

**MINUTES OF A REGULAR MEETING OF THE MAYOR AND COUNCIL OF THE
BOROUGH OF MADISON**

January 10, 2011 - 7 p.m.

CALL TO ORDER

The Regular Meeting of the Mayor and Council of the Borough of Madison was held on the 10th day of January 2011. Mayor Holden called the meeting to order at 7 p.m. in the Committee Room of the Hartley Dodge Memorial, Kings Road, in the Borough of Madison.

STATEMENT IN COMPLIANCE WITH THE OPEN PUBLIC MEETINGS ACT

The Borough Clerk read the statement pursuant to the Open Public Meetings Act:

“In compliance with the Open Public Meetings Act, adequate notice of this meeting of the Council was provided by transmitting a copy of the meeting notice to the Madison Eagle and Morris County Daily Record, posting a copy on the bulletin board at the main entrance of the Hartley Dodge Memorial, and filing a copy in the office of the Clerk, all on January 6, 2011. This Notice was made available to members of the general public.”

ROLL CALL

The Borough Clerk called the roll and the following acknowledged their presence:

Mayor Mary-Anna Holden

Council Members:

Robert H. Conley
Jeannie Tsukamoto
Vincent A. Esposito
Sebastian J. Cerciello
Donald R. Links
Robert G. Catalanello

Also Present:

Raymond M. Codey, Borough Administrator
James Burnet, Assistant Business Administrator
Elizabeth Osborne, Borough Clerk
Joseph Mezzacca, Jr., Borough Attorney

AGENDA REVIEW

There was approval of the Regular and Executive Agenda.

READING OF CLOSED SESSION RESOLUTION

Dr. Esposito moved:

RESOLVED, that the meeting be adjourned to an Executive Session to consider the following matters:

MINUTES FOR APPROVAL (0)

Date of public disclosure 60 days after conclusion, if disclosure required.

CONTRACT MATTERS (4)

MRC

NORTH STREET PUMP STATION

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JACOB HENRY PERKINS TRUST DISBURSEMENT
JOINT COURT

Date of public disclosure 60 days after conclusion, if disclosure required.

PERSONNEL MATTERS (2)

LABOR NEGOTIATIONS

PERSONNEL POLICIES AND PROCEDURES MANUAL/EMPLOYEE HANDBOOK

Date of public disclosure 90 days after conclusion, if disclosure required.

LITIGATION MATTERS (2)

COUGAR FIELD

SEWER BACKUPS

Date of public disclosure 60 days after conclusion, if disclosure required.

POTENTIAL LITIGATION MATTERS (1)

WATER RATES

Date of public disclosure 60 days after conclusion, if disclosure required.

Seconded: Mr. Conley

Vote: Approved by voice vote

RECONVENE IN COUNCIL CHAMBER

Mayor Holden reconvened the Regular Meeting at 8 p.m. in the Council Chamber with all members present. The Pledge of Allegiance was recited by all.

APPROVAL OF MINUTES

None

GREETINGS TO PUBLIC

Mayor Holden made the following comments:

Employee of the Month for January is Police Officer Sean McCarthy of the **Madison Police Department** for his work organizing the second annual “Toys for Tots” program in Madison, using the Madison Public Safety Complex as an official drop-off point for residents wishing to donate new, unwrapped toys. Sean collected, stored and then delivered over 1,700 donated toys to Picatinny Arsenal for the Marine Corps to deliver to needy children.

Mayor Holden presented volunteer resident Michael Bugg with a Medallion for his twenty-four years of service on the Electric Utility Study Committee.

REPORTS OF COMMITTEES

Finance and Borough Clerk

Mr. Conley, Chair of the Committee, no report.

Public Safety

Mrs. Tsukamoto, Chair of the Committee, made the following comments:

Mrs. Tsukamoto announced that the Joint Municipal Court will begin February 1, 2011, with participation by Chatham Borough, Chatham Township and Harding Township, for a combined savings of approximately \$500,000 to the member municipalities. Mrs. Tsukamoto thanked Honorable B. Theodore Bozonelis, Assignment Judge, and Mr. Codey.

Utilities

Dr. Esposito, Chair of the Committee, no report.

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Public Works and Engineering

Mr. Cerciello, Chair of the Committee, made the following comments:
Mr. Cerciello stated that he was happy with Public Works' effort regarding snow removal and asked for clarification of enforcement of residential snow removal. Mr. Cerciello explained his nay vote for a new hire for the Truck Driver II position voted on at the January 1st Reorganization Meeting, noting that he felt a Madison resident should be given the position. Mayor Holden reminded Mr. Cerciello that personnel discussions cannot be held without notice to the employee. Mr. Cerciello expressed concern for how business is conducted in the Borough.

Health & Public Assistance

Mr. Links, Chair of the Committee, no report.

Community Affairs

Mr. Catalanello, Chair of the Committee, made the following comments:
Mr. Catalanello reported on recent legislation regarding recycling of electronics, which can no longer be discarded with regular garbage collection. Residents can recycle TV's, computers and other electronics at PC Problems located on Main Street. Residents can also call Public Works if they have questions. The 2011 recycling newsletter has been mailed to residents. Mr. Catalanello reported that curbside mail boxes should be returned in front of the U.S. Post Office by the end of the week.

COMMUNICATIONS AND PETITIONS

The Borough Clerk announced receipt of the following communications:

Letter dated January 3, 2011, from Constance Z. Stober of Madison Avenue thanking Madison Police Detective Paul Kosakowski for his service.

Letter dated January 3, 2011, from Kathy and Lou Trombacco of Spring Garden Drive thanking Madison Police Officers Luis Goncalves and Matthew Mirabella for their assistance when their house flooded.

E-mail received January 5, 2011, from Elyse Bavos, owner of "Wild Things Gifts" on Central Avenue, regarding efficient snow removal.

Letter received January 10, 2011, from Saverio Allocca of Belleau Road regarding the 2011 Municipal Budget.

E-mail dated January 10, 2011, from Sandy Kolakowski regarding funding for athletic fields.

INVITATION FOR DISCUSSION (1 of 2)

Mayor Holden opened the meeting to the public for their opportunity to ask questions and make comments on those items listed on the Agenda only. The Mayor asked that, upon recognition by the Chair, the person shall proceed to the lectern and give his/her name and address in an audible tone of voice, and print the same on the sheet provided for the record. **He/she shall limit his/her statement to three (3) minutes or less.**

Since no member of the public wished to be heard, the invitation for discussion was closed.

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AGENDA DISCUSSIONS

01/10/2011-1 MADISON RECREATION CENTER

Borough Engineer Robert Vogel provided an overview of the proposed Madison Recreation Center Synthetic Turf Sports Fields, including rectangular fields, baseball fields, a parking lot and field house. Bond Counsel Steven Rogut and Borough CFO Robert Kalafut explained the funding proposed by the introduction of an ordinance for a one year bond anticipation note listed for approval this evening. Mr. Conley suggested that a proposed ordinance for the requiring of user fees be introduced at the next meeting. Following a lengthy discussion, there was agreement to list for introduction Ordinance 2-2011.

01/10/2011-2 NJ ENVIRONMENTAL INFRASTRUCTURE TRUST RESOLUTIONS

Mr. Rogut explained that the resolutions listed for approval are the completion of financing for the Joint Meeting obtained last year. There were no objections to listing Resolutions R 33-2011 and R 34-2011 on the Consent Agenda.

01/10/2011-3 WATER DEPARTMENT SERVICE FEES

Mr. Kalafut explained a proposed increase in water rates of 20% in order to maintain surpluses, fund a water main replacement program and reserve funds for an automated metering system. Mr. Kalafut noted the minimum charge is not eliminated at this time. Ordinance 1-2011 is listed for introduction.

01/10/2011-4 BOARD OF EDUCATION SHARED SERVICES COMMITTEE

There was consensus to continue this essential committee. Mrs. Tsukamoto made a motion for Council members Mr. Links, Mr. Catalanello and herself to represent the Borough on the Shared Services Committee, Mr. Links seconded the motion, which passed by voice vote.

01/10/2011-5 TRAFFIC CALMING COMMITTEE FOR 2011

There was consensus to continue this essential committee. Mrs. Tsukamoto made a motion for Council members Mr. Conley, Mr. Cerciello and Dr. Esposito to be Council representatives to the Traffic Calming Committee, Mr. Conley seconded the motion, which passed unanimously.

01/10/2011-6 HEALTH BENEFITS

Assistant Business Administrator James Burnet provided information regarding employee health benefits. Mr. Burnet noted that all labor contracts have “equal to or better” language with regards to health benefits. Beginning in July 2010, all nonunion, Board of Health, Library and Fire Department personnel will contribute to their health insurance at a rate of 1.5% of base salary. Costs have risen dramatically and future increases are expected. Mr. Burnet explained cost saving with the NJ State Health plan. Additional information will be provided.

01/10/2011-7 2011 BUDGET HEARING SCHEDULE

Following discussion, there was agreement to schedule budget hearings to begin at 6 p.m. on Wednesday, January 19, Friday, January 28, and Monday, January 31, 2011.

ADVERTISED HEARINGS

None

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INTRODUCTION OF ORDINANCES

The Clerk made the following statement:

Ordinances scheduled for first reading have a hearing date set for January 24, 2011; all will be published in the Madison Eagle, posted on the Bulletin Board and made available to members of the public requesting copies.

Mayor Holden called up ordinances for first reading and asked the Clerk to read said ordinances by title:

ORDINANCE 1-2011

ORDINANCE OF THE BOROUGH OF MADISON AMENDING CHAPTER 190 OF THE MADISON BOROUGH CODE ENTITLED “WATER” TO AUTHORIZE THE REVISION OF THE BOROUGH OF MADISON’S WATER RATES AND SERVICE FEES

WHEREAS, the Chief Financial Officer of the Borough of Madison has recommended that the water utility rates be increased due to increased costs primarily for significant water main replacements and an automatic meter reading system; and

WHEREAS, the Chief Financial Officer has recommended that Section 190-32 A of the Borough Code regarding Water Rates for Metered Service be amended to read as follows:

- 190-32 A. (1) All water furnished in any quarter annual period shall be priced at the following rates:

<u>Rates per Cubic Foot</u>	
0 to 1,000	\$.0303
1,001 to 3,000	\$.0319
3,001 and higher	\$.0349

subject to the minimum quarterly charge required in Subsection B below.

WHEREAS, Borough Chief Financial Officer has further recommended that Section 190-32 B of the Borough Code remain unchanged at the current rates:

Meter Size (inches)	For Any Amount of Water Furnished Not in Excess of (Cubic Feet)	Minimum Charge (per quarter)
5/8	670	\$20.29
3/4	670	\$20.29

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1	1682	\$52.07
1½	3,401	\$108.11
2	5,412	\$178.30
3	6,171	204.78
4	9,888	\$334.51
6 and greater	18,632	\$639.62

WHEREAS, the Borough Council, after due consideration has determined to proceed with said recommendation.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Borough of Madison, in the County of Morris and State of New Jersey, as follows:

SECTION 1: Section 190-32 of the Borough Code entitled “Water Rates for Metered Service” is hereby amended to revise the water utility rates as set forth herein.

SECTION 2: All other rates and terms remain the same, except those changed herein.

SECTION 3: This Ordinance shall take effect on February 1, 2011.

SECTION 4: One half of the recommended 20% rate increase will be dedicated to funding approximately \$1,000,000 for the automated meter reading system. This will require a time frame of approximately five years to fully fund this project. This 10% will sunset from the water rates when the project is completely installed. That date will be January 31, 2016 or when the project is fully funded.

Dr. Esposito moved that Ordinance 1-2011, which the Borough Clerk read by title, be adopted. Mr. Links seconded the motion. Following Council discussion regarding the one half of the recommended 20% rate increase that will be dedicated to funding for the automated meter reading system, the motion passed with the following roll call vote recorded:

Yeas: Mr. Conley, Mrs. Tsukamoto, Dr. Esposito
Mr. Cerciello, Mr. Links, Mr. Catalanello

Nays: None

ORDINANCE 2-2011

BOND ORDINANCE TO AUTHORIZE THE INSTALLATION OF SYNTHETIC TURF MULTIPURPOSE ATHLETIC FIELDS AT THE MADISON RECREATION CENTER PROPERTY BY AND FOR THE BOROUGH OF MADISON, IN THE

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COUNTY OF MORRIS, NEW JERSEY, TO APPROPRIATE THE SUM OF \$3,500,000 TO PAY THE COST THEREOF, TO MAKE A DOWN PAYMENT, TO AUTHORIZE THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION AND TO PROVIDE FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS

BE IT ORDAINED by the Borough Council of the Borough of Madison, in the County of Morris, New Jersey, as follows:

Section 1. The Borough of Madison, in the County of Morris, New Jersey (the "Borough") is hereby authorized to install synthetic turf athletic fields at the Madison Recreation Center Property (designated as a portion of Block 1401, Lot 5 on the Tax Assessment Map of the Borough of Florham Park - to be annexed by Madison), including construction of a parking area, installation of lighting and installation of bleachers, field fixtures, construction of a field house/concession/storage facility, appurtenances and other amenities by and for the Borough. Said improvements shall include all work, materials and appurtenances necessary and suitable therefor.

Section 2. The sum of \$3,500,000 is hereby appropriated to the payment of the cost of making the improvements described in Section 1 of this ordinance (hereinafter referred to as "purpose"). Said appropriation shall be met from the proceeds of the sale of the bonds authorized and the down payment appropriated by this ordinance. Said improvements shall be made as general improvements and no part of the cost thereof shall be assessed against property specially benefited.

Section 3. It is hereby determined and stated that (1) the making of such improvement is not a current expense of said Borough, and (2) it is necessary to

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finance said purpose by the issuance of obligations of said Borough pursuant to the Local Bond Law (Chapter 2 of Title 40A of the New Jersey Statutes Annotated, as amended; the "Local Bond Law"), and (3) the estimated cost of said purpose is \$3,500,000, and (4) \$167,000 of said sum is to be provided by the down payment hereinafter appropriated to finance said purpose, and (5) the estimated maximum amount of bonds or notes necessary to be issued for said purpose is \$3,333,000, and (6) the cost of such purpose, as hereinbefore stated, includes the aggregate amount of \$120,000 which is estimated to be necessary to finance the cost of such purpose, including architect's fees, accounting, engineering and inspection costs, legal expenses and other expenses, including interest on such obligations to the extent permitted by Section 20 of the Local Bond Law.

Section 4. It is hereby determined and stated that the sum of \$167,000 in the Borough of Madison Open Space and Recreation Trust Fund is now available to serve as the down payment on said purpose. The sum of \$167,000 is hereby appropriated from such moneys to the payment of the cost of said purpose.

Section 5. To finance said purpose, bonds of said Borough of an aggregate principal amount not exceeding \$3,333,000 are hereby authorized to be issued pursuant to the Local Bond Law. Said bonds shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law. All matters with respect to said bonds not determined by this ordinance shall be determined by resolutions to be hereafter adopted.

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Section 6. To finance said purpose, bond anticipation notes of said Borough of an aggregate principal amount not exceeding \$3,333,000 are hereby authorized to be issued pursuant to the Local Bond Law in anticipation of the issuance of said bonds. In the event that bonds are issued pursuant to this ordinance, the aggregate amount of notes hereby authorized to be issued shall be reduced by an amount equal to the principal amount of the bonds so issued. If the aggregate amount of outstanding bonds and notes issued pursuant to this ordinance shall at any time exceed the sum first mentioned in this section, the moneys raised by the issuance of said bonds shall, to not less than the amount of such excess, be applied to the payment of such notes then outstanding.

Section 7. Each bond anticipation note issued pursuant to this ordinance shall be dated on or about the date of its issuance and shall be payable not more than one year from its date, shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law and may be renewed from time to time pursuant to and within limitations prescribed by the Local Bond Law. Each of said notes shall be signed by the Mayor and by a financial officer and shall be under the seal of said Borough and attested by the Borough Clerk or Deputy Borough Clerk. Said officers are hereby authorized to execute said notes and to issue said notes in such form as they may adopt in conformity with law. The power to determine any matters with respect to said notes not determined by this ordinance and also the power to sell said notes, is hereby delegated to the Chief Financial Officer who is

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hereby authorized to sell said notes either at one time or from time to time in the manner provided by law.

Section 8. It is hereby determined and declared that the period of usefulness of said purpose, according to its reasonable life, is a period of fifteen years computed from the date of said bonds.

Section 9. It is hereby determined and stated that the Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the office of the Borough Clerk of said Borough, and that such statement so filed shows that the gross debt of said Borough, as defined in Section 43 of the Local Bond Law, is increased by this ordinance by \$3,333,000 and that the issuance of the bonds and notes authorized by this ordinance will be within all debt limitations prescribed by said Local Bond Law.

Section 10. Any funds received from private parties, the County of Morris, the State of New Jersey or any of their agencies or any funds received from the United States of America or any of its agencies in aid of such purpose, shall be applied to the payment of the cost of such purpose, or, if bond anticipation notes have been issued, to the payment of the bond anticipation notes, and the amount of bonds authorized for such purpose shall be reduced accordingly.

Section 11. The capital budget is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency therewith and the resolutions promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, is on file with the Borough Clerk and is available for public inspection.

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Section 12. The Borough intends to issue the bonds or notes to finance the cost of the improvements described in Section 1 of this bond ordinance. If the Borough incurs such costs prior to the issuance of the bonds or notes, the Borough hereby states its reasonable expectation to reimburse itself for such expenditures with the proceeds of such bonds or notes in the maximum principal amount of bonds or notes authorized by this bond ordinance.

Section 13. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this ordinance. Said obligations shall be direct, unlimited and general obligations of the Borough, and the Borough shall levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the principal of and interest on such bonds and notes, without limitation as to rate or amount.

Section 14. This ordinance shall take effect twenty days after the first publication thereof after final passage.

Mr. Conley moved that Ordinance 2-2011, which the Borough Clerk read by title, be adopted. Mrs. Tsukamoto seconded the motion. Following a lengthy Council discussion regarding the financing of the fields, the motion passed with the following roll call vote recorded:

Yeas: Mrs. Tsukamoto, Dr. Esposito
Mr. Links, Mr. Catalanello
Nays: Mr. Conley, Mr. Cerciello

CONSENT AGENDA RESOLUTIONS

The Clerk made the following statement:

Consent Agenda Resolutions will be enacted with a single motion; any Resolution requiring expenditure is supported by a Certification of Availability of Funds; any Resolution requiring discussion will be removed from the Consent Agenda; all Resolutions will be reflected in full in the minutes.

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Dr. Esposito moved adoption of the Resolutions listed on the Consent Agenda. Mr. Conley seconded the motion. There was no Council discussion, and the motion passed with the following roll call vote recorded:

Yeas: Mr. Conley, Mrs. Tsukamoto, Dr. Esposito
Mr. Cerciello, Mr. Links, Mr. Catalanello

Nays: None

R 33-2011 RESOLUTION OF THE BOROUGH OF MADISON DETERMINING THE FORM AND OTHER DETAILS OF NOT EXCEEDING \$535,500 GENERAL IMPROVEMENT BONDS, SERIES 2011, OF THE BOROUGH OF MADISON, IN THE COUNTY OF MORRIS, NEW JERSEY, AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY PURSUANT TO THE STATE FISCAL YEAR 2011 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST DIRECT LOAN FINANCING PROGRAM

WHEREAS, the Borough of Madison (the "Local Unit"), in the County of Morris, New Jersey, has determined that there exists a need within the Local Unit to acquire, construct, renovate, install or refinance the Project which consists of the improvement of the Madison-Chatham Joint Meeting's Molitor Water Pollution Control Facility (the "Project"), as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Local Unit and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement," and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Local Unit and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the State Fiscal Year 2011 New Jersey Environmental Infrastructure Trust Direct Loan Financing Program (the "Program");

WHEREAS, the Local Unit has determined to finance or refinance the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan," and together with the

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Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Local Unit to authorize, execute, attest and deliver the Local Unit's Trust Loan General Improvement Bonds, Series 2011, to the Trust in the aggregate principal amount not to exceed \$180,000 (the "Trust Loan Bond") and the Local Unit's Fund Loan General Improvement Bonds, Series 2011, to the State in an aggregate principal amount not to exceed \$355,500 (the "Fund Loan Bond," and together with the Trust Loan Bond, the "Local Unit Bonds") pursuant to the terms of the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes Annotated (the "Local Bond Law"), other applicable law and the Loan Agreements; and

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

NOW, THEREFORE, BE IT RESOLVED by a two-thirds vote of the full membership of the Borough Council of the Local Unit (the "Borough Council") as follows:

Section 1. In accordance with N.J.S.A. 40A:2-27(a)(2) of the Local Bond Law and N.J.S.A. 58:11B-9(a), the Local Unit hereby sells and awards its (a) Trust Loan Bond in an aggregate principal amount not to exceed \$180,000 to the Trust in accordance with the provisions hereof and (b) Fund Loan Bond in an aggregate principal amount not to exceed \$355,500 to the State in accordance

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with the provisions hereof. The Local Unit Bonds have been referred to and described in Bond Ordinance No. 28-2009 of the Local Unit entitled, "BOND ORDINANCE TO AUTHORIZE THE FUNDING OF A PORTION OF THE COST OF THE IMPROVEMENT OF THE MADISON-CHATHAM JOINT MEETING'S MOLITOR WATER POLLUTION CONTROL FACILITY BY AND FOR THE BOROUGH OF MADISON, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF \$2,161,500 TO PAY THE COST THEREOF, TO AUTHORIZE THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION AND TO PROVIDE FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS," which was finally adopted by the Borough Council at a meeting thereof duly called and held on July 13, 2009, at which time a quorum was present and acted throughout, all pursuant to the terms of the Local Bond Law and other applicable law.

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

- (a) The aggregate principal amounts of the Trust Loan Bond and the Fund Loan Bond to be issued;
 - (b) The maturity and annual principal installments of the Local Unit Bonds, which maturity shall not exceed twenty years;
 - (c) The date of the Local Unit Bonds;
 - (d) The interest rates of the Local Unit Bonds;
 - (e) The purchase price for the Local Unit Bonds;
- and

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- (f) The terms and conditions under which the Local Unit Bonds shall be subject to redemption prior to their stated maturities.

Section 3. Any determination made by the Chief Financial Officer pursuant to the terms hereof shall be conclusively evidenced by the execution and attestation of the Local Unit Bonds by the parties authorized under Section 4(c) hereof.

Section 4. The Borough Council hereby determines that certain terms of the Local Unit Bonds shall be as follows:

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

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

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Section 6. The law firm of Rogut McCarthy LLC (the "Local Unit's Bond Counsel") is hereby authorized to arrange for the printing of the Local Unit Bonds, which law firm may authorize McCarter & English, LLP, bond counsel to the Trust and the State for the Program, to arrange for same. The Borough Auditor is hereby authorized to prepare the financial information necessary in connection with the issuance of the Local Unit Bonds. The Mayor, the Chief Financial Officer and the Borough Clerk are hereby authorized to execute any certificates necessary or desirable in connection with the financial and other information.

Section 7. The Mayor and the Chief Financial Officer are hereby severally authorized to execute any certificates or documents necessary or desirable in connection with the sale of the Local Unit Bonds, and are further authorized to deliver same to the Trust and the State upon delivery of the Local Unit Bonds and the receipt of payment therefor in accordance with the Loan Agreements.

Section 8. This resolution shall take effect immediately.

Section 9. Upon the adoption hereof, the Borough Clerk shall forward certified copies of this resolution to the Local Unit's Bond Counsel and to Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

R 34-2011 RESOLUTION OF THE BOROUGH OF MADISON AUTHORIZING THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENTS TO BE EXECUTED BY THE BOROUGH OF MADISON AND EACH OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY, ACTING BY AND THROUGH THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION, ALL PURSUANT TO THE STATE FISCAL YEAR 2011 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST DIRECT LOAN FINANCING PROGRAM

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WHEREAS, the Borough of Madison (the "Local Unit"), in the County of Morris, New Jersey, has determined that there exists a need within the Local Unit to acquire, construct, renovate, install or refinance the Project which consists of the improvement of the Madison-Chatham Joint Meeting's Molitor Water Pollution Control Facility (the "Project"), as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Local Unit and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement," and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Local Unit and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the State Fiscal Year 2011 New Jersey Environmental Infrastructure Trust Direct Loan Financing Program (the "Program");

WHEREAS, the Local Unit has determined to finance or refinance the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan," and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Local Unit to authorize, execute, attest and deliver the Local Unit's Trust Loan General Improvement Bonds, Series 2011, to the Trust in the aggregate principal amount not to exceed \$180,000 (the "Trust Loan Bond") and the Local Unit's Fund Loan General Improvement Bonds, Series 2011, to the State in an aggregate principal amount not to exceed \$355,500

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(the "Fund Loan Bond," and together with the Trust Loan Bond, the "Local Unit Bonds") pursuant to the terms of the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes Annotated, other applicable law and the Loan Agreements;

NOW, THEREFORE, BE IT RESOLVED by a two-thirds vote of the full membership of the Borough Council of the Local Unit as follows:

Section 1. The Trust Loan Agreement and the Fund Loan Agreement (collectively, the "Financing Documents") are hereby authorized to be executed and delivered on behalf of the Local Unit by the Mayor in substantially the forms thereof submitted to the Local Unit, with such changes as the Mayor, in his sole discretion, after consultation with counsel and any advisors to the Local Unit (collectively, the "Local Unit Consultants") and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants," and together with the Local Unit Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of each such Financing Document by the Mayor. The Borough Clerk is hereby authorized to attest to the execution of the Financing Documents by the Mayor and to affix the corporate seal of the Local Unit to such Financing Documents.

Section 2. The Mayor or the Chief Financial Officer (the "Authorized Officers") and the Borough Clerk are hereby further severally authorized to (i) execute and deliver, and the Borough Clerk is hereby further authorized to attest to such execution and affix the corporate seal of the Local Unit to, any document,

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instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the Borough Clerk, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 3. This resolution shall take effect immediately.

Section 4. Upon the adoption hereof, the Borough Clerk shall forward certified copies of this resolution to Rogut McCarthy LLC, bond counsel to the Local Unit, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

R 35-2011 RESOLUTION OF THE BOROUGH OF MADISON APPROVING JACOB HENRY PERKINS TRUST DISBURSEMENT

WHEREAS, the Borough Administrator recommended a grant in the amount of \$2,500.00 to pay open utility bills and housing assistance from the Jacob Henry Perkins Trust (hereafter Perkins Trust) on behalf of K.H., a Borough resident; and

WHEREAS, the Borough Administrator has advised the Borough Council that K.H. meets the criteria for a Perkins Trust grant; and

WHEREAS, the Borough Council has determined to approve the request for a Perkins Trust grant in the amount of \$2,500.00 to pay the open utility bills and housing assistance; and

WHEREAS, the Borough Administrator recommends approving the disbursement of the grant for the above cited purpose.

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NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Madison, in the County of Morris and State of New Jersey, that a grant in the amount of \$2,500.00 is hereby approved from the Perkins Trust to pay the open utility bills and housing assistance, for the benefit of K.H.

R 36-2011 RESOLUTION OF THE BOROUGH OF MADISON AUTHORIZING SETTLEMENT WITH PROPERTY OWNER OF 174 KINGS ROAD

WHEREAS, a claim for property damage was filed with the Borough by Scott Downton, a Borough resident, due to sewer backups; and

WHEREAS, the matter was referred to the Borough's insurance carrier, the Joint Insurance Fund, which denied the claim; and

WHEREAS, the Borough Administrator has negotiated a settlement with Scott Downton in the total amount of \$965.00; and

WHEREAS, the Borough Administrator has recommended that the Borough pay \$965.00 for full and final settlement of the matter.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Madison, in the County of Morris and State of New Jersey, that settlement as described herein is approved subject to Scott Downton signing a general release to the Borough of Madison in a form approved by the Borough Attorney.

R 37-2011 RESOLUTION OF THE BOROUGH OF MADISON APPROVING CHANGE OF LANGUAGE IN THE PERSONNEL POLICES AND PROCEDURES MANUAL AND THE EMPLOYEES HANDBOOK

WHEREAS, the Purchasing/Personnel Officer has made certain recommendations for revisions to the Borough Personnel Policies and Procedures Manual and Employee Handbook as follows:

The Vacation Leave Policy shall be updated to read:

In computing an employee's vacation time, an employee's probationary period is included in computing his or her period of service. Effective 1/1/2011, temporary, seasonal and hourly-paid employees do not earn any vacation time (those hourly employees earning pro-rated vacation time as of 12/31/10 are grandfathered). Effective 1/1/2011, only salaried employees on a regular part-time basis (20 hours or more per week) will be entitled to vacation on a pro-rated basis. Salaried employees on a part-time basis are eligible for an increase in their pro-rated vacation time based upon years of service for full-time employees, according to the progression schedule in effect at the time of hiring.

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The Sick Leave and Leave of Absence Policy shall be updated to read:

Temporary, seasonal and hourly-paid employees are not entitled to compensation for such absences (those hourly employees earning pro-rated sick time as of 12/31/10 are grandfathered). Effective 1/1/2011, only salaried employees on a regular part-time basis (20 hours or more per week) are entitled to sick leave in direct proportion to hours worked as compared to full-time employment.

WHEREAS, the Borough Council has determined to adopt such recommendations.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Borough of Madison, in the County of Morris in the State of New Jersey that the recommended revisions to the Personnel Policies and Procedures Manual and the Employee Handbook as described herein are hereby adopted and the Purchasing/Personnel Officer is authorized to provide any required notice to employees.

R 38-2011 RESOLUTION OF THE BOROUGH OF MADISON AUTHORIZING ADDENDUM TO THE LEASE WITH THE ROMAN CATHOLIC DIOCESE OF PATERSON DATED DECEMBER 29, 2007 FOR USE OF THE GYMNASIUM THROUGH MARCH 31, 2011

WHEREAS, the Borough of Madison (hereinafter “Borough”) and the Roman Catholic Diocese of Paterson (hereinafter “Diocese”) entered into a mutually beneficial lease agreement dated December 29, 2007 for the use of property owned by the Diocese at Lot 1, Block 201, Madison, New Jersey, which premises were formerly occupied by Bayley Ellard High School; and

WHEREAS, the Borough Council by Resolution 30-2011 authorized execution of an addendum to the lease agreement with the Diocese for use of the gymnasium and parking lot for one month ending January 31, 2011; and

WHEREAS, the Diocese has agreed to extend the lease agreement for use of the gymnasium and parking lot to March 31, 2011; and

WHEREAS, the Borough Administrator has recommended that a written addendum to the lease agreement between the Borough and the Diocese be entered into for use of the gymnasium and parking lots at the premises known as Lot 1, Block 201, Madison, New Jersey, formerly occupied by Bayley Ellard High School, for a term of three months commencing January 1, 2011 and ending March 31, 2011; and

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WHEREAS, the rent will be \$2,000.00 per month, and other consideration as set forth in the addendum to the Lease agreement; and

WHEREAS, the Borough Council has determined that it is in the best interest of the Borough to enter into such written addendum to the lease agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Borough of Madison, in the County of Morris and State of New Jersey, as follows:

1. The Mayor and Borough Clerk are authorized to execute an addendum to the lease agreement with the Roman Catholic Diocese of Paterson for use of the gymnasium and parking lots at the premises known as Lot 1, Block 201, Madison, New Jersey, formerly occupied by Bayley Ellard High School, through March 31, 2011.

2. The form of the lease is to be approved by the Borough Attorney.

INVITATION FOR DISCUSSION (2 of 2)

Mayor Holden opened the meeting to the public for their opportunity to ask questions and make comments on any subject. The Mayor asked that, upon recognition by the Chair, the person shall proceed to the lectern and give his/her name and address in an audible tone of voice, and print the same on the sheet provided for the record. **He/she shall limit his/her statement to three (3) minutes or less.**

Thomas Haralampoudis, Pomeroy Road, representing the Environmental Commission, inquired about their involvement in the planning of the MRC, noting that the members have not yet been asked to participate. Mr. Haralampoudis raised additional questions regarding financing if all fundraising does not go as planned.

Mr. Cerciello left the meeting at 9:57 p.m. and returned at 10:03 p.m.

Marty Horn, West Lane, Chairperson of the Madison Recreation Committee, thanked the Council for introducing an ordinance for financing of the recreation fields. Mr. Horn feels funds can be raised in a short period of time and now is the time to move forward with this project. Mr. Horn noted his disappointment that the vote was not unanimous and again thanked those who voted in favor of the recreation fields financing.

Carl Hess, Park Avenue, asked that the Mayor and Council place roadway reconstruction of Pine, Rose, Beech and Cedar Avenues as a priority in Capital budget planning as promised last year.

Tim Harrington, Cross Gates Road, inquired about the useful life of the proposed turf fields. Mr. Harrington noted that interest rates may change before bond anticipation notes are due. Mr. Harrington noted that laws regarding naming rights are very clear. Mr. Harrington commented on proposed water rate increases, noting rates are competitive to other water suppliers.

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Paul DiGiacomo, Union Hill Road, noted that recreation program participants have waited a long time for new fields, and each year the condition of existing fields deteriorates.

Nick Spagnoletti, Central Avenue, noted that new turf fields will become an asset to the Borough. Mr. Spagnoletti noted interest by several sports groups to use the fields, willing to pay fees, and encouraged the Council to look for other sources of revenue.

UNFINISHED BUSINESS - None

APPROVAL OF VOUCHERS

On motion by Dr. Esposito, seconded by Mr. Conley and carried, the following vouchers of the Borough of Madison were approved for payment, and the supporting documentation of said vouchers was made part of the Supplemental Minute Book.

Public Safety	\$14,043.01
Health & Public Assistance	5,374.88
Public Works & Engineering	43,372.09
Community Affairs	21,804.02
Finance & Borough Clerk	104,211.21
Utilities	<u>1,246,111.76</u>
Total	<u>\$1,434,916.97</u>

The following roll call vote was recorded approving the aforementioned vouchers:

Yeas: Mr. Conley, Mrs. Tsukamoto, Dr. Esposito
Mr. Cerciello, Mr. Links, Mr. Catalanello

Nays: None

NEW BUSINESS

Mayor Holden announced the following appointments and requested Council confirmation:

PATRIOTIC CELEBRATIONS COMMITTEE

Victor H. Schumacher, EdD, of 163 Central Avenue for a one year term through December 31, 2011

James Kemp of 16 Wayne Blvd as *Chairperson* for a one year term through December 31, 2011

OPEN SPACE, RECREATION AND HISTORIC PRESERVATION ADVISORY COMMITTEE

Katie McCullough of 146 Central Avenue for a one year term through December 31, 2011

Mrs. Tsukamoto moved confirmation of the foregoing appointments. Mr. Conley seconded the motion, which passed with the following roll call vote recorded:

Yeas: Mr. Conley, Mrs. Tsukamoto, Dr. Esposito
Mr. Cerciello, Mr. Links, Mr. Catalanello

Nays: None

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ADJOURN AND RECONVENE EXECUTIVE SESSION

There being no further business to come before the Council, the meeting was adjourned at 10:35 p.m. and the Executive Session immediately reconvened.

RECONVENE AND ADJOURN

The Regular Meeting reconvened at 11:25 p.m. and immediately adjourned.

Respectfully submitted,

Elizabeth Osborne
Borough Clerk
Approved February 14, 2011 (EO)