, the excess thereof over the said estimated maximum amount of bonds or notes to be issued therefor, being the amount of \$12,000, is comprised of the down payment for said improvement or purpose.

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 improvement and purpose 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.

This Section 4 shall not apply, however, with respect to any contribution or grant in aid received by the City as a result of using funds from this bond ordinance as “matching local funds” to receive such contribution or grant in aid.

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, provided that no note shall mature later than one (1) year from its date or otherwise authorized by the Local Bond Law. 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 the Local Bond Law. 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. In the event of any such inconsistency, 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 will be on file in the office of the Clerk and will be available for public inspection.

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

(a) The improvement or purpose described in Section 3 of this bond ordinance is not a current expense and is an improvement which the City may lawfully undertake as a general improvement, 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 improvement or purpose within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 15 years.

(c) 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, 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 \$238,000 and the said bonds or notes authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$50,000 for items of expense listed in and permitted under section 20 of the Local Bond Law is included in the estimated cost indicated herein for the purpose or improvement hereinbefore 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 bonds or notes authorized by this bond ordinance. The bonds or notes shall be direct, unlimited

obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the City for the payment of the bonds or notes 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 improvement or purpose 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 improvement or purpose 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 improvement or purpose 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 improvement or purpose described in Section 3 hereof will be issued in an amount not to exceed \$238,000. 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 improvement or purpose 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 ordinance if and to the extent such bonds or notes are issued as tax-exempt obligations.

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

Council President Steinman 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.

No one appearing, Council President Steinman closed the Public Hearing.

Roll Call for O-29-12:

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturro,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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.

O-30-12

Council President Steinman: 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 PROVIDING FOR THE REPLACEMENT OF THE WATER MAIN ON HAMILTON STREET, BY AND IN THE CITY OF RAHWAY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY; APPROPRIATING \$625,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$595,000 IN BONDS OR NOTES TO FINANCE 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 members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1. The improvement or purpose described in Section 3 of this bond ordinance is hereby authorized to be undertaken by the City of Rahway, in the County of Union, State of New Jersey (the "City") as a general improvement. For the said improvement or purpose stated in Section 3, there is hereby appropriated the sum of \$625,000 from the Water Utility of the City, said sum being inclusive of said sum being inclusive of a down payment in the amount of \$30,000 for said improvement or purpose as required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). The down payment is now available by virtue of surpluses in the Water Utility capital fund or 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 improvement or purpose described in Section 3 hereof and to meet part of the said \$625,000 appropriation not provided for by application hereunder of said down payment, negotiable bonds of the Water Utility of the City are hereby authorized to be issued in the aggregate principal amount not exceeding \$595,000 pursuant to the Local Bond Law. In

anticipation of the issuance of said bonds and to temporarily finance said improvement or purpose, negotiable notes of the City in an aggregate principal amount not exceeding \$595,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by said Local Bond Law.

SECTION 3. (a) The improvement hereby authorized and purpose for the financing of which said obligations are to be issued is the replacement of the water main on Hamilton Street in the City, from the bridge to Church Street, including the intersection, from Church Street to St. Georges Avenue, and on Gordon Place at the tie-in to the Hamilton Street water main, including but not limited to, the removal and disposal of the existing water main and the installation of the new water main, the replacement of eight (8) hydrants with new hydrants, and the installation of pipe backfill and temporary pavement.

(b) The estimated maximum amount of bonds or notes to be issued for said improvement or purpose is \$595,000.

(c) The aggregate estimated cost of said improvement or purpose is \$625,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor is the down payment available for said purposes.

(d) The above improvement and purpose set forth in Section 3(a) is more particularly described in documents on file in the Office of the City Clerk and shall also include, but is not limited to, the following, as applicable, surveying, construction planning, engineering and design work, preparation of plans and specifications, permits, bid documents, construction inspection and contract administration, environmental testing and remediation and also all work, materials, equipment, labor and appurtenances as necessary therefor or incidental thereto.

SECTION 4. In the event the United States of America, the State of New Jersey, the County of Union or a private entity make a contribution or grant in aid, as applicable, to the City for the improvement or purpose 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, as applicable, by the United States of America, the State of New Jersey, the County of Union or a private entity, 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. This Section 4 shall not apply, however, with respect to any contribution or grant in aid received by the City as a result of using funds from this bond ordinance as "matching local funds" to receive such contribution or grant in aid.

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, 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 of the City 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 the Local Bond Law. 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 Water Utility of the City is hereby amended to conform with the provisions of this 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 programs of the Water Utility as approved by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, will be on file in the Office of the Clerk and will be available for public inspection.

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

(a) The improvement or purpose described in Section 3 of this bond ordinance is not a current expense and is an improvement or purpose which the City may lawfully undertake as a general improvement, 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 improvement or purpose 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 20 years.

(c) 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, 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 \$595,000 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 \$125,000 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 purpose or improvement hereinbefore 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 improvement or purpose 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 improvement or purpose 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 improvement or purpose 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 improvement or purpose described in Section 3 hereof will be issued in an amount not to exceed \$595,000. 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 ordinance.

Council President Steinman 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.

No one appearing, Council President Steinman closed the Public Hearing.

Roll Call for O-30-12:

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturro,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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.

O-31-12

Council President Steinman: 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 PROVIDING FOR THE RESURFACING OF A PORTION OF HAMILTON STREET, 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 \$600,000 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 members thereof affirmatively concurring) **AS FOLLOWS:**

SECTION 1. The improvement or purpose described in Section 3 of this bond ordinance is hereby authorized as a general improvement or purpose to be undertaken by the City of Rahway, in the County of Union, State of New Jersey (the "City"). For the said improvement or purpose stated in Section 3, there is hereby appropriated the sum of \$600,000. Inasmuch as the improvement or purpose described in Section 3 of this bond ordinance is located in a designated redevelopment area pursuant to a redevelopment plan authorized by the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.*, and applicable predecessor laws (the "Redevelopment Law"), the down payment requirements set forth in the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.* (the "Local Bond Law") are not applicable to this ordinance by virtue of the exception thereto set forth in section 37(c) of the Redevelopment Law.

SECTION 2. For the financing of said improvement or purpose described in Section 3 hereof, negotiable bonds of the City are hereby authorized to be issued in the principal amount of \$600,000 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvement or purpose, negotiable notes of the City in a principal amount not exceeding \$600,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The improvement hereby authorized and purpose for the financing of which said bonds or notes are to be issued is the resurfacing of a portion of Hamilton Street, from the Hamilton Street bridge to Church Street

(approximately 1,350 linear feet) and from Church Street to St. Georges Avenue (approximately 1,200 linear feet), all within the City, which improvements shall include, as applicable, excavation, milling, paving, reconstruction and boxing out and resurfacing such roadway, and where necessary, the sealing of pavement cracks, the repairing and/or installation of curbs, sidewalks and driveway aprons, the replacement of handicap accessible ramps and associated curbing, resetting utility castings, drainage work, roadway painting, striping, landscaping and aesthetic improvements including but not limited to seeding and installing top soil, the cost of police traffic directors, 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.

(b) The estimated maximum amount of bonds or notes to be issued for said improvement or purpose is \$600,000.

(c) The estimated cost of said improvement or purpose is \$600,000.

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 improvement and purpose 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.

This Section 4 shall not apply, however, with respect to any contribution or grant in aid received by the City as a result of using funds from this bond ordinance as “matching local funds” to receive such contribution or grant in aid.

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, provided that no note shall mature later than one (1) year from its date or otherwise authorized by the Local Bond Law. 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 the Local Bond Law. 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. In the event of any such inconsistency, 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 will be on file in the office of the Clerk and will be available for public inspection.

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

(a) The improvement or purpose described in Section 3 of this bond ordinance is not a current expense and is an improvement which the City may lawfully undertake as a general improvement, 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 improvement or purpose within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 15 years.

(c) 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, 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 \$600,000 and the said bonds or notes 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 section 20 of the Local Bond Law is included in the estimated cost indicated herein for the purpose or improvement hereinbefore 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 bonds or notes authorized by this bond ordinance. The bonds or notes shall be direct, unlimited obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the City for the payment of the bonds or notes 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 improvement or purpose 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 improvement or purpose 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 improvement or purpose 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 improvement or purpose described in Section 3 hereof will be issued in an amount not to exceed \$600,000. 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 improvement or purpose 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 ordinance.

Council President Steinman 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.

No one appearing, Council President Steinman closed the Public Hearing.

Roll Call for O-31-12:

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturro,
Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman: 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

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

14. COUNCIL COMMENT

Councilmember Mione: Thanked citizens of Rahway for their patience during the storm.

Councilmember Baker: Thanked citizens of Rahway for their support of the administration; for their patience and resiliency during the hurricane. Thanked citizens who supported Democrats on Election Day; their votes reflect their support for the direction that the City is going in.

Councilmember Wenson Maier: Thanked public works, police and fire departments, first responders, first aid squad for their work during the storm. Said that a tree split her neighbor's house and that the police arrived immediately to evacuate the residents. Said that many residents in her ward remain without power and that their patience is appreciated. Commented that many people who live down the shore lost their homes, businesses, pets and even family members.

Councilmember Rachlin: Said that tonight is not a night for politics, but we should instead continue with the healing. Thanked administration and Office of Emergency Management for assisting the City. Offered his sympathies and prayers for those who suffered in the storm.

Councilmember Scaturro: Thanked everyone who helped with the storm; it was a good job from top to bottom. Congratulated Council colleagues who were reelected. Wished everyone a Happy Thanksgiving.

Councilmember Cox: Echoed sentiments of previous Councilmembers. Commented on the helpfulness of residents and utility companies from out of state who assisted with the storm recovery. Wished everyone a Happy Thanksgiving.

Councilmember Brown: Thanked administration for responding to citizens concerns. Said that the City was prompt in removing storm debris. Expressed sympathy to the family of Courtney Clarke. Congratulated winners of last night's election.

Councilmember Steinman: Said that Councilmembers disseminated a pre-storm message to residents and visited flood-prone areas to distribute flyers. Commented that Council worked with administration and first responders, conducted a clothing drive with the Rahway Arts

District and delivered clothes to Reach the Beach in Monmouth County. Stated that residents may still drop off clothes at the Union County PAC Bo Office during regular business hours. Recommended that prior to future emergencies that phone calls go out before the storm.

ADJOURNMENT

Motion to adjourn the meeting at 7:36 p.m. was made by Councilmember Scaturo and seconded by Councilmember Baker:

YES: Councilmembers Baker, Brown, Cox, Mione, Rachlin, Scaturo, Wenson Maier, Steinman

ABSENT: Councilmember Saliga

Council President Steinman declared the motion carried.