

SPECIAL
TOWNSHIP COMMITTEE MEETING
June 22, 2006

The Special meeting of the Township Committee of the Township of Cranbury was held at 3:30 p.m. in the Administrator's Office of Town Hall. Answering present to the roll call was: Township Committee members: Richard Stannard, Pari Stave, Wayne Wittman and Mayor Thomas F. Panconi, Jr. Also present was: Thomas C. Witt, Administrator and Kathleen R. Cunningham, Clerk. Mayor Panconi led in the salute to the flag and Ms. Cunningham gave the following Open Public Meetings Act statement:

In accordance with Section 5 of the Open Public Meetings Act, it is hereby announced and shall be entered into the minutes of this meeting that adequate notice of this meeting has been provided:

- (1) Posted on June 13, 2006 on the Bulletin Board of the Municipal Office at 23-A North Main Street, Cranbury, New Jersey and remains posted at that location.
- (2) Communicated to the Cranbury Press, Home News Tribune and Trenton Times on June 13, 2006.
- (3) Was filed on June 13, 2006 with a Deputy Municipal Clerk at the Cranbury Municipal Office, 23-A North Main Street, Cranbury, New Jersey and remains on file for public inspection, and
- (4) Sent to those individuals who have requested personal notice.

Ordinances
Second Reading

Cranbury Township Ordinance # 06-06-19

A motion to enter an Ordinance entitled, "Cranbury Township Ordinance # 06-06-19, AN ORDINANCE OF THE TOWNSHIP OF CRANBURY, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY, APPROVING AND AUTHORIZING THE ENTERING INTO, EXECUTION AND DELIVERY OF A LEASE AND AGREEMENT WITH THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY RELATING TO THE ISSUANCE OF COUNTY-GUARANTEED CAPITAL EQUIPMENT LEASE REVENUE BONDS, SERIES 2006 OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY", was presented for second reading and final adoption. The Ordinance was published in the Cranbury Press, posted on the Township Bulletin Board and copies were available to the public. The Mayor opened the public hearing on the Ordinance. No one present wished to speak, so the hearing was declared closed. On motion by Ms. Stave, seconded by Mr. Wittman, the Ordinance was adopted by a vote:

Ayes: (Panconi	Abstain: (None
(Stannard	Absent: (Stout
(Stave	
(Wittman	

Nays: (None

WHEREAS, the Middlesex County Improvement Authority (the "Authority") is authorized to issue its bonds pursuant to the provisions of the County Improvement Authorities Law, chapter 183 of the Laws of New Jersey of 1960, as amended and supplemented (N.J.S.A. 40:37A-44 et seq.) (the "County Improvement Authorities Law"), and other applicable provisions of law; and

WHEREAS, the Authority has determined to issue its revenue bonds for the purpose of

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financing the acquisition of capital equipment for the purposes of leasing the same to various municipalities located in the County of Middlesex in the State of New Jersey (the "2006 Program"); and

WHEREAS, the Township of Cranbury, in the County of Middlesex, State of New Jersey (the "Municipality") has determined to participate in the 2006 Program and to lease certain capital equipment from the Authority; and

WHEREAS, there has been prepared and submitted to the Municipality the form of the Lease and Agreement (the "Lease"), to be entered into by and between the Authority and the Municipality, which Lease has been approved by the County of Middlesex, State of New Jersey (the "County") and which is attached hereto as Exhibit A, providing for the acquisition and leasing of certain Items of Equipment from the Authority, which Equipment is described in Exhibit B attached hereto and incorporated by reference herein. All terms used herein and not otherwise defined shall have the same meanings ascribed to such terms under the Lease.

NOW THEREFORE, BE IT ORDAINED AND ENACTED BY THE GOVERNING BODY OF THE TOWNSHIP OF CRANBURY, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) **AS FOLLOWS:**

Section 1. Pursuant to section 78 of the County Improvement Authorities Law, N.J.S.A. 40:48-1 et seq., the Municipality is hereby authorized and directed to enter into and perform the Lease, which Lease provides for the leasing of certain Items of Equipment acquired with the proceeds of County-Guaranteed Capital Equipment Lease Revenue Bonds, Series 2006 (the "Bonds") to be issued by the Authority under a resolution of the Authority to be adopted by the Authority entitled, "Resolution of the Middlesex County Improvement Authority Authorizing the Issuance of County-Guaranteed Capital Equipment Lease Revenue Bonds" (the "General Bond Resolution"). The Lease, in substantially the form submitted herewith in Exhibit A (a copy of which is on file in the office of the Clerk of the Municipality), is hereby approved with such changes, amendments or modifications as may be approved by counsel or bond counsel to the Municipality and bond counsel to the Authority and the County.

Section 2. The full faith and credit of the Municipality are hereby pledged to the punctual payment of the obligations set forth in the Lease authorized by this ordinance, including without limitation, (i) all Basic Rent and Rent obligations of the Municipality under the Lease including, Authority Administrative Expenses and Additional Rent, (ii) all amounts due and owing to the County as a result of payments made by the County on behalf of the Municipality under the Lease pursuant to the County Guarantee, including County Guarantee Costs and (iii) all direct and indirect costs of the Authority and the County related to the enforcement of the Lease and the County Guarantee ((i), (ii) and (iii) collectively, the "Lease Payment Obligation"). The Lease Payment Obligation under the Lease shall be a direct, unlimited and general obligation of the Municipality, not subject to annual appropriation by the Municipality pursuant to the County Improvement Authorities Law, and unless paid from other sources, the Municipality shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Municipality for the payment of the Lease Payment Obligation thereunder without limitation as to rate or amount.

The Mayor or other Authorized Municipal Representative (as defined in the Lease) is hereby authorized and directed to execute the Lease on behalf of the Municipality in substantially such form as attached hereto in Exhibit A and the Clerk of the Municipality is hereby authorized and directed to attest to such signature and affix the seal of the Municipality thereto and the

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Lease is authorized to be delivered to the Authority. All representatives, officials and employees of the Municipality are hereby authorized and directed to enforce and to implement provisions of the Lease.

Section 3. The following additional matters are hereby determined, declared, recited and stated:

(1) The maximum Lease Payment Obligation for which the Municipality shall be obligated hereunder, which, *inter alia*, will be used for the payment of principal of and interest on the Bonds of the Authority shall not exceed the sum necessary to (a) acquire the Municipality's Equipment described in Exhibit B which will be subject to the Lease, (b) pay interest on the Authority's Bonds allocated to the Municipality and used to acquire the Municipality's Equipment, and (c) pay the Municipality's share of the costs of issuance, Authority Administrative Expenses, Additional Rent, County Guarantee Costs and all other amounts required to be paid by the Municipality under the Lease.

(2) The Bonds shall mature within fifteen (15) years from the date of issue.

(3) The Lease Payment Obligation authorized herein shall remain effective until all the Authority's Bonds shall have been paid in full in accordance with their terms and/or when all obligations of the Municipality under the Lease have been satisfied, notwithstanding the occurrence of any other event, including but not limited to the termination of the Lease with respect to some or all of the Items of Equipment leased thereunder.

(4) The Items of Equipment described in Exhibit B are hereby approved to be leased from the Authority in accordance with the terms of the Lease, with such changes, amendments or modifications as may be approved by counsel or bond counsel to the Authority.

Section 4. To the extent the Municipality is an "Obligated Person" (as defined under the Rule (as hereinafter defined)), the Municipality hereby agrees to comply with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented, including the secondary market disclosure requirements contained therein, and agrees to covenant to such compliance in the Lease. The Mayor, Clerk, Chief Financial Officer or other Authorized Municipal Representative are each hereby authorized and directed to execute and deliver a Continuing Disclosure Agreement, approve and "deem final" the Official Statement of the Authority and the preliminary form thereof to the extent the information contained therein relates to the Municipality and to execute and deliver all certificates, documents and agreements to the Authority in connection therewith and to file budgetary, financial and operating data of the Municipality on an annual basis and notices of certain enumerated events as required to comply with and in accordance with the provisions of the Rule.

Section 5. The Mayor, Clerk, Chief Financial Officer or Authorized Municipal Representative are each hereby authorized and directed to execute and deliver any and all certificates, documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the execution and delivery of the Lease, the leasing of the Equipment which is to be the subject of the Lease and all related transactions contemplated by this ordinance.

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Section 6. Upon the payment of all amounts referenced in Section 3(3) herein, the full faith and credit pledge of the Municipality as to its Lease Payment Obligations authorized herein shall cease to exist.

Section 7. The provisions of this ordinance are severable. To the extent any clause, phrase, sentence, paragraph or provision of this ordinance shall be declared invalid, illegal or unconstitutional, the remaining provisions shall continue to be in full force and effect.

Section 8. This ordinance shall take effect twenty (20) days after final adoption and publication in accordance with applicable law.

Public Comment

The Mayor opened the meeting to public questions and comments on those items not on the agenda. Ms. Cunningham, Clerk, asked that the Township Committee appoint Thomas C. Witt, Administrator, Acting Clerk in her absence from June 28, 2006 through July 6, 2006 to sign legal documents for a Bond Anticipation Note (B.A.N.) sale, due to not closing on the Simonson property with the S.A.D.C. and that Denise Marabello, C.F.O., has no other option but to sell a Bond Anticipation Note and had indicated if this property is not closed within the next six months, we have been told by our Bond Counsel, we will have to start paying on the principal. On motion by Mr. Stannard, seconded by Ms. Stave and unanimously carried, Mr. Witt was appointed Acting Clerk during Ms. Cunningham's absence. Ms. Cunningham, Clerk, also stated she had received an e-mail from Larry Plevier, Hatch Mott MacDonald (Engineering firm for the Township) indicating the NJDOT Local Aid Office had indicated they would not be funding the "Safe Streets to Schools Program or the Bikeway Program for Fiscal Year 2007 and the State would be allocating funds for the Municipal Aid Program only for Fiscal Year 2007. Mr. Plevier indicated he had been told the State would be accepting sidewalk projects for Municipal Aid Program allocation consideration, but the sidewalk projects would be receiving a lower priority. There being no further comments, the Mayor closed the public part of the meeting.

On motion by Mr. Stannard, seconded by Mr. Wittman and unanimously carried, the meeting adjourned at 3:35 p.m.

Kathleen R. Cunningham, Clerk