

**UNION COUNTY BOARD OF CHOSEN FREEHOLDERS**

**MINUTES OF THE SPECIAL MEETING**

**JULY 7, 2005**

Chairman Rick Proctor presided. Roll call showed Vice Chairman Alexander Mirabella, Freeholder Chester Holmes, Freeholder Bette Jane Kowalski, Freeholder Adrian O. Mapp, Freeholder Deborah P. Scanlon, Freeholder Daniel P. Sullivan and Freeholder Nancy Ward in attendance. Freeholder Angel G. Estrada was absent.

Also present were County Manager George Devanney, County Counsel Robert Barry and Clerk of the Board Nicole L. Tedeschi.

**PRAYER AND SALUTE TO THE FLAG** were led by the Clerk of the Board.

**OPEN PUBLIC MEETINGS ACT** was read by the Clerk of the Board.

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**THE FIRST ORDER OF BUSINESS WAS THE FIRST READING OF ORDINANCE NO. 615-2005.**

**ORDINANCE NO. 615-2005**

**ORDINANCE AUTHORIZING (I) THE EXECUTION OR ACKNOWLEDGMENT AND DELIVERY BY THE COUNTY OF UNION OF CERTAIN AGREEMENTS IN RELATION TO THE UNION COUNTY IMPROVEMENT AUTHORITY "COUNTY OF UNION GENERAL OBLIGATION LEASE REVENUE BONDS, SERIES 2005 (JUVENILE DETENTION CENTER FACILITY PROJECT)", (II) THE ISSUANCE BY THE UNION COUNTY IMPROVEMENT AUTHORITY OF SUCH BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,100,000 AND (III) CERTAIN OTHER MATTERS RELATED THERETO PURSUANT TO N.J.S.A. 40:37A-56(1).**

**WHEREAS**, the UNION COUNTY IMPROVEMENT AUTHORITY (together with any successor thereto, the "Authority"), has been duly created by an ordinance of the Board of Chosen Freeholders (together with any successor legislative body, the "Board of Freeholders") of the County of Union, State of New Jersey (together with any successor thereto, the "County") duly adopted as a public body corporate and politic of the State of New Jersey (the "State") pursuant to and in, accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act");

**WHEREAS**, the Authority is authorized by law, specifically Section 11 of the Act (N.J.S.A. 40:37A-54(a)), to provide public facilities for the use of the County, including, without limitation, the provision for the acquisition of land (the “Property”) for and the construction of a juvenile detention center facility (as more particularly described in Exhibit A to the hereinafter defined Lease Agreement, the “Juvenile Detention Center Facility”) located in the City of Linden, New Jersey;

**WHEREAS**, pursuant to the Act, specifically Section 35 thereof (N.J.S.A. 40:37A-78), the Authority is authorized to enter into and perform any lease or other agreement with the County for the lease to or use by the County of all or any part of any public facility or facilities as determined in Section 11 of the Act (N.J.S.A. 40:37A-54);

**WHEREAS**, the Authority intends to finance the acquisition of the Property and the construction of the Juvenile Detention Center Facility (collectively, the “Initial Project”) through the issuance of its County of Union General Obligation Lease Revenue Bonds (Juvenile Detention Center Facility Project);

**WHEREAS**, the Authority has acquired the Property from the owners thereof;

**WHEREAS**, the County and the Authority have entered into that certain Interlocal Services Agreement dated December 22, 2003, which sets forth certain duties of the County and the Authority with respect to, among other things, the development, financing and implementation of the Initial Project;

**WHEREAS**, on December 29, 2004, the Authority issued \$8,900,000 aggregate principal amount of its County of Union General Obligation Lease Revenue Bonds, Series 2004 (Juvenile Detention Center Facility Project) (the “Series 2004 Bonds”) pursuant to the terms of the Act, other applicable law and the Authority's “Resolution Authorizing the Issuance of County of Union General Obligation Lease Revenue Bonds (Juvenile Detention Center Facility Project) and Additional Bonds of The Union County Improvement Authority” adopted by the Authority on August 4, 2004 (the “Initial Bond Resolution”);

**WHEREAS**, the proceeds of the Series 2004 Bonds financed a portion of the Initial Project consisting of the (a) costs of the acquisition of the Property, including reimbursing the County for any amount previously loaned to the Authority in connection therewith, (b) costs of the demolition of existing structures on the Property, (c) certain costs of the construction of the Juvenile Detention Center Facility including, but not limited to, architectural and engineering fees and other soft costs, (d) costs of issuing the Series 2004 Bonds, (e) capitalized interest on the Series 2004 Bonds and (f) any other costs set forth in the Initial Bond Resolution;

**WHEREAS**, the Authority intends to finance the remaining portion of the Initial Project through the issuance of its County of Union General Obligation Lease Revenue Bonds, Series 2005 (Juvenile Detention Center Facility Project) (the “Series 2005 Bonds”);

**WHEREAS**, the Series 2005 Bonds shall be issued pursuant to the terms of the Act, other applicable law, the Initial Bond Resolution and a supplemental resolution of the Authority

entitled “Supplemental Bond Resolution of the Union County Improvement Authority Authorizing the Issuance of its not to exceed \$30,100,000 County of Union General Obligation Lease Revenue Bonds, Series 2005 (Juvenile Detention Center Facility Project)” to be adopted by the Authority prior to the issuance of the Series 2005 Bonds (the “Series 2005 Supplemental Bond Resolution”; the Initial Bond Resolution, together with the Series 2005 Supplemental Bond Resolution and any further amendments or supplements thereto in accordance with the terms thereof may be collectively referred to as the “Bond Resolution”);

**WHEREAS**, in accordance with N.J.S.A. 40:37A-78, the Authority has leased the portion of the Initial Project financed with the proceeds of the Series 2004 Bonds to the County pursuant to the terms of that certain “Lease Purchase Agreement (Juvenile Detention Center Facility Project)” dated as of December 15, 2004, between the Authority, as lessor, and the County, as lessee (the “Original Lease Agreement”);

**WHEREAS**, the Authority shall lease the portion of the Initial Project financed with the proceeds of the Series 2005 Bonds to the County pursuant to the Original Lease Agreement as amended pursuant to the terms of that certain “Amendment No. 1 to Lease Purchase Agreement (Juvenile Detention Center Facility Project)”, between the Authority, as lessor, and the County, as lessee (the “Amendment No. 1 to Lease Agreement” and together with the Original Lease Agreement, the “Lease Agreement”);

**WHEREAS**, during the term of the Lease Agreement, title to the Initial Project will reside with the Authority;

**WHEREAS**, immediately prior to the expiration of the term of the Lease Agreement, the County will purchase all of the Authority's right, title and interest in and to the Initial Project for a nominal fee;

**WHEREAS**, the principal of, redemption premium, if any, and the interest on the Series 2005 Bonds are secured by general obligation lease payments of the County under the Lease Agreement in scheduled lease payment amounts sufficient to pay in a timely manner the principal and redemption premium, if any, of and the interest on the Series 2005 Bonds, pursuant to the terms of which Lease Agreement the County shall be obligated, if necessary, to make such lease payments from the levy of *ad valorem* taxes upon all of the taxable property within the County, without limitation as to rate or amount;

**WHEREAS**, pursuant to the terms of the Original Lease Agreement, the County has entered into that certain “Continuing Disclosure Agreement” with the Authority and the Bond Trustee, dated as of December 15, 2004 (the “Original Continuing Disclosure Agreement”), in order to satisfy the secondary market disclosure requirements of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission (“SEC”) pursuant to the Securities Exchange Act of 1934, as amended and supplemented with respect to the Series 2004 Bonds;

**WHEREAS**, pursuant to the terms of Amendment No. 1 to Lease Agreement, the County shall enter into that certain “Amendment No. 1. to Continuing Disclosure Agreement” with the Authority and the Bond Trustee (“Amendment No. 1 to Continuing Disclosure Agreement” and

together with the Original Continuing Disclosure Agreement, the “Continuing Disclosure Agreement”) in order to further satisfy the secondary market disclosure requirements of Rule 15c2-12 with respect to the Series 2005 Bonds;

**WHEREAS**, in order to market and sell the Series 2005 Bonds, (i) the Authority, shall issue a Preliminary Official Statement (the “POS”) and a final Official Statement (the “OS”), (ii) the Authority shall enter into a negotiated sale of the Series 2005 Bonds with one or more underwriters (collectively, the “Underwriter”) pursuant to the terms of a bond purchase agreement (the “BPA”), (iii) the Authority, the County and the Bond Trustee, shall enter into Amendment No. 1 to Continuing Disclosure Agreement, (iv) the County shall make certain representations, warranties and covenants regarding, among other things, the Initial Project and the Series 2005 Bonds in a Tax Letter of Representations (the “Letter of Representation”), and (v) the County and the Authority shall take such actions and shall authorize, execute, or acknowledge, as the case may be, and deliver such other documents, instruments or certificates as Bond Counsel to the Authority and to the County deem necessary, convenient, useful or desirable in order to issue the Series 2005 Bonds (collectively, the “Certificate”, and together with the Bond Resolution, the Series 2005 Bonds, the bond insurance policy (if any), the Lease Agreement, the POS, the OS, the BPA, the Continuing Disclosure Agreement and the Letter of Representation, are hereinafter referred to as the “Financing Documents”);

**WHEREAS**, in accordance with Section 13 (“Section 13”) of the Act (N.J.S.A. 40:37A-56), the Authority, after investigation and study, has made a detailed report with respect to the Initial Project and the financing thereof to the Board of Freeholders at meetings of the Board of Freeholders; and

**WHEREAS**, the Board of Freeholders believe: (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, welfare, convenience or betterment of the inhabitants of the County; (iii) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (iv) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the County and will not create an undue financial burden to be placed upon the Authority or the County.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF FREEHOLDERS OF THE COUNTY OF UNION, NEW JERSEY, AS FOLLOWS:**

Section 1. Pursuant to Section 78 of the County Improvement Authorities Law, N.J.S.A. Section 40:37A-44 et seq., the County is hereby authorized and directed to enter into Amendment No. 1 to Lease Agreement and perform the Lease Agreement, which Lease Agreement provides for the leasing of the Initial Project acquired and constructed with the proceeds of the Series 2004 Bonds, the Series 2005 Bonds and any additional bonds to be issued by the Authority under the Bond Resolution. Amendment No. 1 to Lease Agreement, in substantially the form submitted herewith as Exhibit A (a copy of which is on file in the office of the Office of the Clerk of the Board of Freeholders of the County), is hereby approved with such changes, amendments or modifications as may be approved by counsel or bond counsel to the Authority and counsel or bond counsel to the County.

Section 2. The County Manager and the Director of Finance of the County (collectively “Authorized Officer”) are hereby each severally authorized and directed, upon the satisfaction of all the legal conditions precedent to the execution or acknowledgment and delivery by the County of the Financing Documents to be so executed or acknowledged by the County, to execute or acknowledge and deliver such Financing Documents, with such changes thereto as the Authorized Officer, after consultation with Counsel to the County, bond counsel to the County and other professional advisors to the Authority and County (the “Consultants”) deemed in its sole discretion to be necessary, desirable, and convenient for the execution thereof and to consummate the transactions contemplated thereby which execution shall conclusively evidence the Authorized Officer’s approval of any changes to the forms thereof.

Section 3. The Clerk of the Board of Freeholders of the County is hereby authorized and directed upon execution or acknowledgment of the documents set forth in Section 2 hereof, in accordance with the terms of Section 2 hereof, to attest the Authorized Officer’s execution or acknowledgment of such documents and is hereby further authorized and directed thereupon to affix the seal of the County on such documents.

Section 4. The full faith and credit of the County are hereby pledged to the punctual payment of the obligations set forth in the Lease Agreement authorized by this ordinance, including without limitations (i) all Basic Lease Payment and Additional Lease Payment obligations of the County under the Lease Agreement including, Authority Administrative Expenses, (ii) all amounts due and owing to the Authority as a result of payments made by the Authority related to the enforcement of the Lease Agreement and (iii) all direct and indirect costs of the Authority related to the enforcement of the Lease Agreement ((i), (ii), and (iii) above are hereinafter collectively referred to as the “Lease Payment Obligation”).

The Lease Payment Obligation under the Lease Agreement shall be a direct, unlimited and general obligation of the County, not subject to annual appropriation by the County, pursuant to the Act, and unless paid from other sources, the County shall be obligated to levy *ad valorem* taxes upon all the taxable property within the County for the payment of the Lease Payment Obligation thereunder without limitation as to rate or amount.

All representatives, officials and employees of the County are hereby authorized and directed to enforce and to implement provisions of the Lease Agreement.

Section 5. The following additional matters are hereby determined, declared, recited and stated:

(a) The maximum principal amount for which the County shall be obligated hereunder for the payment of principal of and interest on the Series 2005 Bonds of the Authority shall not exceed the sum necessary to lease the portion of the Initial Project financed with the proceeds of the Series 2005 Bonds for the Lease Agreement term and to pay the costs of issuance, Authority Administrative Expenses, and all other amounts required to be paid by the County under the Lease Agreement in connection therewith.

(b) The Series 2005 Bonds shall mature no later than May 1, 2034.

(c) The Lease Payment Obligation authorized herein shall remain effective until all the Authority's Bonds (as defined in the Lease Agreement) shall have been paid in full in accordance with their terms and/or when all obligations of the County under the Lease Agreement have been satisfied, notwithstanding the occurrence of any other event, including but not limited to the termination of the Lease Agreement with respect to all or a portion of the Initial Project leased thereunder.

(d) The Initial Project is hereby approved to be leased from the Authority in accordance with the terms of the Lease Agreement, with such changes, amendments or modifications as may be approved by counsel or bond counsel to the Authority.

Section 6. The Board of Freeholders of the County hereby authorizes the performance of any act, the execution or acknowledgment and delivery of any other document, instrument or closing certificates, which the Authorized Officer, after consultation with the Consultants, deems necessary, desirable or convenient in connection with this contemplated transaction, and the Board of Freeholders hereby directs the Authorized Officer to execute or acknowledge, and cause the Clerk of the Board of Freeholders of the County to attest and affix the seal to any such documents, instruments or closing certificates, the authorization of which actions shall be conclusively evidenced by the execution or acknowledgment, attestation, affixation and delivery, as the case may be, thereof by such person. Such closing certificates shall include, without limitation, (a) a determination that any information provided by the County in connection with the preparation and distribution of (i) the POS or any supplement thereto in connection with the Series 2005 Bonds is "deemed final" for the purposes and within the meaning of Rule 15c2-12 and (ii) the OS or any supplement thereto in connection with the Series 2005 Bonds constitutes a final official statement for the purposes and within the meaning of Rule 15c2-12, (b) a determination that the Continuing Disclosure Agreement complies with Rules 15c2-12, (c) a determination that any information provided by or on behalf of the County or relating to the County, the Initial Project or the Financing Documents or the transactions contemplated thereby in connection with the preparation and distribution of the POS or the OS complies with Section 10 and Rule 10b-5 of the Securities Exchange Act, and (d) any representations, warranties, covenants, certificates or instruments required by any issuer of a municipal bond insurance policy or any other form of credit enhancement securing all or a portion of the Series 2005 Bonds or the issuer of a rating on all or a portion thereof.

Section 7. Upon the payment of all amounts referred in Section 5(c) hereof, the full faith and credit pledge of the County as to its Lease Payment Obligations authorized herein shall cease to exist.

Section 8. In accordance with Section 13, the Board of Freeholders acknowledges the presentation by the Authority of a detailed report with respect to the Initial Project and the financing thereof at meetings of the Board of Freeholders.

Section 9. In accordance with Section 13 and all other applicable law, the Board of Freeholders hereby consents to (a) the acquisition, construction and installation of the Initial Project and the financing of same through the Financing Documents and any other agreements to which the Authority shall be a party and as may be necessary for the issuance by the Authority of the Series 2005 Bonds and/or the financing of the Initial Project, (b) the execution and delivery by the Authority of the Financing Documents and any other agreements to which the Authority shall be a party and as may be necessary for the issuance by the Authority of the Series 2005 Bonds and/or the financing of the Initial Project, (c) the adoption by the Authority of the Series 2005 Supplemental Bond Resolution in substantially the form attached hereto as Exhibit B and (d) the issuance, sale and delivery of the Series 2005 Bonds in an aggregate principal amount not to exceed \$30,100,000 to effect such purpose. The County's consent hereto to the Financing Documents contemplates the insertion of the final financing terms therein that will result from the sale of the Series 2005 Bonds, which financing terms shall be limited only by those financing term parameters set forth in the application of the Authority filed with the State Local Finance Board relating to the Series 2005 Bonds and the parameters set forth herein.

Section 10. 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 11. A public hearing shall be held on this ordinance on July 28, 2005 at the meeting of the Board of Freeholders, County Administration Building, Elizabeth, New Jersey.

Section 12. The Clerk of the Board of Freeholders of the County is hereby directed to publish and post notice of this ordinance as required by law.

Section 13. Upon the adoption hereof the Clerk of the Board of Freeholders of the County shall forward certified copies of this ordinance to the County Manager, the Director of Finance, the County Counsel, the Authority, Rogut McCarthy Troy LLC, Bond Counsel to the County, and McCarter & English, LLP, Bond Counsel to the Authority.

Section 14. This ordinance shall take effect twenty (20) days after final adoption and publication in accordance with applicable law.

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Chairman Proctor moved Ordinance No. 615-2005 for First Reading and authorized the Clerk of the Board to advertise the same in accordance with the law. (Final adoption: 7/28/2005) Seconded by Vice Chairman Mirabella, roll call showed eight members of the Board voted in the affirmative, with Freeholder Estrada absent.

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**MEETING OPEN TO THE PUBLIC FOR THE  
PURPOSE OF COMMENTING ON  
RESOLUTIONS ON THE AGENDA ONLY**

Vincent Lehotsky, Rahway, commented on Resolution 721-2005 with a question about the allocations. Lawrence Caroselli, Director of Finance, responded to his question, stating that the change reflected the separation of the allocations for prescriptions from those for hospitalizations, which had been combined in the previous resolution.

Bruce Paterson, Garwood, asked for a clarification on Resolutions 718-2005 & 719-2005 on which there had been a correction given earlier, and on the projects and the costs. Chairman Proctor, Victoria Durbin, Director of the Open Space, Recreation and Historic Preservation Trust Fund, and Charles Sigmund, Director of the Parks and Recreation Department responded to his question. Mr. Paterson also asked why the Special Meeting was being held. County Manager Devanney responded to his question, stating that the Workforce Investment Board had some contracts that needed to be approved right away.

**PUBLIC COMMENT PORTION CONCLUDED**

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Chairman Proctor called for a motion to approve the resolutions. On a motion by Vice Chairman Mirabella, seconded by Freeholder Scanlon, roll call showed eight members of the Board voted in the affirmative with Freeholder Estrada absent.

**THE FOLLOWING RESOLUTIONS WERE BEING OFFERED FOR ADOPTION:**

**718-2005**      **FREEHOLDER ESTRADA**, authorizing the County Manager to enter into a contract with the **PMK Group, Cranford, New Jersey**, for project design and specification preparation, project monitoring, reporting, and project management with regard to environmental remediation and demolition planning for Esposito Farm Park, Clark, New Jersey in an amount not to exceed **\$43,000**.

On a motion by Vice Chairman Mirabella, seconded by Freeholder Scanlon, roll call showed eight members of the Board voted in the affirmative with Freeholder Estrada absent.

**719-2005**      **FREEHOLDER ESTRADA**, authorizing the County Manager to enter into an agreement with **T&M Associates, Middletown, New Jersey**, for the construction administration and inspection services relative to Esposito Farm Park in an amount not to exceed **\$233,642**.

On a motion by Vice Chairman Mirabella, seconded by Freeholder Scanlon, roll call showed eight members of the Board voted in the affirmative with Freeholder Estrada absent.



**720-2005**      **FREEHOLDER SULLIVAN**, authorizes the County Manager to execute any and all agreements for the following Program Year 2005 **Workforce Investment Act (WIA)** Youth Grant Awards recipients for the contract period of July 1, 2005 through June 30, 2006 for a total amount of **\$684,196**:

- ~~///~~ **Elizabeth Board of Education \$24,000**
- ~~///~~ **Plainfield Board of Education/SBYSP \$40,000**
- ~~///~~ **Rahway Community Action Organization Inc. \$36,000**
- ~~///~~ **Restore Ministries \$24,600**
- ~~///~~ **Roselle Board of Education \$29,924**
- ~~///~~ **Union County Vocational Technical Schools \$63,000**
- ~~///~~ **Union County Vocational Technical Schools (year round) \$140,000**
- ~~///~~ **Urban League of Union County \$240,000**
- ~~///~~ **Workforce Advantage \$47,600**
- ~~///~~ **Workforce Advantage (year round) \$39,072**

On a motion by Vice Chairman Mirabella, seconded by Freeholder Scanlon, roll call showed eight members of the Board voted in the affirmative with Freeholder Estrada absent.

**721-2005**      **FREEHOLDER SULLIVAN**, amending **Resolution No. 717-2005** to reflect the correct distribution of the allocation of the contract amounts for employee health insurance and prescription plan only.

On a motion by Vice Chairman Mirabella, seconded by Freeholder Scanlon, roll call showed eight members of the Board voted in the affirmative with Freeholder Estrada absent.

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**THE FOLLOWING RESOLUTION WAS LAUDATORY IN CONTENT:**

**722-2005**      **FREEHOLDER SULLIVAN**, honoring and saluting four Union County Sheriff Officers **Gianni Cacioppo, Anthony Gialanella, George Gyure, and Brendan Sullivan**, for their brave and heroic actions taken on March 29, 2005, and extends best wishes for their continued success in all their future endeavors.

On a motion by Vice Chairman Mirabella, seconded by Freeholder Scanlon, roll call showed eight members of the Board voted in the affirmative with Freeholder Estrada absent.

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Chairman Proctor called for a motion to adjourn the Special Meeting.  
On a motion by Vice Chairman Mirabella, seconded by Freeholder Scanlon, roll call showed eight members of the Board voted in the affirmative, with Freeholder Estrada absent.

**ADJOURNMENT**

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**Nicole L. Tedeschi**  
**Clerk of the Board**

**NLT/amc**