

March 20, 2017

Minutes of the public meeting of the Mayor and Council of the Borough of Dunellen held on March 20, 2017.

Mayor Robert J. Seader called the meeting to order at 7:00 p.m. and he led the Pledge of Allegiance.

Municipal Clerk William Robins read the Sunshine Statement and called the Roll.

Present: Robert Seader, Kenneth Baudendistel, Kevin Bachorik, Kenneth Bayer, Jason Cilento, Jeremy Lowder and Joseph Petracca

On the motion of Mr. Bayer and seconded by Mr. Cilento it was moved to accept the Minutes of March 6, 2017:

Yes: Baudendistel, Bayer, Cilento and Petracca

Abstain: Bachorik and Lowder, both due to being absent at that meeting.

At this point, Mayor Seader accepted the resignation of Tom Davis from the Dunellen Public Library Board of Trustees

Mayor's Letter to the Dunellen Borough Council recommending approval of the application by Brudner Redevelopment Partners Urban Renewal, LLC ("Redeveloper") of their Application for Tax Exemption:

March 20, 2017

From: Mayor Robert J. Seader

To: Dunellen Borough Council

Re: Art Color Redevelopment Project – PILOT Application

I have reviewed the Application for Tax Exemption submitted by Brudner Redevelopment Partners Urban Renewal, LLC ("Redeveloper") on March 17, 2017 and have discussed the application with the Borough's legal counsel and financial consultant. Having completed this process, I have concluded that the application accurately documents the agreement we have negotiated with the Redeveloper. Therefore, pursuant to N.J.S.A. 40A:20-8, I am recommending approval of the application by the Borough Council, with the execution of the financial agreement to be subject to the simultaneous full execution of the redevelopment agreement for the project.

On the motion of Mr. Bachorik and seconded by Mr. Petracca it was moved to accept the following:

ORDINANCE 2017-01

The following ordinance is being Introduced for first reading on March 20, 2017, and a second reading and public hearing will be held at 7:00 p.m. in the Dunellen Borough Municipal Building, 355 North Avenue, Dunellen, New Jersey on the 3rd day of April, 2017, and copies of this Ordinance shall be posted on the public bulletin board prior to the date for second reading and final passage and copies of this Ordinance shall be available at the Office of the Borough Clerk for any interested members of the public.

BOROUGH OF DUNELLEN
COUNTY OF MIDDLESEX, NEW JERSEY

CALENDAR YEAR 2017

**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 to 0.5% 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 two succeeding years; and,

WHEREAS, the Mayor and Borough Council of the Borough of Dunellen, in the County of Middlesex, New Jersey, finds it advisable and necessary to increase its CY 2017 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 Mayor and Borough Council hereby determines that a 3.0 % increase in the budget for said year, amounting to \$159,684.45 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary.

WHEREAS, the Mayor and Borough Council hereby determines that any amount authorized herein above that is not appropriated as part of the final budget shall be retained as an exception to the final appropriation in either of the next two succeeding years.

NOW THEREFORE BE IT ORDAINED, by the Mayor and Borough Council of the Borough of Dunellen, in the County of Middlesex, New Jersey, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2017 budget year,

the final appropriations of the Borough of Dunellen shall, in accordance with this ordinance and N.J.S.A. 40 A: 4-45.14, be increased by 3.5 %, amounting to \$186,298.53 and that the CY 2017 municipal budget for the Borough of Dunellen be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER ORDAINED, 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.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Bayer and seconded by Mr. Cilento it was moved to accept the following:

ORDINANCE 2017-02

BOROUGH OF DUNELLEN

The following ordinance is being Introduced for first reading on March 20, 2017, and a second reading and public hearing will be held at 7:00 p.m. in the Dunellen Borough Municipal Building, 355 North Avenue, Dunellen, New Jersey on the 3rd day of April, 2017, and copies of this Ordinance shall be posted on the public bulletin board prior to the date for second reading and final passage and copies of this Ordinance shall be available at the Office of the Borough Clerk for any interested members of the public.

AN ORDINANCE AMENDING AND RESTATING CHAPTER 96, ARTICLE 4, SECTION 95 TITLED “UNDERAGE POSSESSION OR CONSUMPTION OF ALCOHOL ON PRIVATE PROPERTY” OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF DUNELLEN PROHIBITING THE POSSESSION OR CONSUMPTION OF ALCOHOL BY THOSE UNDER THE LEGAL AGE

WHEREAS, pursuant to the General Powers conferred upon a Municipality by virtue of state statute, N.J.S.A. 40:48-1.2 et seq., the governing body of the Borough of Dunellen previously enacted Chapter 96, Article IV, Section 25 entitled Underage Possession or consumption of Alcohol on Private Property; and

WHEREAS, the Legislature of the State of New Jersey may elect to not only create, but also from time to time modify the state statutory scheme as it deems fit, and consistent therewith the State Legislature did make certain modifications to N.J.S.A. 40:48-1.2 et seq., which modifications may have an impact on the particular provisions of the corresponding Borough Ordinance 96.25; and

WHEREAS, the Borough Council of the Borough of Dunellen deems it necessary to modify its ordinance to remain consistent with the requirements of N.J.S.A. 40:48-1.2 et seq.; and

WHEREAS, the Borough Council finds that the proposed changes are appropriate to advance the health, safety and welfare of the Borough's residents and others, and are otherwise necessary to remain consistent with the corresponding state legislation found at N.J.S.A. 40:48-1.2 et seq.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Dunellen, in the County of Middlesex and State of New Jersey, that it hereby amends Chapter 96, Article IV, Section 25 and restates it in its entirety as follows:

Section 96-25 (A). Definitions. The following definitions shall apply:

Guardian means a person who has qualified as a guardian of the underaged person pursuant to testamentary or court appointment.

Relative means an underaged person's grandparent, aunt or uncle, sibling or any other person related by blood by affinity.

Section 96-25 (B). Prohibition.

It is hereby unlawful for any person under the legal age to, without legal authority, knowingly possess or knowingly consume an alcoholic beverage on private property within the Borough.

Section 96-25 (C). Violations and Penalties.

1. Any person found in violation of this ordinance shall be punished by a fine of \$250. for a first offense and \$350. for any subsequent offense.
2. The court may, in addition to the fine authorized for this offense, suspend or postpone for six months the driving privilege of anyone found in violation of this ordinance. Upon the conviction of any person and the suspension or postponement of that person's driver's license, the court shall forward a report to the N.J. Motor Vehicle Commission stating the first and last day of the suspension or postponement period imposed by the court pursuant to this section.

If a person at the time of the imposition of a sentence is less than 17 years of age, the period of license postponement, including a suspension or postponement of the privilege of operating a motorized bicycle, shall commence on the day the sentence is imposed and shall run for a period of six months after the person reaches the age of 17 years.

If a person at the time of the imposition of a sentence has a valid driver's license issued by this State, the court shall immediately collect the license and forward it to the division along with the report. If for any reason the license cannot be collected, the court shall include in the report the complete name, address, date of birth, eye color, and sex of the person, as well as the first and last date of the license suspension period imposed by the court.

The court shall inform the person orally and in writing that if the person is convicted of operating a motor vehicle during the period of license suspension or postponement, the person shall be subject to the penalties set forth in N.J.S.A. 39:3-40. A person shall be required to acknowledge receipt of the written notice in writing. Failure to receive a written notice or failure to acknowledge in writing the receipt of a written notice shall not be a defense to a subsequent charge of a violation of N.J.S.A./ 39:3-40.

If the person convicted under such an ordinance is not a New Jersey resident, the court shall suspend or postpone, as appropriate, the non-resident driving privilege of the person based on the age of the person and submit to the division the required report. The court shall not collect the license of a non-resident convicted under this section. Upon receipt of a report by the court, the division shall notify the appropriate officials in the licensing jurisdiction of the suspension or postponement.

Section 96-25 (D). Immunity from Prosecution; certain circumstances.

- a. An underage person and one or two other persons shall be immune from prosecution under this ordinance if: (1) one of the underage persons called 9-1-1 and reported that another underage person was in need of medical assistance due to alcohol consumption; (2) the underage person who called 9-1-1 and, if applicable, one or two other persons acting in concert with the underage person who called 9-1-1 provided each of their names to the 9-1-1 operator; (3) the underage person was the first person to make the 9-1-1 report; and (4) the underage person and, if applicable, one or two other persons acting in concert with the underage person who made the 9-1-1 call remained on the scene with the person under the legal age in need of medical assistance until assistance arrived and cooperated with medical assistance and law enforcement personnel on the scene.
- b. The underage person who received medical assistance as provided in subsection a. of this section also shall be immune from prosecution under this ordinance.

Section 96-25 (E). Exceptions.

1. This section shall not prohibit an underage person from consuming or possessing an alcoholic beverage in connection with a religious observance, ceremony, or rite or consuming or possessing an alcoholic beverage in the presence of and with the permission of a parent, guardian or relative who has attained the legal age to purchase and consume alcoholic beverages.

2. This section shall not prohibit the possession of alcoholic beverages by any person under the legal age while such person is lawfully engaged in the performance of employment by a person who is licensed under Title 33 of the New Jersey Revised Statutes, or while actively engaged in the preparation of food while enrolled in a culinary arts or hotel management program at a county vocational school or post-secondary educational institution; however this section shall not be construed to preclude the imposition of a penalty under this section, N.J.S.A. 33:1-81, or under any other section of existing ordinance or law against a person who is convicted of unlawful alcoholic beverage activity on or at premises licensed for the sale of alcoholic beverages.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Baudendistel and seconded by Mr. Cilento it was moved to accept the following:

ORDINANCE 2017-03

The following ordinance is being Introduced for first reading on March 20, 2017, and a second reading and public hearing will be held at 7:00 p.m. in the Dunellen Borough Municipal Building, 355 North Avenue, Dunellen, New Jersey on the 3rd day of April, 2017, and copies of this Ordinance shall be posted on the public bulletin board prior to the date for second reading and final passage and copies of this Ordinance shall be available at the Office of the Borough Clerk for any interested members of the public.

AN ORDINANCE TO APPROVE A LONG-TERM TAX EXEMPTION AND FINANCIAL AGREEMENT BETWEEN THE BOROUGH OF DUNELLEN AND BRUDNER REDEVELOPMENT PARTNERS URBAN RENEWAL, LLC

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, *et seq.*, as amended and supplemented (the “**Act**”), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, in accordance with the criteria set forth in the Act, the Borough Council (the “**Borough Council**”) of the Borough of Dunellen (the “**Borough**”), acting as the Borough’s redevelopment entity pursuant to N.J.S.A. 40A:12A-4, identified and designated a certain area of the Borough consisting of North Avenue and Bound Brook Road (State Highway 28) from the municipal boundaries with the City of Plainfield in the east to the Borough of Middlesex in the west and including Washington Avenue (County Road 529) from Front Street (north) to New Market Road (south) (County Road 665) as an area in need of redevelopment under N.J.S.A. 40A:12A-5; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, the Borough Council adopted by ordinance on August 9, 2004, the Dunellen Downtown Redevelopment Plan, Phase One, and subsequently amended by ordinances on June 9, 2011, August 5, 2013, November 3, 2014, and February 22, 2016 (the “**Redevelopment Plan**”) for an area that includes Block 85, Lots 1 and 2 on the Borough’s tax map (the “**Property**”); and

WHEREAS, Brudner Redevelopment Partners Urban Renewal, LLC (the “**Entity**”) is the owner or contract owner of the Property; and

WHEREAS, on _____, 2017, the Borough Council passed a resolution authorizing the execution and delivery of that certain Redevelopment Agreement (the “**Redevelopment Agreement**”), which sets forth the respective obligations for the Borough and the Entity with respect to the redevelopment of the Property in accordance with the Redevelopment Plan; and

WHEREAS, the Redevelopment Agreement provides for, *inter alia*, a mixed-use redevelopment project at the Property consisting of 10,000 to 15,000 square feet of

retail/commercial space (the “**Retail/Commercial Subcomponent**”), 252 rental housing units, of which 194 will be market-rate rental housing units (the “**Market Rate Rental Subcomponent**”) and 58 low income and moderate income housing units, as those terms are defined by N.J.S.A. 52:27D-304, allocated per the Uniform Housing Affordability Control, N.J.S.A. 5:80-26.1 et seq., regulations (the “**Affordable Housing Rental Subcomponent**”); together with the Market Rate Rental Subcomponent, the “**Residential Rental Subcomponent**” and, collectively, the “**Rental Component**”), and 130 fee-simple, for-sale residential units (the “**Townhouse Component**”), as well as infrastructure improvements and related remediation (collectively, the “**Project**”); and

WHEREAS, the Project as set forth in the Redevelopment Agreement conforms to the Redevelopment Plan and the master plan of the Borough; and

WHEREAS, pursuant to the Act, improvements to property located within an area in need of redevelopment may qualify for long term tax exemptions under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**LTTE Law**”); and

WHEREAS, the Entity is authorized to do business as an urban renewal entity under the laws of the State of New Jersey pursuant to the provisions of the LTTE Law; and

WHEREAS, despite the Entity’s substantial investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project; and

WHEREAS, the provisions of the Act and such other statutes as may be sources of relevant authority, if any, authorize the Borough to accept, in lieu of real property taxes, an annual service charge paid by the Entity to Borough as set forth in such laws; and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful project, the Entity has submitted an application for the approval of a long term tax exemption for the Project (the “**Exemption Application**”), attached hereto as Exhibit A, and a form of financial agreement (the “**Financial Agreement**”), attached hereto as Exhibit B, to the Borough, all in accordance with the LTTE Law; and

WHEREAS, the mayor of the Borough has provided his recommendations with respect to the Exemption Application to the Borough Council; and

WHEREAS, upon review of the proposed Project, the Exemption Application and the Financial Agreement, the Borough has made the following findings with respect to the Project pursuant to N.J.S.A. 40A:20-11:

1. The development and construction of the Project, including infrastructure improvements as set forth in the Redevelopment Agreement and the Redevelopment Plan will be beneficial to the overall community; will achieve the goals and objectives of the Redevelopment Plan; will help revitalize the Property; will improve the quality of life for the community; will serve as a catalyst for further private

investment in areas surrounding the Property; will facilitate the remediation of environmental contamination and the revitalization and productive reuse of land currently in a blighted, stagnant, unproductive and fallow condition; will enhance the economic development of the Borough by alleviating existing blight conditions of the Property; and will further Redevelopment Plan objectives and contribute to the economic growth of the Borough in general and specifically the Property;

2. The Project will result in the creation of approximately 950 construction jobs;
3. The Project, upon completion, will result in the creation of approximately 221 full-time and part-time jobs;
4. The aforesaid benefits of the Project exceed the cost, if any, associated with granting the tax exemption provided by the Financial Agreement;
5. The Financial Agreement is a material inducement to the Entity to undertake the Project in the Borough and facilitate the redevelopment of the Property; and

WHEREAS, the Redevelopment Area Bond Financing Law (N.J.S.A. 40A:12A-64 *et seq.*) (the “**Bond Financing Law**”), the LTTE and the Act are intended to encourage private investment in such redevelopment areas by providing the ability to finance and pay for necessary improvements, while simultaneously giving private investors and tenants stability and predictability as to the future tax treatment of their investment; and

WHEREAS, the Borough is agreeable to granting a long term tax exemption to the Entity for the Project and, in connection therewith, the Borough and the Entity will utilize the Bond Financing Law, the Act, and such other statutes as may be sources of relevant authority, if any, to facilitate financing of the Project; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Financing Law, specifically N.J.S.A. 40A:12A-67(a), the Borough Council, as redevelopment entity, may issue bonds, may apply to an authority (as such term is defined in the Bond Financing Law) to issue bonds, or may cause the issuance of such bonds, which bonds may be secured by an annual service charge; and

WHEREAS, to assist in financing a portion of the costs of the Project, the Borough has agreed to issue its Special Obligation PILOT Redevelopment Bonds (ArtColor Project), Series 20[] (the “**Bonds**”) in accordance with that certain Bond Agreement relating to the issuance of the Bonds (as the same may be amended, modified or supplemented from time to time, the “**Bond Agreement**”) by and among the Borough, the Entity and a banking corporation, as

trustee, escrow agent and paying agent (together with its successors and assigns in any such capacity, the “**Bank**”), and the purchaser of the Bonds, for the purpose of providing funds for the Project; and

WHEREAS, pursuant to the terms of the Financial Agreement and the Bond Agreement, and in accordance with the terms of the Bond Financing Law, specifically N.J.S.A. 40A:12A-67(a), the Pledged Annual Service Charge (as defined in the Financial Agreement) is to be pledged to the payment of the principal or redemption premium of, and interest on, the Bonds, which Bonds will be nonrecourse to the Borough; and

WHEREAS, the Entity and the Borough have agreed that the Debt Service Charge (as defined in the Financial Agreement) on the Bonds shall be paid from the Pledged Annual Service Charge (as defined in the Financial Agreement) and that the Unpledged Annual Service Charge (as defined in the Financial Agreement) may be used by the Borough for any lawful purpose in the exercise of the Borough’s sole discretion, all net of the Borough paying the County Share to the County (each as defined in the Financial Agreement); and

WHEREAS, in accordance with the provisions of the Act and the LTTE Law, the Borough desires to approve the Project, the Exemption Application and the Financial Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE BOROUGH COUNCIL OF THE BOROUGH OF DUNELLEN, NEW JERSEY AS FOLLOWS:

Section 1. The Recitals are incorporated by reference as if set forth in full.

Section 2. The Exemption Application submitted by the Entity is hereby approved in accordance with Section 8 of the LTTE Law.

Section 3. The Mayor, in consultation with counsel to the Borough, is hereby authorized to execute the Financial Agreement following the execution thereof by the Entity and prepare, amend or execute any other agreements necessary to effectuate this ordinance, subject to modification or revisions, as deemed necessary and appropriate, with such execution to occur only simultaneous with the full execution of a redevelopment agreement for the Project.

Section 4. The Clerk of the Borough is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Borough upon such document.

Section 5. An exemption from taxation as set forth in the Financial Agreement is hereby granted to the Entity, with respect to the Project for the term set forth in the Financial Agreement; provided that in no event shall the term of the Financial Agreement exceed the earlier of (i) thirty-five (35) years from the date of execution of the Financial Agreement or (ii) thirty (30) years from the Annual Service Charge Start Date, as said term is defined in the Financial Agreement, for each Component of the Project (as the term “Component” is defined in the Financial Agreement) and only so long as the Entity remains subject to and in compliance with the Financial Agreement and the LTTE Law.

Section 6. The executed copy of the Financial Agreement shall be certified by and filed with the Office of the Borough Clerk. Further, the Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Borough and the Director of the Division of Local Government Services with the Department of Community Affairs, in accordance with Section 12 of the LTTE Law. Further, the Borough Clerk shall, within ten (10) days of the later of (i) the effective date of this Ordinance, or (ii) execution of the Financial Agreement, transmit certificated copies of this Ordinance and the Financial Agreement to the chief financial officer of, and legal counsel for, Middlesex County, New Jersey.

Section 7. The Project shall conform with all federal, state and Borough laws, ordinances, regulations, the Redevelopment Plan and the Redevelopment Agreement relating to its construction and use.

Section 8. The Entity shall, in the operation of the Project, comply with all laws so that no person of race, religious principles, color, national origin or ancestry will be subject to discrimination.

Section 9. Without limiting the terms of the Financial Agreement, the Entity shall submit Annual Audits to the Borough in accordance with Article V of the Financial Agreement.

Section 10. This ordinance shall take effect in accordance with all applicable laws.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Petracca and seconded by Mr. Bachorik it was moved to accept the following:

03-20-2017: #1

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Introducing CY 2017 Budget for the Borough of Dunellen.

**Municipal Budget of the Borough of Dunellen,
County of Middlesex for the fiscal year 2017**

Revenue and Appropriation Summaries

| Summary of Revenues | | |
|---|---------------------|---------------------|
| | Anticipated 2017 | Anticipated 2016 |
| 1. Surplus | \$ 312,000 | \$ 379,000 |
| Surplus Anticipated with Prior Written Consent of Director of Local Government Services | | |
| 2. Total Miscellaneous Revenues | 1,195,764 | 1,287,604 |
| 3. Receipts from Delinquent Taxes | 390,000 | 292,000 |
| 4. a) Local Tax for Municipal Purposes | 4,845,254 | 4,697,815 |
| c) Minimum Library Tax | 199,960 | 195,524 |
| Total Amount to be Raised for Support of Municipal Budget | 5,045,214 | 4,893,339 |
| Total General Revenues | \$ 6,942,978 | \$ 6,851,943 |

| Summary of Appropriations | | |
|---|--------------|-------------------|
| | 2017 Budget | Final 2016 Budget |
| 1. Operating Expenses: Salaries and Wages | \$ 2,815,570 | \$ 2,782,254 |
| Other Expenses | 3,018,668 | 2,355,500 |
| 2. Deferred Charges & Other Appropriations | 50,000 | 715,711 |
| 3. Capital Improvements | 50,000 | 15,000 |
| 4. Debt Service (Include for School Purposes) | 538,740 | 523,478 |
| 5. Reserve for Uncollected Taxes | 470,000 | 460,000 |
| Total General Appropriations | \$ 6,942,978 | \$ 6,851,943 |
| Total Number of Full and Part-time Employees | 67 | 67 |

Dedicated Sewer Utility Budget

| Summary of Revenues | | |
|-----------------------------|---------------------|---------------------|
| | Anticipated 2017 | Anticipated 2016 |
| 1. Surplus | \$ 98,820 | \$ 11,200 |
| 2. Miscellaneous Revenues | 779,148 | 778,900 |
| 3. Deficit (General Budget) | - | - |
| Total General Revenues | \$ 877,968 | 790,100 |

| Summary of Appropriations | | |
|--|-------------|-------------------|
| | 2017 Budget | Final 2016 Budget |
| 1. Operating Expenses: Salaries and Wages | \$ 75,000 | \$ 15,000 |
| Other Expenses | 685,300 | 685,100 |
| 2. Capital Improvements | 65,000 | 90,000 |
| 3. Debt Service | 52,668 | - |
| 4. Deferred Charges & Other Appropriations | - | - |
| 5. Surplus (General Budget) | - | - |
| Total Appropriations | \$ 877,968 | \$ 790,100 |
| Total Number of Part-time Employees | 6 | 6 |

Balance of Outstanding Debt

| | General |
|----------------------------|--------------------|
| Interest | \$251,031 |
| Principal | \$4,469,686 |
| Outstanding Balance | \$4,720,717 |

Notice is hereby given that the budget and tax resolution was approved by the Borough Council of the Borough of Dunellen, County of Middlesex on March 20, 2017.

A hearing on the budget and tax resolution will be held at Borough Hall, 355 North Avenue, Dunellen, on Monday, April 17, 2017 at 7:00 o'clock PM at which time and place objections to the Budget and Tax Resolution for the year 2017 may be presented by taxpayers or other interested persons.

Copies of the budget are available in the office of the Borough Clerk, William Robins, at Borough Hall, 355 North Avenue, Dunellen, New Jersey, 732-968-3033 during the hours of 9:00 AM to 4:30 PM. Monday through Friday and also at the Dunellen Free Public Library, 100 New Market Road, Dunellen, New Jersey, Monday and Wednesday during the hours of 10:00 AM to 8:00 PM; Tuesday, Thursday and Friday during the hours of 10:00 AM to 5:00 PM, and Saturday from 10:00 AM to 1:00 PM.

William Robins, Borough Clerk

Dated: March 20, 2017
Courier Issue: March 23, 2017

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Bachorik and seconded by Mr. Cilento it was moved to accept the following:

03-20-2017: #2

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Introducing CY 2017 Sewer Utility Budget for the Borough of Dunellen.

| BOROUGH OF DUNELLEN 2017 SEWER UTILITY OPERATING BUDGET (With Results of 2016 Operations) | | | | | |
|--|------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|
| 7-55-500-000- | Sewer Utility Budget 2016 | | | | Sewer 2017 |
| | Budget | Actual | Encumbered | Balance | Budget |
| Salaries & Wages | | | | | |
| 111 Parttime | 15,000.00 | | | 15,000.00 | |
| 101 Salaries & Wages | | | | | 60,000.00 |
| 103 Overtime | | 2,005.38 | | (2,005.38) | 15,000.00 |
| 115 Sewer Break | | 721.78 | | (721.78) | |
| Sewer Break GB | | 9,520.00 | | (9,520.00) | |
| Salaries & Wages Total | 15,000.00 | 12,247.16 | | 2,752.84 | 75,000.00 |
| Other Expenses | | | | | |
| 202 Telephone | 1,500.00 | 441.11 | | 1,058.89 | 700.00 |
| 203 Repairs/Equipment | 20,000.00 | 15,567.28 | | 4,432.72 | 20,000.00 |
| 205 Service Contracts | 600.00 | | | 600.00 | 600.00 |
| 206 Printing/Stationery | 1,000.00 | 735.91 | | 264.09 | 1,000.00 |
| 207 Supplies | 1,000.00 | 369.59 | | 630.41 | 1,000.00 |
| 209 Misc | 1,000.00 | 900.00 | | 100.00 | 1,000.00 |
| 211 Equipment | 2,600.00 | 34.72 | | 2,565.28 | 2,600.00 |
| 212 Postage | 1,200.00 | 1,200.00 | | | 1,200.00 |
| 214 Water Costs | 1,300.00 | 338.23 | | 961.77 | 600.00 |
| Share of Social Sec | | | | | |
| Share of Insurance Costs | | | | | |
| 215 Credit Card fees | 12,000.00 | | | 12,000.00 | 6,000.00 |
| 217 Various Services du | | | | | |
| 220 Professional Service | 8,000.00 | | | 8,000.00 | |
| 222 Legal Fees | 10,000.00 | 1,943.69 | | 8,056.31 | 10,000.00 |
| 223 Annual Audit | 9,200.00 | | | 9,200.00 | 9,500.00 |
| 226 Rentals | 2,000.00 | | | 2,000.00 | 2,000.00 |
| 234 Engineering Service | 2,000.00 | | | 2,000.00 | 2,000.00 |
| 235 PARSA | 578,000.00 | 441,589.12 | 147,294.56 | (10,883.68) | 571,000.00 |
| 236 PARSA Mgmt Fee | | | | | 12,000.00 |
| 238 Permit Fees | 2,000.00 | 3,675.00 | | (1,675.00) | 4,000.00 |
| 239 Billing Costs (Vital) | 600.00 | 688.37 | | (88.37) | 1,000.00 |
| DEP Assessment | | | | | |
| 240 Fees | 600.00 | 2,000.00 | | (1,400.00) | 2,000.00 |
| 241 Sewer Services | 2,000.00 | | | 2,000.00 | 2,000.00 |
| 242 Pump Station Electr | 20,000.00 | | | 20,000.00 | 15,000.00 |
| 243 Capital Improvemen | 30,000.00 | | 30,000.00 | | 20,000.00 |
| 244 Capital Outlay | 60,000.00 | 48,556.15 | | 11,443.85 | 45,000.00 |
| 282 Root Control | 8,500.00 | 8,309.34 | | 190.66 | 8,500.00 |
| Pension Contribution | | | | | 7,300.00 |
| Social Security | | | | | 4,300.00 |
| 299 Other Expenses | | | | | |
| Debt Service Expenses | | | | | |
| BAN Paydown | | | | | 45,600.00 |
| Interest on BAN | | | | | 7,068.00 |
| | <u>775,100.00</u> | <u>526,348.51</u> | <u>177,294.56</u> | <u>71,456.93</u> | <u>802,968.00</u> |
| Total Appropriations | <u>790,100.00</u> | <u>538,595.67</u> | <u>177,294.56</u> | <u>74,209.77</u> | <u>877,968.00</u> |
| Revenues | | | | | |
| Fund Balance | 11,200.00 | | | | 98,820.00 |
| Domestic | 685,973.00 | | | | 686,220.00 |
| Commercial | 92,927.00 | | | | 92,928.00 |
| | <u>790,100.00</u> | | | | <u>877,968.00</u> |

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Petracca and seconded by Mr. Cilento it was moved to accept the following:

03-20-2017: #3

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

The bills, as per the attached list, are hereby authorized for payment.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Baudendistel and seconded by Mr. Bachorik it was moved to accept the following:

03-20-2017: #4

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, there appears to be a surplus in the following CY 2016 Reserve Accounts over and above the demands to be necessary, and

Whereas, N.J.S.A. 40A:4-58 provides for the transfer of unexpended balances in those appropriations having an excess over the amount required to those deemed to be insufficient.

Now, therefore be it resolved that the following “Transfer of Appropriations” be made:

From

| Account | Title | S&W | Other Expenses |
|----------------|-------------------------|-----|----------------|
| 25-240-000-299 | Police – Other Expenses | | 600.00 |
| 27-330-000-299 | Board of Health – O/E | | 1,000.00 |
| | | | |
| | Subtotal | | |
| | Total | | 1,600.00 |

Whereas, there appears to be insufficient funds in the following CY 2016 Reserve Accounts over and above the demands to be necessary; viz:

| Account | Title | S&W | Other Expenses |
|----------------|---------------------|-----|----------------|
| 32-465-000-299 | Garbage & Trash—O/E | | 1,600.00 |
| | | | |
| | | | |

To:

| | | | |
|--|----------|--|----------|
| | Subtotal | | 1,600.00 |
| | Total | | |
| | | | |

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Cilento and seconded by Mr. Bayer it was moved to accept the following:

03-20-2017: #5

WHEREAS, N.J.S.A. 40A:4-78b has authorized the Local Finance Board to adopt rules that permit municipalities in sound fiscal condition to assume the responsibility, normally granted to the Director of the Division of Local Government Services, of conducting the annual budget examination; and

WHEREAS, N.J.A.C. 5:30-7 was adopted by the Local Finance Board on February 11, 1997; and

WHEREAS, pursuant to N.J.A.C. 5:30-7.2 through 7.5, the Borough of Dunellen has been declared eligible to participate in the program by the Division of Local government Services, and the Chief Financial officer has determined that the local government meets the necessary conditions to participate in the program for the 2016 budget year.

NOW THEREFORE BE IT RESOLVED by the governing body of the Borough of Dunellen that in accordance with N.J.A.C. 5:30-7.6a & 7.6b and based upon the Chief Financial Officer's certification, the governing body has found the budget has met the following requirements:

1. That with reference to the following items, the amounts have been calculated pursuant to law and appropriated as such in the budget:
 - a. Payment of interest and debt redemption charges
 - b. Deferred charges and statutory expenditures
 - c. Cash deficit of preceding year
 - d. Reserve for uncollected taxes
 - e. Other reserves and non-disbursement items
 - f. Any inclusions of amounts required for school purposes.
2. That the provisions relating to limitation on increases of appropriations pursuant to N.J.S.A. 40A:4-45.2 and appropriations for exceptions to limits on appropriations found at N.J.S.A. 40A:4-45.3 et seq., are fully met (complies with CAP law).
3. That the budget is in such form, arrangement, and content as required by the Local Budget Law and N.J.A.C. 5:30-4 and 5:30-5.

4. That pursuant to the Local Budget Law:
 - a. All estimates of revenue are reasonable, accurate and correctly stated,
 - b. Items of appropriation are properly set forth
 - c. In itemization, form, arrangement and content, the budget will permit the exercise of the comptroller function within the municipality.
5. The budget and associated amendments have been introduced and publicly advertised in accordance with the relevant provisions of the Local Budget Law, except that failure to meet the deadlines of N.J.S.A. 40A:4-5 shall not prevent such certification.
6. That all other applicable statutory requirements have been fulfilled.

BE IT FURTHER RESOLVED that a copy of this resolution will be forwarded to the Director of the Division of Local Government Services upon adoption.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Petracca and seconded by Mr. Cilento it was moved to accept the following:

03-20-2017: #6

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, application was made in accordance with the State Regulations for a license to be issued, and

Whereas, after proper investigation it was deemed that all requirements of the State Regulations have been met.

Now therefore be it resolved that the Governing Body authorize the issuance of a Bingo License to the Dunellen Defender Fire Company No. 1.

Further be it resolved that these licenses will be issued pending final approval by New Jersey State Legalized Games of Chance Commission.

Yes: Baudendistel, Bachorik, Bayer, Cilento, and Petracca

Abstain: Lowder, as Chief of the Fire Department

On the motion of Mr. Lowder and seconded by Mr. Cilento it was moved to accept the following:

03-20-2017: #7

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Lucy Singura is hired as an Assistant in the Dunellen Tax Assessor Office, at a rate of \$25.00 per hour, not to exceed in total \$412.50. This award is to come out of Account # 601-20-150-00-101.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Petracca and seconded by Mr. Baudendistel it was moved to accept the following:

03-20-2017: #8

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, there exists a need for certain sewer cleaning and maintenance for the Dunellen Borough sewer systems; and

Whereas, the Local Public Contracts Law (NJSA 40A:11-1 et. seq.) requires that the resolution authorizing the award of the contracts for "Professional Services" without competitive bids must be publicly advertised.

Now therefore be it resolved by the Governing Body of the Borough of Dunellen as follows:

1. The Mayor and Municipal Clerk are hereby authorized to execute an agreement with the Plainfield Area Regional Sewerage System (PARSA) for a five year sewer maintenance program.
2. The cost of this service is \$13,597.00 per year, for a total of \$67,985.
3. This contract is awarded without competitive bidding as a "Professional Service" under the provisions of the Local Public Contract Law because the services rendered are professional services of a recognized profession whose practice is regulated by law.
4. Further be it resolved that the cost of this Professional Services Contract will not exceed \$13,597.00 per year, or \$67,985.00 in total.
5. Be it further noted that this contract in future years is subject to the availability of funds.
6. A copy of this resolution shall be published in The Courier as required by law within ten days of its passage.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Bachorik and seconded by Mr. Bayer it was moved to accept the following:

03-20-2017: #9

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, a request was made by April Burke to hold a block party on Monday, May 29, 2017, on the 200 block of Second Street, from 11:00 AM to 5:00 p.m.

Now therefore be it resolved that permission is hereby granted to April Burke to hold a block party, and

Be it further resolved that by virtue of this resolution, the Police Department will be notified of the street closing and the Public Works Department will supply the necessary road barricades.

April Burke
206 Second Street
Dunellen, NJ 08812

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Lowder and seconded by Mr. Bachorik it was moved to accept the following:

03-20-2017: #10

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, application was made in accordance with the State Regulations for two licenses to be issued, and

Whereas, after proper investigation it was deemed that all requirements of the State Regulations have been met.

Now therefore be it resolved that the Governing Body authorize the issuance of a 50/50 Cash Raffle License and a Merchandise Raffle License to the Dunellen PTO.

Further be it resolved that these licenses will be issued pending final approval by New Jersey State Legalized Games of Chance Commission.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

Reports:

Mr. Petracca: no report

Mr. Baudendistel: asked for updates on the Outside Duty ordinances. Mayor Seader suggested that the Police Committee discuss the issues and report back to Mr. Robins and the Council.

Mr. Bayer: no report

Mr. Cilento: 1) Recreation Department—The Little League has a number of teams and is doing well this year; 2) Parade will be April 8th and the Easter Egg Hunt will be at Columbia Park, Sunday, April 9th. 3) Arts and Culture Commission will have a Summer Camp after Summer Camp; 4) A&CC is in talks with Whittier School to use some class rooms for art galleries.

Mayor Seader: 1) expressed satisfaction with the growth of the Little League. Mr. Miller is doing a fine job; 2) the Tax Maps have been approved in Trenton; 3) the Railroad Culvert project bids came in high. We have 1.2 million set aside (from grants and our own bonding). The bids varied from 2.6 M to over 5 million. We will be exploring additional financing from the Infrastructure Trust Fund. FEMA's redrawn flood maps from 2010 have created a great burden on many residents and this culvert project will result in a lowering of the flood elevations and we will be asking our elected federal representatives for assistance in having FEMA draw new maps.

PUBLIC PORTION

No one from the public spoke.

On the motion of Mr. Petracca and seconded by Mr. Baudendistel it was moved to accept the following:

03-20-2017: #11

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, the Open Public Meetings Act (NJSA 10:4-6) permits the closing of meetings to the public under certain circumstances; and

Whereas, there exists such a circumstance; and

Whereas, the Governing Body wishes to enter into Executive Session for the purpose of discussing matters concerning pending litigation or contract negotiation; and

Whereas, minutes of the Executive Session will be kept and will be released when the matters under discussion during the Executive Session are no longer confidential.

Therefore, be it resolved, that the Borough Council will enter in to Executive Session.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca

On the motion of Mr. Petracca and seconded by Mr. Bachorik it was moved to accept the following:

03-20-2017: #12

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

The Dunellen Borough Council Meeting of March 20, 2017 is adjourned.

Yes: Baudendistel, Bachorik, Bayer, Cilento, Lowder and Petracca
