

**BOROUGH OF CALIFON COUNCIL
REGULAR MEETING
MAY 18, 2015**

Mayor Charles Daniel called the regular meeting to order at 8:00 p.m. with the reading of the following Sunshine Law announcement: *“I would like to announce and have placed in the minutes that adequate notice of this regular meeting of the Califon Borough Council has been provided in accordance with the Open Public Meetings Act by publication of the annual notice in the Hunterdon Review and the Hunterdon County Democrat.”*

FLAG SALUTE

ROLL CALL: PRESENT: K. DEBLASIO, P. FARMER, M. RICCIO

ABSENT: T. FORRESTER, M. MEDEA, G. SMITH

JOINT MEETING WITH CALIFON BOARD OF EDUCATION – 2015-16 BUDGET DISCUSSION

The following representatives from the Califon School; Dr. James Gamble, CSA, Tom Johnson, Business Administrator/Board Secretary and Matthew Ramarge, were present for this joint meeting of the Califon School and the Califon Council. Mayor Daniel opened the meeting by reviewing the 2015 Municipal budget recently adopted. Mayor Daniel reported that the 2015 budget reflects a tax increase of \$61.00 on an average assessed home of \$327,538. This increase is due to a drop in the tax collection rate from last year’s rate of 99.08 to 98.34 and because of an increase of 3.7% in the Reserve for Uncollected Taxes. Mayor Daniel also explained the impact of debt service in this year’s budget due to the pending Stormwater project. The full impact of the 20 year financing for this project will not be felt until the 2016 budget; which could reflect an increase of \$180-\$200 on an average assessed home. Mayor Daniel asked for questions; however, there were none.

Dr. Gamble, Acting CSA for Califon School, distributed handouts to Mayor and Council. Dr. Gamble explained that the 2015-16 school budget reflects a 2% increase resulting in a tax increase of \$101 on an average assessed home. Dr. Gamble reviewed the budget’s revenues and expenditures; the school’s shared vision statement and opportunities going forward; such as global initiatives for students and shared services with Lebanon Twp. for both a child study team and CSA services. Mayor Daniel opened up the meeting to questions from Council. Councilwoman DeBlasio asked why the school has a psychologist on staff and Councilwoman Riccio asked the following:

- 1) OT & PT students still taught in hallways due to lack of small instructional space?
- 2) Preschool tuition – students with IEP’s do not pay tuition; in district students do?
- 3) bussing of special education students?
- 4) how does BOE justify budget numbers with an enrollment of only 106 students?
- 5) any discussions on merging?
- 6) per pupil cost?
- 7) how is school doing with standardized testing?

Dr. Gamble and BOE member, Matthew Ramarge, responded to the questions raised:

- 1) yes, there is instruction in the hallways but small instruction space on the stage in the gym is utilized as well as having students come in the early AM for instruction in classrooms.
- 2) Yes, only “in district” students pay tuition for preschool
- 3) of the 15 special education students at Califon School, three (3) are bussed out of district
- 4) & 5) Dr. Gamble explained that there have been studies done on merging with surrounding districts and it has been determined that merging would not necessarily save money by highlighting the case of the recent merge of three S. Hunterdon districts; which apparently has resulted in no savings for any of the three districts.
- 6) Dr. Gamble estimated that the cost per pupil is around \$16-17,000 per student. Mr. Ramarge stated that it is actually somewhat higher but he did not have an exact figure.
- 7) Dr. Gamble reported that it is hard to say how the standardized testing is going with the recent changes in testing but did report that Califon students were performing well and within the 78-80th percentile in the “Performance Report”.

Dr. Gamble did address the question regarding the psychologist on staff at the school by saying that the psychologist works with students extensively and in a variety of ways.

Mayor Daniel thanked Dr. Gamble, Mr. Ramarge and Mr. Johnson for attending tonight’s joint meeting and for presenting a thorough review of the school’s budget. Mayor Daniel thanked Dr. Gamble for the work he has done at the school over the last two years and wished him success in future endeavors.

APPROVAL OF MINUTES

Motion was made by M. Riccio seconded by P. Farmer to approve the minutes of the meeting held on May 4, 2015.

For: K. DeBlasio, P. Farmer, M. Riccio

Opposed: None

Absent: T. Forrester, M. Medea, G. Smith

MOTION CARRIED

LIST OF BILLS

Motion was made by P. Farmer seconded by K. DeBlasio to approve the list of bills in the amount of \$22,905.31.

For: K. DeBlasio, P. Farmer, M. Riccio

Opposed: None

Absent: T. Forrester, M. Medea, G. Smith

MOTION CARRIED

TAX COLLECTOR’S REPORT

The Tax Collector’s Report was reviewed and filed.

TREASURER’S REPORT

The Treasurer's Report was reviewed and filed.

CORRESPONDENCE

- ___ information on solar powered flashing beacon for traffic control from Sa-So Company
- ___ e-mail from R. Prater, JCP&L, re: Haverfield Co. to conduct Spring Transmission Aerial Patrol beginning on May 4th
- ___ Fire Marshall Monthly Report for month of April
- ___ Califon Municipal Court monthly report for month of April

OLD BUSINESS

A. RESOLUTION – ADOPTION OF SALARY AND WAGE ORDINANCE FOLLOWING PUBLIC HEARING

The Clerk read Ordinance 2015-03 by title: **AN ORDINANCE FIXING THE SALARIES OF THE VARIOUS OFFICERS OF THE BOROUGH OF CALIFON IN THE COUNTY OF HUNTERDON AND STATE OF NEW JERSEY**

Mayor Daniel opened the public hearing on Ordinance 2015-03. There being no comments from the public, the public hearing was closed.

The following Resolution was introduced for adoption:

RESOLUTION 2015-54

BE IT RESOLVED by the Mayor and Council of the Borough of Califon that Ordinance 2015-03 entitled: **AN ORDINANCE FIXING THE SALARIES OF THE VARIOUS OFFICERS OF THE BOROUGH OF CALIFON IN THE COUNTY OF HUNTERDON AND STATE OF NEW JERSEY** is hereby adopted upon final reading; and **BE IT FURTHER RESOLVED** that "Notice of Final Passage of Ordinance 2015-03" will be published in the May 27, 2015 edition of the Hunterdon Review as required by law.

Motion was made by P. Farmer seconded by M. Riccio to adopt Resolution 2015-54 as read.

For: K. DeBlasio, P. Farmer, M. Riccio

Opposed: None

Absent: T. Forrester, M. Medea, G. Smith

MOTION CARRIED

B. RESOLUTION – STRIKING SPECIFIC 2015 SALARIES

The following Resolution was introduced for adoption:

RESOLUTION 2015-55

BE IT RESOLVED by the Mayor and Council of the Borough of Califon that the following salaries be established and approved for certain employees of the Borough of Califon for calendar year 2015:

Clerk:	\$53,733.00
Treasurer:	\$10,612.00
Zoning Officer:	\$ 8,761.00

BE IT FURTHER RESOLVED that the aforementioned salaries along with the salaries of the remainder of the employees of the Borough of Califon be authorized by Ordinance 2015-03 entitled: **AN ORDINANCE FIXING THE SALARIES OF THE VARIOUS OFFICERS OF THE BOROUGH OF CALIFON, IN THE COUNTY OF HUNTERDON, AND STATE OF NEW JERSEY**, scheduled for final adoption on May 18, 2015.

Motion was made by P. Farmer seconded by M. Riccio to adopt Resolution 2015-55 as read.
For: K. DeBlasio, P. Farmer, M. Riccio

Opposed: None

Absent: T. Forrester, M. Medea, G.Smith

MOTION CARRIED

NEW BUSINESS

A. RESOLUTION – AUTHORIZING CERTAIN MATTERS IN CONNECTION WITH PARTICIPATION IN THE 2015-16 NJEIT FINANCING PROGRAM – STORMWATER PROJECT

The following Resolution was introduced for adoption:

RESOLUTION 2015-56

RESOLUTION OF THE BOROUGH OF CALIFON, IN THE COUNTY OF HUNTERDON, STATE OF NEW JERSEY, AUTHORIZING CERTAIN MATTERS IN CONNECTION WITH THE BOROUGH’S PARTICIPATION IN THE YEAR 2015-16 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM TO FINANCE THE COSTS OF STORMWATER SYSTEM IMPROVEMENTS IN AND FOR THE BOROUGH

WHEREAS, the Borough Council of the Borough of Califon, in the County of Hunterdon, State of New Jersey (the “Borough”) has adopted a bond ordinance (the “Ordinance”) which appropriates the

aggregate amount of \$2,061,460 to provide for undertaking improvements to the Borough stormwater system (the "Project"); and

WHEREAS, the Ordinance also authorizes the issuance of bonds or bond anticipation notes in the aggregate principal amount not exceeding \$1,410,460 to finance a portion of the costs of the Project (the Borough is receiving federal and Hunterdon County grants to finance the remaining portion of the Project costs); and

WHEREAS, to finance the applicable portion of the costs of the Project the Borough intends to issue General Obligation Bonds in the aggregate principal amount not to exceed \$1,410,460, which issuance will be preceded by a general obligation construction loan, through its participation in the New Jersey Environmental Infrastructure Trust 2015-16 financing program (the "Program"); and

WHEREAS, the Borough's participation in the Program requires the authorization of certain matters and certain actions to be undertaken by Borough officials, officers and professionals, including but not limited to, the preparation and submission of an application to the Local Finance Board and the completion and submission of the "Financial Addendum Forms" (the "FAFs") for the General Obligation Bonds and the construction loan to the Program; and

WHEREAS, the Borough desires to conduct the private issuance of its General Obligation Bonds, and the undertaking of a construction loan preceeding such issuance, in an aggregate principal amount not exceeding \$1,410,460 to the Program to provide funds to finance the applicable portion of the Project, and desires to make application to the Local Finance Board (i) for the approvals required pursuant to the provisions of N.J.S.A. 58:11B-9(a), (ii) for the approval of a nonconforming maturity schedule pursuant to N.J.S.A. 40A:2-26(e) and (iii) for the approval of a waiver of the down payment requirement, pursuant to N.J.S.A. 40A:2-11(c) and N.J.S.A. 40A:2-7(d); and

WHEREAS, the Borough believes:

- (a) it is in the public interest to accomplish the Project;
- (b) said Project is for the health, welfare, convenience or betterment of the inhabitants of the Borough;
- (c) the amounts to be expended for said Project are not unreasonable or exorbitant;
- (d) the financing of a portion of the costs of the Project through the Program is an efficient and feasible means of providing services for the needs of the inhabitants of the Borough and will not create an undue financial burden to be placed upon the Borough.

NOW, THEREFORE, BE IT RESOLVED BY THE BOROUGH COUNCIL OF THE BOROUGH OF CALIFON, IN THE COUNTY OF HUNTERDON, STATE OF NEW JERSEY, as follows:

SECTION 1. The making of an application to the Local Finance Board (the “Application”) is hereby approved to be undertaken by the Borough administration and Bond Counsel, Wilentz, Goldman & Spitzer, P.A. (the “Bond Counsel”). Bond Counsel is hereby authorized and directed to submit the Application to the Local Finance Board and to represent the Borough in matters pertaining thereto.

SECTION 2. The Local Finance Board is hereby respectfully requested to consider such Application and to record its findings, recommendations, consents, endorsements and/or approvals as provided by applicable State law.

SECTION 3. The Borough Clerk is hereby directed to file a certified copy of this resolution with the Local Finance Board.

SECTION 4. The preparation of the FAFs by the Bond Counsel in consultation with the Borough administration and Borough Engineer, and their submission to the Program, are hereby ratified and approved.

SECTION 5. The Borough Chief Financial Officer is hereby authorized and directed to determine all matters in connection with the Program not determined by this or a subsequent resolution, all in consultation with Bond Counsel, and the manual or facsimile signature of the Borough Chief Financial Officer upon any documents shall be conclusive as to all such determinations. The Mayor, Borough Business Administrator, Borough Chief Financial Officer, Borough Clerk and any other Borough representative, including but not limited to, the Borough Bond Counsel, Engineer, Borough Attorney and Borough Auditor, are each hereby authorized and directed to take such actions as are necessary to consummate the transaction contemplated by the Borough’s participation in the Program, and any all such actions taken by the aforesaid Borough representatives heretofore are hereby ratified and confirmed, *nunc pro tunc*.

SECTION 6. This resolution shall take effect immediately.

Motion was made by P. Farmer seconded by M. Riccio to adopt Resolution 2015-56 as read.

For: K. DeBlasio, P. Farmer, M. Riccio

Opposed: None

Absent: T. Forrester, M. Medea, G. Smith

MOTION CARRIED

**B. RESOLUTION – ISSUANCE AND SALE OF NOTE TO THE NJEIT –
STORMWATER PROJECT – CONSTRUCTION FINANCING PROGRAM**

The following Resolution was introduced for adoption:

RESOLUTION 2015-57

RESOLUTION OF THE BOROUGH OF CALIFON IN THE COUNTY OF HUNTERDON, NEW JERSEY, DETERMINING THE FORM AND OTHER DETAILS OF ITS “NOTE RELATING TO THE CONSTRUCTION FINANCING PROGRAM OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST”, TO BE ISSUED IN THE PRINCIPAL AMOUNT OF UP TO \$1,410,460, AND PROVIDING FOR THE ISSUANCE AND SALE OF SUCH NOTE TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST, AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH NOTE BY THE BOROUGH OF CALIFON IN FAVOR OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST, ALL PURSUANT TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST CONSTRUCTION FINANCING PROGRAM

WHEREAS, Borough of Califon (the “Local Unit”), in the County of Hunterdon, New Jersey, has determined that there exists a need within the Local Unit to construct, renovate and install a project consisting of improvements to its stormwater system (the “Project”), and it is the desire of the Local Unit to obtain financing for a portion of such Project through participation in the environmental infrastructure financing program (the “Environmental Infrastructure Financing Program”) of the New Jersey Environmental Infrastructure Trust (the “Trust”), with the remaining portion of such Project being funded by federal and Hunterdon County grants;

WHEREAS, the Local Unit has determined to temporarily finance and refinance, as applicable, the construction, renovation and installation of the Project prior to the closing with respect to the Environmental Infrastructure Financing Program, and to undertake such temporary financing with the proceeds of a short-term loan to be made by the Trust (the “Construction Loan”) to the Local Unit, pursuant to the Construction Financing Program of the Trust (the “Construction Financing Program”);

WHEREAS, in order to (i) evidence and secure the repayment obligation of the Local Unit to the Trust with respect to the Construction Loan and (ii) satisfy the requirements of the Construction Financing Program, it is the desire of the Local Unit to issue and sell to the Trust the “Note Relating to the Construction Financing Program of the New Jersey Environmental Infrastructure Trust” in an aggregate principal amount of up to \$1,410,460 (the “Note”);

WHEREAS, it is the desire of the Local Unit to authorize, execute, attest and deliver the Note to the Trust pursuant to the terms of the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the Revised Statutes of the State of New Jersey (the “Local Bond Law”), and other applicable law; and

WHEREAS, Section 28 of the Local Bond Law allows for the sale of the Note to the Trust, without any public offering, and N.J.S.A. 58:11B-9 allows for the sale of the Note to the Trust without any public offering, all under the terms and conditions set forth therein.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Local Unit as follows:

Section 1. In accordance with Section 28 of the Local Bond Law and N.J.S.A. 58:11B-9, the Local Unit hereby authorizes the issuance, sale and award the Note in accordance with the provisions hereof. The obligation represented by the Note has been appropriated and authorized by bond ordinance #2015-1 of the Local Unit, which bond ordinance is entitled “BOND ORDINANCE AMENDING AND RESTATING BOND ORDINANCE NUMBER 2012-04 (PROVIDING FOR IMPROVEMENTS TO MAIN STREET STORM WATER MANAGEMENT SYSTEM) HERETOFORE FINALLY ADOPTED BY THE BOROUGH OF CALIFON, IN THE COUNTY OF HUNTERDON, STATE OF NEW JERSEY (THE “BOROUGH”) ON NOVEMBER 19, 2012, AS PREVIOUSLY AMENDED AND RESTATED BY BOND ORDINANCE NUMBER 2014-03 HERETOFORE FINALLY ADOPTED BY THE BOROUGH ON JULY 7, 2014, TO INCREASE THE TOTAL APPROPRIATION THEREIN FROM \$1,554,500 TO \$2,061,460, TO INCLUDE A \$130,000 GRANT FROM THE COUNTY OF HUNTERDON, NEW JERSEY AS A PORTION OF SUCH APPROPRIATION, AND TO INCREASE THE AUTHORIZATION OF BONDS AND NOTES THEREIN FROM \$1,033,500 TO \$1,410,460” and was finally adopted by the Local Unit at a meeting duly called and held on April 6, 2015 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 hereof, (i) the final principal amount of the Note (subject to the maximum limitation set forth in Section 4(a) hereof), and (ii) the dated date of the Note.

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 Note by the parties authorized pursuant to Section 4(h) hereof.

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

- (a) the principal amount of the Note to be issued shall be an amount up to \$1,410,460;
- (b) the maturity of the Note shall be as determined by the Trust;
- (c) the interest rate of the Note shall be as determined by the Trust;
- (d) the purchase price for the Note shall be par;
- (e) the Note shall be subject to prepayment prior to its stated maturity in accordance with the terms and conditions of the Note;
- (f) the Note shall be issued in a single denomination and shall be numbered “CFP-2015-1”;
- (g) the Note shall be issued in fully registered form and shall be payable to the registered owner thereof as to both principal and interest in lawful money of the United States of America; and
- (h) the Note 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 Local Unit Clerk.

Section 5. The Note shall be substantially in the form attached hereto as Exhibit A.

Section 6. The law firm of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, is hereby authorized to arrange for the printing of the Note, which law firm may authorize McCarter & English, LLP, bond counsel to the Trust for the Construction Financing Program, to arrange for same.

Section 7. The Authorized Officers of the Local Unit are hereby further severally authorized to (i) execute and deliver, and the Local Unit Clerk is hereby further authorized to attest to such execution and to affix the corporate seal of the Local Unit to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the Secretary of the Local Unit, as applicable, in their respective sole discretion, after consultation with counsel and any advisors to the Local Unit and after further consultation with the Trust and its representatives, agents, counsel and advisors, to be executed in connection the issuance and sale of the Note and the participation of the Local Unit in the Construction Financing Program, 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 of the Note and the participation of the Local Unit in the Construction Financing Program.

Section 8. This resolution shall take effect immediately.

Section 9. Upon the adoption hereof, the Local Unit Clerk shall forward certified copies of this resolution to bond counsel to the Local Unit, David Zimmer, Executive Director of the Trust, and Richard T. Nolan, Esq., McCarter & English, LLP, bond counsel to the Trust.

Motion was made by P. Farmer seconded by M. Riccio to adopt Resolution 2015-56

as read.

For: K. DeBlasio, P. Farmer, M. Riccio

Opposed: None

Absent: T. Forrester, M. Medea, G. Smith

MOTION CARRIED

C. RESOLUTION – ENDORSING THE PROPOSAL TO EXPAND THE AGRICULTURE DEVELOPMENT AREA (ADA) FOR CALIFON BOROUGH TO INCLUDE BLOCK 27; LOT 3 – CHANG

The following Resolution was introduced for adoption:

RESOLUTION 2015-58

WHEREAS, the following block and lot in Califon Borough is not currently included in the Agriculture Development Area (“ADA”) for Califon Borough as previously approved by the Hunterdon County Agriculture Development Board (“CADB”) and the New Jersey State Agriculture Development Committee (“SADC”):

Block 27	Lot 3	Chang	12.30 acres
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WHEREAS, the owners of Block 27 Lot 3 have requested a change in the boundaries of the Agriculture Development Area to incorporate this lot; and

WHEREAS, many lots in proximity to Block 27, Lot 3 are actively farmed and/or are already preserved from future development or pending preservation approvals; and

WHEREAS, the Borough Council of the Borough of Califon supports the appropriate expansion of the ADA in Califon Borough; and

WHEREAS, the CADB and SADC require a resolution from the Califon Borough Council endorsing any proposed change in the ADA.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Borough Council of the Borough of Califon, Hunterdon County, State of New Jersey as follows:

1. The Borough Council does hereby formally endorse the proposal to expand the Agriculture Development Area (ADA) for Califon Borough to include Block 27, Lot 3 listed above in this Resolution.
2. This resolution shall take effect immediately.
3. A copy of this Resolution shall be forwarded to the CADB for submission to the State as needed for final approval.

Motion was made by M. Riccio seconded by K. DeBlasio to adopt Resolution 2015-58 as read.

For: K. DeBlasio, P. Farmer, M. Riccio

Opposed: None

Absent: T. Forrester, M. Medea, G. Smith

MOTION CARRIED

COMMITTEE REPORTS

Councilwoman Riccio reported that plans for the Memorial Day parade are set and ready to go. The Fire Co. is fully cooperative about not coming over the bridge with their trucks to get into the Park. They have people to help with the flow of traffic.

Councilman Farmer had no report for tonight’s meeting.

Councilwoman DeBlasio had no report for tonight’s meeting.

MAYOR'S REPORT

Mayor Daniel reported that the pre-construction meeting for the stormwater project is set for May 21st at 2:00 p.m. Another pre-construction meeting has been tentatively scheduled for June 2nd.

Mayor Daniel and Council agreed that the June 1st regularly scheduled Council meeting will be rescheduled to be held on Monday, June 8th. The second meeting of the month to be held on June 15th will be held as previously scheduled.

Mayor Daniel urged Council members to attend the joint meeting of the Califon Planning Board and the Council to discuss recent COAH matters on Wednesday, May 27th. The Mayor and Councilman Smith will not be able to attend. The Borough Attorney, Peter Jost, the Borough Planner, Elizabeth McKenzie, and Attorney, John Drill, expert on COAH matters, will be present and will lead the discussion.

Clerk, Laura Eidsvaag, informed Mayor and Council that she and Deputy Clerk, Karen Mastro, have been researching sanitation companies for prices on garbage disposal at the park and along Main St.; but, she and Ms. Mastro would like to eliminate the cans along the river to save on costs. Ms. Eidsvaag reported that the cost of garbage disposal of the cans at the park, along Main St. and along the river, conducted by Waste Management, has risen exorbitantly to \$333 per month. Council was asked if they were in agreement with this plan to scale back the garbage disposal that is being paid out of the Clean Communities Grant, so that the Clean Communities funding can be used for other purposes such as educational events at the school.

Mayor and Council agreed to the removal of the cans along the river but were in favor of continuing the pickup of the two cans on Main St.; one by the trail and one by the fly and tackle shop. Ms. Eidsvaag assured Mayor and Council that requests for proposals from local sanitation companies would include the two cans on Main St. as well as the garbage cans and the recycling cans at the park. Proposals received will be shared at the next Council meeting.

There being no further business to come before Council at this time, motion was made by P. Farmer, seconded by M. Riccio and unanimously accepted to adjourn the meeting at 10:02 p.m.

Respectfully submitted:

**Laura G. Eidsvaag, RMC
Municipal Clerk/Administrator**