

CERTIFICATE OF MINUTE EXTRACT

I, Kevin P. Davis, Clerk of the Township of Hillsborough, in the County of Somerset, State of New Jersey, hereby certify that the forgoing annexed extract from the minutes of a Regular Meeting of the governing body of the Township duly called and held on April 14, 2009 at 7:30pm has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body and is a true , complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Township this
13th day May, 2009.

Kevin P. Davis, RMC, QPA
Municipal Clerk

PUBLIC HEARINGS

Ordinance 2009-13 An Ordinance of the Township of Hillsborough, in the County of
previously Somerset, New Jersey, amending Ordinance 2007-43 as
 amended by Ordinance 2008-45, providing for the installation of
therefore, Sanitary Sewer System and other related expenses in and for the
 Township of Hillsborough and appropriating \$5,805,000
 and providing for the issuance of \$5,775,000 in bonds or notes of
 the Township of Hillsborough to finance the same and directing
 the special assessment of the cost thereof.

Committeeman Ferrera moved to open the public hearing on Ordinance 2009-13. Said motion was seconded by Committeeman Suraci and carried unanimously by voice vote.

Mayor DelCore stated that this bond ordinance is a necessary part of the Claremont sewer connection project's application for low interest financing from the state's Environmental Infrastructure Trust or EIT.

Mayor DelCore stated that as noted on numerous occasions, the sewer project will be funded through a special assessment on property owners benefiting from the project.

Mayor DelCore said that by obtaining the lowest possible interest rate for financing of the project will be of benefit to those who will pay the special assessment.

Mayor DelCore stated that the township's application to the EIT is for the lowest possible interest, including seeking 0% stimulus funding, if the project qualifies, or ½ the regular government bond rate which would mean about 2.5% at today's rates.

Mayor DelCore stated the Township is advised that at ½ the regular bond rate, the benefiting property owners will see a savings of \$1 million in interest costs, over the life of the repayment.

Mayor DelCore stated that in order to participate in the EIT program, the Township's Bond Counsel has advised that the Township Committee must authorize a bond ordinance which then must be approved by the state's Local Finance Board.

Mayor DelCore said that the Bond ordinance for \$5.8 million is for the maximum possible amount which Bond Counsel advises is the best course of action, and includes the \$600,000 authorization previously approved to cover preliminary costs.

Mayor DelCore stated that the Special Assessment payers will only pay for the actual cost of the project which will be better known after construction bids are received, which we anticipate happening in July or August, after gaining all the appropriate approvals.

Mayor DelCore said that the two previous sewer connection projects that were recently completed both had lower total costs than were originally predicted.

Mayor DelCore made it clear to the residents that there are no taxpayer funds used for these sewer projects.

Tom O' Donnell, Anne Street, thanked the Township for saving money within the economic times. He stated that there is a lot of cost that for the residents who are going to have the sewers put in. One of the surprises to the residents was the fee for the MUA hook up, which was told to be approximately \$6,000 per household. He stated that the Township and MUA should work together and look at how this cost could be reduced. He stated that a possible deferred payment to hold off on the assessment for a year or two, or maybe paying it off after a couple of years, because originally it was shown as a fee that had to be paid upfront.

Mayor DelCore stated that this is an interesting idea and will be looked into and the Township will have a conversation with the MUA.

Administrator Kevin Davis stated that there are two connection costs within the \$6,000 dollars. He stated that the Township can talk to the MUA to try and figure out a plan, however, he is not sure about what can be done about the Somerset Raritan Valley Sewer Company, which is the other part of the connection costs.

Committeewoman McCauley moved to close the public hearing on Ordinance 2008-13. Said motion was seconded by Committeeman Suraci and carried unanimously by voice vote.

Committeeman Suraci moved to adopt Ordinance 2009-13. Said motion was seconded by Committeeman Ferrera and carried unanimously upon call of the roll.