

**Lebanon Township Committee
February 3, 2016**

Minutes of Regular Meeting

CALL TO ORDER

Mayor Marc Laul called the meeting to order at 7:00 p.m. and stated that in compliance with the “Open Public Meeting Act” this is a Regular Meeting of the Township Committee as published in the Hunterdon Review, the agenda has been posted at the Municipal Building and distributed to the Hunterdon Review, Courier News, the Express Times, the Hunterdon County Democrat and the Star Ledger.

FLAG SALUTE

Mayor Laul asked everyone to please stand for the Flag Salute and for a moment of silence in honor of our Servicemen and Women.

ROLL CALL

Present -	Marc Laul	Thomas McKee	Ronald Milkowski
	Brian Wunder	Mike Schmidt	

Absent-

Also Present - Attorney Dick Cushing, Clerk Karen Sandorse and 4 members of the public.

PRESENTATION OF MINUTES

Minutes of the Regular Meeting of January 20, 2016

Motion by Mr. Milkowski, seconded by Mr. McKee and carried by favorable roll call vote, the Township Committee approved minutes of the regular meeting of January 20, 2016. AYES: Schmidt, Laul, McKee, Milkowski, ABSTAIN: Wunder

Minutes of the Executive Session of January 20, 2016

Motion by Mr. McKee, seconded by Mr. Schmidt and carried by favorable roll call vote, the Township Committee approved minutes of the executive session meeting of January 20, 2016. AYES: Schmidt, Laul, McKee, Milkowski, ABSTAIN: Wunder

PUBLIC COMMENTS – for agenda items only.

Motion by Mr. Wunder, seconded by Mr. McKee and carried by unanimous favorable roll call vote, the Township Committee opened the public comment portion of the meeting.

LTCM

02/03/2016

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Ms. Laurie Hoffman mentioned that the funding for the Museum restroom was not listed in the title of the Bond ordinance. Mr. Schmidt informed Ms. Hoffman that the restroom would be considered "public improvements".

Motion by Mr. Wunder, seconded by Mr. McKee and carried by unanimous favorable roll call vote, the Township Committee closed the public comment portion of the meeting.

RESOLUTIONS

Mr. McKee informed the Committee that he has requested a copy of the Note or backup documentation to accompany future Bond Anticipation Note resolutions. The Committee will then be aware of the Ordinances that are included in the Note that is being issued. Mayor Laul stated that he has requested that same from the CFO. Mr. Schmidt reminded all that this particular Note reflects only the current portion of the Township's debt, not the full outstanding debt.

Resolution No. 21-2016 - Bond Anticipation Note

Motion by Mr. McKee, seconded by Mr. Wunder and carried by unanimous favorable roll call vote, the Township Committee approved Resolution No. 21-2016 as written below.

TOWNSHIP OF LEBANON
COUNTY OF HUNTERDON
STATE OF NEW JERSEY
RESOLUTION NO 21-2016

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF LEBANON, IN THE COUNTY OF HUNTERDON, NEW JERSEY, COVENANTING TO COMPLY WITH THE PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, APPLICABLE TO THE EXCLUSION FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES OF INTEREST ON OBLIGATIONS ISSUED BY THE TOWNSHIP OF LEBANON AND AUTHORIZING THE MAYOR, TOWNSHIP CLERK, CHIEF FINANCIAL OFFICER AND OTHER TOWNSHIP OFFICIALS TO TAKE SUCH ACTION AS THEY MAY DEEM NECESSARY OR ADVISABLE TO EFFECT SUCH COMPLIANCE AND DESIGNATING A \$955,565 BOND ANTICIPATION NOTE, DATED JANUARY 29, 2016, PAYABLE JANUARY 27, 2017, AS A "QUALIFIED TAX-EXEMPT OBLIGATION" PURSUANT TO SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

WHEREAS, the Township of Lebanon, in the County of Hunterdon, New Jersey (the "Township") from time to time issues bonds, notes and other obligations the interest on which is excluded from gross income for Federal income tax purposes and desires to take such action as may be necessary or advisable to establish and maintain such exclusion; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), contains provisions with respect to the exclusion from gross income for Federal income tax purposes of interest on obligations, including provisions, among others, which require issuers of tax-

exempt obligations, such as the Township to account for and rebate certain arbitrage earnings to the United States Treasury and to take

other action to establish and maintain such Federal tax exclusion; and

WHEREAS, the Township intends to issue a \$955,565 bond anticipation note, dated January 29, 2016 and payable January 27, 2017 (the "Note"); and

WHEREAS, the Township desires to designate the Note as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code;

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Lebanon, in the County of Hunterdon, New Jersey, as follows:

SECTION 1. The Township Committee hereby covenants on behalf of the Township, to the extent permitted by the Constitution and the laws of the State of New Jersey, to do and perform all acts and things permitted by law and necessary to assure that interest paid on bonds, notes or other obligations of the Township (including the Note) be and remain excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code.

SECTION 2. The Mayor, Township Clerk, Chief Financial Officer and other officials of the Township are hereby authorized and directed to take such action, make such representations and give such assurances as they may deem necessary or advisable to effect compliance with the Code.

SECTION 3. The Note is hereby designated as a "qualified tax-exempt obligation" for the purpose of Section 265(b)(3) of the Code.

SECTION 4. It is hereby determined and stated that (1) the Note is not a "private activity bond" as defined in the Code and (2) the Township and its subordinate entities, if any, do not reasonably anticipate issuing in excess of \$10 million of new money tax-exempt obligations (other than private activity bonds) during the calendar year 2016.

SECTION 5. It is further determined and stated that the Township has not, as of the date hereof, issued any tax-exempt obligations (other than the Note) during the calendar year 2016.

SECTION 6. The Township will, to the best of its ability, attempt to comply with respect to the limitations on issuance of tax-exempt obligations pursuant to Section 265(b)(3) of the Code; however, said Township does not covenant to do so, and hereby expressly states that a covenant is not made hereby.

SECTION 7. The issuing officers of the Township are hereby authorized to deliver a certified copy of this resolution to the original purchaser of the Note and to further provide such original purchaser with a certificate of obligations issued during the calendar year 2016 dated as of the date of delivery of the Note.

SECTION 8. This resolution shall take effect immediately upon its adoption.

The foregoing resolution was adopted by the following roll call vote:

Resolution No. 22-2016 – Amending the Capital Budget

Motion by Mr. Wunder, seconded by Mr. Schmidt and carried by unanimous favorable roll call vote, the Township Committee approved Resolution No. 22-2016 as written below.

**TOWNSHIP OF LEBANON
COUNTY OF HUNTERDON
STATE OF NEW JERSEY
RESOLUTION NO. 22-2016
A RESOLUTION**

WHEREAS, the Township of Lebanon, County of Hunterdon, desires to amend the 2016 Capital Budget of said municipality by inserting thereon or correcting the items therein as shown in such budget for the following reason:

Acquisition of fire dept command vehicle and ambulance, and various improvements to the Public Museum.

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Lebanon of the County of Hunterdon, as follows:

Section 1. the 2016 Capital Budget of the Township of Lebanon is hereby amended by adding thereto a Schedule to read as follows:

AMENDMENT NO. 1
CAPITAL BUDGET OF THE
TOWNSHIP OF LEBANON, COUNTY OF HUNTERDON
Projects Schedules for 2016
Method of Financing

<u>PROJECT</u>	<u>ESTIMATED GENERAL COST</u>	<u>CAPITAL IMPROV. FUND</u>	<u>NOTES/BONDS</u>
As Listed Above -	\$ <u>400,000</u>	\$ <u>20,000</u>	\$ <u>380,000</u>

Section 2. The Clerk be and is authorized and directed to file a certified copy of this resolution with the Division of Local Government Services, Department of Community Affairs, State of New Jersey, within three days after the adoption of these projects for 2016 Capital Budget, to be included in the 2016 Capital Budget as adopted.

ORDINANCES

Ordinance No. 2016-01 – CAP BANK

Public Hearing

Motion by Mr. Wunder, seconded by Mr. Schmidt and carried by unanimous favorable roll call vote, the public hearing for Ordinance No. 2016-01 was opened.

There were no comments from the public.

Motion by Mr. Wunder, seconded by Mr. McKee and carried by unanimous favorable roll call vote, the public hearing for Ordinance No. 2016-01 was closed.

Motion by Mr. Wunder, seconded by Mr. Schmidt and carried by unanimous favorable roll call vote, the Township Committee adopted Ordinance No. 2016-01 as written below.

**STATE OF NEW JERSEY
COUNTY OF HUNTERDON
TOWNSHIP OF LEBANON
ORDINANCE NO. 2016-01
CALENDAR YEAR 2016
ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO
ESTABLISH A CAP BANK
(N.J.S.A. 40A: 4-45.14)**

WHEREAS, the Local Government Cap Law, N.J.S. 40A: 4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget up to 0% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and,
WHEREAS, N.J.S.A. 40A: 4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and,
WHEREAS, the Township Committee of the Township of Lebanon in the County of Hunterdon finds it advisable and necessary to increase its CY 2016 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,
WHEREAS, the Township Committee hereby determines that a 3.5% increase in the budget for said year, amounting to \$ 148,227,66 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,
WHEREAS, the Township Committee hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.
NOW THEREFORE BE IT ORDAINED, by the Township Committee of the Township of Lebanon, in the County of Hunterdon, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2016 budget year, the final appropriations of the Township of Lebanon shall, in accordance with this ordinance and N.J.S.A. 40A: 4-45.14, be increased by 3.5%,

amounting to \$ 148,227.66, and that the CY 2016 municipal budget for the Township of Lebanon be approved and adopted in accordance with this ordinance; and,
BE IT FURTHER ORDAINED, that any that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,
BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,
BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

Introduction

Ordinance No. 2016-02 - Bond

Motion by Mr. Wunder, seconded by Mayor Laul and carried by unanimous favorable roll call vote, the Township Committee approved Ordinance No. 2016-02 on first reading as entitled below.

TOWNSHIP OF LEBANON
COUNTY OF HUNTERDON
STATE OF NEW JERSEY
ORDINANCE NO. 2016-02

BOND ORDINANCE TO AUTHORIZE THE MAKING OF A PUBLIC IMPROVEMENT AND THE ACQUISITION OF NEW AUTOMOTIVE VEHICLES, INCLUDING ORIGINAL APPARATUS AND EQUIPMENT, IN, BY AND FOR THE TOWNSHIP OF LEBANON, IN THE COUNTY OF HUNTERDON, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF \$400,000 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.

Public hearing to be held on February 17, 2016.

OLD BUSINESS

Hagedorn Lease

Mr. Wunder informed the Committee that he visited Veteran's Haven North and received a tour of the facility. Mr. Wunder also stated that he spoke to Mr. Robert J. Shaughnessey, the Assistant Deputy Director of the NJ Office of Real Property Acquisition & Disposition in the Department of Treasury, about the Malvern Institute Hunterdon County LLC leasing the East Hall at the Hagedorn Site. Mr. Wunder was informed that the Malvern Institute is a rehabilitation facility and that there may be a maximum of 50 clients residing at the site by the end of the year. Mr. Shaughnessey did not have a lot of information to provide at this time but he will keep the Township informed. Mr. Schmidt asked if there are additional leases that can be given out at the site. Mr. Wunder stated that there are no additional leases to be had at the East Hall; however, there may be more in other buildings at the facility.

DPW Garage Floor

Mr. Wunder stated that he met with a contractor at the DPW Garage today regarding the problems with the mechanic's bay floor. The contractor took pictures and measurements and suggested possibly milling the high spots off of the concrete and lowering the drains a small amount. Mr. Wunder stated that he has a few more inquires out; however, they are not being very responsive.

Mr. Milkowski stated that the Township Engineer had sent a letter and suggested "cutting an area down in each bay, two feet beyond the truck, all the way around and to lower the drains". Mr. Milkowski stated that he would like to see what the cost would be for the engineering work so numbers can be put together. Mr. Milkowski stated that he does not think that they are ready to make a commitment one way or another. Mr. Milkowski noted that there is a low spot by the storage room and he would like the DPW Manager to get an outdoor mat for the location to prevent a slip hazard.

NEW BUSINESS

Township Historian's Request for Appointments

Motion by Mr. Schmidt, seconded by Mr. Milkowski and carried by favorable roll call vote, the Township Committee appointed Maryann DeCoster and Gail Angell to the Township Historians as requested by the Historians.

Mr. Victor Hoffman is the Chairman of the Historians with Bill DeCoster being the Vice Chairman and Nina Sovia the Secretary.

Township EOSC Request for Appointments

Mayor Laul stated that Mr. Drew DePalma and Mr. Doug Diehl have resigned from the LTEOS. Mayor Laul thanked Mr. Diehl for the many years that he served on the LTEOS and Mr. DePalma for all of his efforts.

Motion by Mr. Milkowski, seconded by Mr. McKee and carried by favorable roll call vote, the Township Committee appointed Adam Mickley (term expiring 12/2017), Sharon Hardy, Alt #1 (term expiring 12/2017) and Sharon Petzinger (term expiring 12/2016).

Karla Drumm – Notification of Pre-planned Vacations - Unpaid

Library Clerk Karla Drumm was appointed to her position on January 6, 2016. Under the CWA Collective Bargaining Agreement Karla will not be eligible for one weeks paid vacation until 2017. Karla has vacations planned and would like to take the time; unpaid.

Motion by Mr. Wunder, seconded by Mr. McKee and carried by favorable roll call vote, the Township Committee approved Karla's request for unpaid vacation days; February 24, 2016 – February 27, 2016 and October 12, 2016 –October 15, 2016.

Vehicles Behind Squad Building

Mr. Wunder asked about the vehicles behind the squad building. Mayor Laul stated that he spoke to the Fire Department Chief and was promised that the cars will be removed once the snow is gone. Mr. Wunder asked about the status of the renovations to the Squad building. Mr. Milkowski stated that the Fire Department has been working on it and are making some progress.

PRESENTATION OF VOUCHERS

Committee Members provided a description of vouchers exceeding \$1000.00.

Motion by Mr. Wunder seconded by Mr. Schmidt and carried by favorable roll call vote, the Township Committee approved the February 3, 2016 bill list in amount of \$ 953,192.36 and a voucher for the Flemington Department Store in the amount of \$1150.00. AYES: Wunder, Schmidt, Laul, McKee ABSTAIN: Milkowski

CORRESPONDENCE

PUBLIC COMMENTS

Motion by Mr. McKee, seconded by Mr. Milkowski and carried by unanimous favorable roll call vote, the Township Committee opened the public comment portion of the meeting at 7:27 p.m.

Ms. Laurie Hoffman congratulated Mayor Laul on his Mayoral appointment. Ms. Hoffman questioned how much money the Township will receive back from the \$69,000.00 that it is paying to the County for

Open Space Taxes this year. Ms. Hoffman asked what kind of facility is going into the East Hall at the Hagedorn site. Mr. Wunder stated that it may be a rehabilitation facility. Ms. Hoffman stated that there was a big issue when Genpsych located in the Township but now the community has no say in what type of facility goes into the Hagedorn property. Ms. Hoffman stated that she does not feel that it is fair. Ms. Hoffman said that she thought that the Township was working toward not having to monitor the wells at Fire Station No. 1. Mr. Milkowski stated that the Township must comply with the requirements of the State DEP. Ms. Hoffman stated that a few meetings ago the DPW Mechanic, Ed Kiley, came to the Committee with a list of things that need to be corrected at the DPW Garage. Ms. Hoffman asked for an update of the problems that need to be addressed.

Motion by Mr. Milkowski, seconded by Mr. Wunder and carried by unanimous favorable roll call vote, the Township Committee closed the public comment portion of the meeting at 7:32 p.m.

ADJOURNMENT

Having no further business to come before the Committee a motion was made by Mr. Milkowski, seconded by Mr. Wunder and carried by unanimous favorable roll call vote to adjourn the meeting at 7:34 p.m.

Respectfully submitted,

Karen J. Sandorse, RMC/CMC
Municipal Clerk

Approved: February 17, 2016

Marc Laul, Mayor