

MORRIS COUNTY IMPROVEMENT AUTHORITY

REVISED MINUTES of the Board Meeting held on September 15, 2010, at 6:00 p.m.,
Knox Conference Room #525, Morris County
Administration and Records Building, Morristown, New Jersey

At 6:00 p.m., John Bonanni, Chairman to the Morris County Improvement Authority called the meeting to order. The following persons were in attendance:

John Bonanni, Chairman
Frank T. Pinto, Commissioner
Christina Ramirez, Commissioner
Glenn Roe, Commissioner
Stephen B. Pearlman, Esq. - Inglesino, Pearlman, Wyciskala & Taylor LLC
Jennifer Edwards, Acacia Financial Group
Doug Bacher, NW Financial Group
Joe Santaiti, Gabel Associates

Commissioner Bonanni asked for the reading of the public statement in accordance with the Open Public Meetings Act which was then read by recording secretary Cindy Rueter.

Commissioner Bonanni asked for “roll call” for the Authority. Four out of five Commissioners were in attendance, Ms. Christina Ramirez, Mr. John Bonanni, Mr. Glenn Roe and Mr. Frank Pinto a quorum was established. Ms. Ellen Sandman was excused due to a scheduling conflict.

Approval of the August 30, 2010 minutes was considered. Commissioner Pinto made a motion to accept the minutes of the August 30th meeting. Commissioner Roe seconded the motion; all were in favor to accept the minutes of August 30th.

The public portion of the meeting was opened. – No comment at this time.

The Executive Session was opened at 6:20 p.m. Open session resumed at 6:38 p.m.

Agenda item 6(i) – Resolution authorizing the execution of a contract for General Counsel, Bond Counsel and Special Energy Counsel Services (which had been tabled at the August 30, 2010 meeting of the Morris County Improvement Authority) was discussed. The committee reviewed the responses to the Request for Qualifications for Counsel Services. The qualifications, experience and knowledge as well as their knowledge of the Renewable Energy Initiative was considered. The committee consisting of Commissioner Frank Pinto (Chair) and Commissioner Christina Ramirez recommended the existing firm: Inglesino, Pearlman, Wyciskala & Taylor, LLC to continue in the capacity of General, Bond and Special Energy Counsel Services with the existing rates in effect. Commissioner Pinto made a motion to adopt this resolution, Commissioner Ramirez seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution No. 10-33 “RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE EXECUTION OF A CONTRACT FOR GENERAL, BOND AND SPECIAL ENERGY COUNSEL SERVICES (NO. 10-33) was adopted.

Agenda item 6(ii). was discussed – Resolution of the Improvement Authority to enter into a joint venture transaction with Ocean County (Ocean County does not have an Improvement Authority) in the amount of approximately \$23 million dollars to build a new administration building at Kean College. The Improvement Authority will use Acacia Financial and NW Financial for this transaction. The potential benefit of this transaction will be for the Improvement Authority to receive fees to offset operating expenses. Commissioner Roe made a motion to adopt this resolution, Commissioner Pinto seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution No. 10-36 “ RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE PREPARATION AND SUBMISSION OF AN APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO LOCAL AUTHORITIES FISCAL CONTROL LAW AND OTHER APPLICABLE LAW AND SEEKING CERTAIN OFFICIAL ACTIONS OF THE COUNTY OF MORRIS AND THE COUNTY OF OCEAN, ALL IN CONNECTION WITH THE AUTHORITY’S REVENUE BONDS, SERIES 2010 (KEAN UNIVERSITY

FOUNDATION INC. PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$23,000,000” (NO. 10-36) was adopted.

Agenda item 6(iii). was discussed - Resolution approving the payment of bills as listed on the Schedule of Warrants. Commissioner Pinto made a motion to adopt this resolution; Commissioner Roe seconded the motion. Roll was called. The resolution was approved unanimously. The motion carried and Resolution No. 10-37 “RESOLUTION APPROVING THE PAYMENT OF BILLS AS LISTED ON THE SCHEDULE OF WARRANTS” (No. 10-37) was adopted.

7a. Discussion: Status of Renewable Energy Program – The monthly Construction Progress report was e-mailed to the Commissioners of the Improvement Authority, as well as a hard copy handout during the meeting. Installation of the solar panels are underway and on schedule. Gabel Associates have reviewed the applications from the respondents for the next phase of the Renewable Energy Initiative. They will present a draft to the Authority at the October 20, 2010 meeting. Their recommendation for the participants in the next phase will be discussed during Executive Session.

Permitting fees continue to be an issue for the Renewable Energy Program. A letter was sent to Morris Township’s Business Administrator, Mr. Fred Rossi, regarding the permit fees that were assessed to the County related to the installation of solar panels at Morris County Park Commission Facilities. Mr. Rossi was mailed a copy of NJSA 40:23-6.20 which clearly exempts the County from such fees. Mr. Rossi has not yet responded to the letter. Another copy of this letter with attachments will be sent to Mr. Rossi requesting a response. To date, the meeting with Commissioner Lori Grifa at the N.J. State Department of Community Affairs has not been scheduled.

7b. CGLP – A couple of transactions have closed since the last meeting.

7c. – Payment of Bills between Meetings – Nothing at this time.

7d. Status of Other Inquiries and potential transactions – Netcong has not responded to Jennifer Edwards many calls regarding a potential transaction in the amount of \$4 million. Rockaway Township is approximately six (6) months away from a transaction, they are interested in purchasing solar panels.

7e. Other items – American Solar Developers has not responded to the letter drafted by Stephen B. Pearlman, Esq. inviting them to present their business at the October 20, 2010 meeting.

The September 15, 2010 meeting of the Morris County Improvement Authority was adjourned at 7:20 p.m. Commissioner Ramirez made a motion to adjourn and seconded by Commissioner Pinto.

Respectfully Submitted,

Cynthia Rueter
Recording Secretary

RESOLUTION NO. 10-33

**RESOLUTION OF THE BOARD OF COMMISSIONERS
MORRIS COUNTY IMPROVEMENT AUTHORITY**

TITLE:

**RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING THE EXECUTION OF A CONTRACT FOR GENERAL, BOND
AND SPECIAL ENERGY COUNSEL SERVICES**

WHEREAS, the Morris County Improvement Authority (the “Authority”) has been duly created by resolution of the County of Morris (the “County”), State of New Jersey (the “State”) and exists in good standing as a public body corporate and politic under and pursuant to all applicable law, including the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended from time to time (codified at N.J.S.A. 40:37A-44 et seq., the “Act”);

WHEREAS, in order to carry out the operations of the Authority, including without limitation the negotiation, sale and issuance of bonds, notes or other obligations of the Authority to finance projects permitted under the Act, the Authority needed to contract for the services of a general counsel, bond counsel and special energy counsel (the “Legal Counsel”);

WHEREAS, as of January 1, 2006, N.J.S.A. 19:44A-20.1 et seq., commonly known as the “State Pay to Play” law, enacted by the New Jersey State Legislature shall become effective;

WHEREAS, pursuant to N.J.S.A. 19:44A-20.1 et seq., an authority may not award contracts with a value in excess of \$17,500.00 to a business entity which has made reportable contributions in excess of \$300.00, in the aggregate, to the member municipality’s political parties or to any candidate’s committee of any person serving in an elective public office of the member municipality when such contract was awarded, unless said business entity is awarded a contract under a “fair and open process” pursuant to N.J.S.A. 19:44A-20.1 et seq.; and

WHEREAS, a “fair and open process” constitutes the following: (1) public advertisement on the Authority’s website or in the newspaper of a Request for Qualifications (hereinafter the “RFQ”) with ten (10) calendar days notice prior to the receipt of responses to the RFQ; (2) award of contract under a process that provides for public solicitation of qualifications; (3) award of contract under publicly disclosed criteria established, in writing, by the municipality prior to the solicitation of qualifications; and (4) the Authority shall publicly open and announce the qualifications when awarded (the “Fair and Open Process”);

WHEREAS, on August 13, 2010, a date ten days prior to the deadline for the Legal Counsel RFQ (the “RFQ Deadline”) the Authority posted invitations to submit proposals for Legal Counsel services on its website (the “RFQ Request”);

WHEREAS, on August 25, 2010 the responses to the RFQ Request were publicly read pursuant to the Fair and Open Process;

WHEREAS, the Authority desires to appoint Inglesino, Pearlman, Wyciskala & Taylor, LLC pursuant to a “fair and open process” pursuant to N.J.S.A. 19:44A-20.1 et seq. as General, Bond and Special Energy Counsel for a period of one (1) year;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Authority as follows:

Section 1. The Authority hereby appoints the following firm to perform the following services for the Authority for a one year period commencing September 15, 2010:

a. General Counsel:

Inglesino, Pearlman Wyciskala & Taylor
600 Parsippany Road
Parsippany, New Jersey 07054
Contact: Stephen B. Pearlman, Esq.

b. Bond Counsel:

Inglesino, Pearlman Wyciskala & Taylor
600 Parsippany Road
Parsippany, New Jersey 07054
Contact: Stephen B. Pearlman, Esq.

c. Special Energy Counsel:

Inglesino, Pearlman Wyciskala & Taylor
600 Parsippany Road
Parsippany, New Jersey 07054
Contact: Stephen B. Pearlman, Esq.

Section 2. The Chairperson is hereby authorized and directed to execute a contract with Inglesino, Pearlman Wyciskala & Taylor, LLC in the form attached hereto as Exhibit A, provided that the Chairperson take all actions necessary for such contracts to comply with the bidding exceptions to the Contracts Law, including the publication requirements therein.

Section 3. This resolution shall take effect immediately.

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Pinto				
Ramirez				
Roe				
Sandman				
Bonanni				

ATTESTATION:

This Resolution was acted upon at the Regular Meeting of the Authority held on September 15, 2010 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this ___ day of _____, 2010

By: _____

Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of September 15, 2010

By: _____

**Stephen B. Pearlman, Esq., Partner
Inglesino, Pearlman, Wyciskala & Taylor, LLC
Counsel to the Authority**

Exhibit A
Professional Services Agreement

RESOLUTION NO. 10-36

**RESOLUTION OF THE BOARD OF COMMISSIONERS
MORRIS COUNTY IMPROVEMENT AUTHORITY**

TITLE:

**RESOLUTION OF THE MORRIS COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING THE PREPARATION AND SUBMISSION OF AN
APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO LOCAL
AUTHORITIES FISCAL CONTROL LAW AND OTHER APPLICABLE LAW
AND SEEKING CERTAIN OFFICIAL ACTIONS OF THE COUNTY OF
MORRIS AND THE COUNTY OF OCEAN, ALL IN CONNECTION WITH THE
AUTHORITY'S REVENUE BONDS, SERIES 2010 (KEAN UNIVERSITY
FOUNDATION INC. PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$23,000,000**

WHEREAS, The Morris County Improvement Authority (including any successors and assigns, the "*Authority*") has been duly created by resolution no. 42 entitled "Resolution of the Board of Chosen Freeholders of Morris County, New Jersey creating the Morris County Improvement Authority" duly adopted by the Board of Chosen Freeholders (the "*Board of Freeholders*") of the County of Morris (the "*County*") in the State of New Jersey (the "*State*") on April 10, 2002 as a public body corporate and politic of 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*") and other applicable law;

WHEREAS, the Authority is authorized by law, specifically Section 11 of the Act (N.J.S.A. 40:37A-54(1)), to provide for the planning, design, acquisition, construction, improvement, renovation, installation, maintenance and operation of facilities or any other type of real or personal property within the County for certain nonprofit corporations or other entities organized pursuant to N.J.S.A. 15A:2-1 *et seq.* (the "*Nonprofit Act*");

WHEREAS, the Kean University Foundation Inc. (the "*Borrower*"), a not-for-profit organization pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "*Code*") and a nonprofit corporation pursuant to the Nonprofit Act has previously requested the Bergen County Improvement Authority's (the "*BCIA*") assistance in financing (i) the acquisition of a property (the "*Project Property*"), (ii) the construction of administration and classroom facilities on the Project Property (the "*Facility*") and together with the Project Property the "*Kean University Project*";

WHEREAS, the Borrower has decided not to proceed with the BCIA and has requested the Authority's assistance in financing the Kean University Project;

WHEREAS, the County of Ocean, New Jersey (the "County of Ocean" and together with the County, the "Counties") does not presently have its own county improvement authority, and therefore the Authority is authorized under the Act to provide the financing for the Kean University Project on behalf of the Borrower;

WHEREAS, certain conditions precedent had to be satisfied in order for the Authority to participate in the financing of a project on behalf of the Borrower, including without limitation, seeking and obtaining the various designations and authorizations from the County of Ocean and the consent of the County of Ocean through the Board of Chosen Freeholders of the County of Ocean (the "County of Ocean Board of Freeholders") under Section 13 (N.J.S.A. 40:37A-56) of the Act;

WHEREAS, the Authority is authorized by law, specifically Section 35 of the Act (N.J.S.A. 4:37A-78), to enter into that certain loan, lease or other agreement to be dated as of the first day of the month of issuance of the hereinafter defined Series 2010 Bonds (the "Financing Agreement") with the Borrower regarding, among other things, the Borrower's use of the Facility and the issuance and repayment terms (the "Payments") of the loan ("the "Loan") to be made by the Authority to the Borrower from a portion of the proceeds of the Series 2010 Bonds related to the Kean University Project;

WHEREAS, as further security for its Payment obligations under the Financing Agreement, the Borrower intends to execute and delivery to the Authority, which shall be assigned to the Trustee, that certain "Mortgage" to be dated as of the first day of the month of issuance of the Series 2010 Bonds (the "Mortgage"), which by its terms, among other things, shall convey a leasehold mortgage on the Project Facility;

WHEREAS, the Series 2010 Bonds shall be secured, in part, by a pledge of the Revenues (as defined in the General Bond Resolution) to the holders of the Series 2010 Bonds, which consists of, among other things, the Payments to be made by the Borrower under the Financing Agreement and the Borrower's Mortgage;

WHEREAS, the Authority intends to finance, among other things, (i) the Kean University Project, and (ii) the costs of issuance associated with the Series 2010 Bonds (the "Series 2010 Project");

WHEREAS, the Authority intends to finance the costs of the Series 2010 Project through the issuance of its "Revenue Bonds, Series 2010 (Kean University Foundation Inc. Project)" in an aggregate principal amount not to exceed \$23,000,000 (the "Series 2010 Bonds");

WHEREAS, the Series 2010 Bonds shall be issued pursuant the Act, other applicable law and the "Resolution Authorizing the Issuance of Revenue Bonds, Series 2010 (Kean University Foundation Inc. Project) of The Morris County Improvement

Authority”, as amended and supplemented from time to time in accordance with its terms including by a Certificate of Authorized Officer of the Authority dated the date of issuance of the Series 2010 Bonds (the “Bond Resolution”);

WHEREAS, the Series 2010 Bonds and all other Series of Bonds issued and Outstanding (as such terms are defined in the Bond Resolution) under the Bond Resolution, shall be secured on a parity basis with a pledge of the Revenues (as such term is defined in the Bond Resolution) in accordance with and to the extent set forth under the Bond Resolution, which shall include, without limitation, the Payments by the Borrower under the Financing Agreement and the Mortgage;

WHEREAS, the Authority, the Borrower and the Trustee for the Series 2010 Bonds will be required to enter into that certain “Continuing Disclosure Agreement, (Series 2010 Bonds, Kean Foundation Inc. Project)” to be dated as of the first day of the month of issuance of the Series 2010 Bonds (as the same may be amended and supplemented from time to time in accordance with its terms, and as the same may be divided into one or more agreements, the “Continuing Disclosure Agreement”) in order to satisfy the secondary market disclosure requirements of Rule 15c2-12 (“Rule 15c-12”) promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, as amended;

WHEREAS, in order to market and sell the Series 2010 Bonds, the Authority will have to (i) execute one or more certificates regarding the exclusion of interest on the Series 2010 Bonds from the gross income of the holders thereof for Federal income tax purposes (the “Tax Agreement”), (ii) authorize the distribution of a preliminary official statement deemed final within the meaning and for the purposes of Rule 15c2-12 describing the terms of the Series 2010 Bonds, the Series 2010 Project and the other transactions contemplated hereby (the “Preliminary Official Statement”), (iii) enter into a bond purchase agreement with an underwriter to be selected by the Authority, for the sale of all of the Series 2010 Bonds (the “Bond Purchase Agreement”), (iv) execute and deliver a final Official Statement incorporating the terms of the sale of the Series 2010 Bonds and certain other information into the Preliminary Official Statement (the “Official Statement”), (v) cause the Borrower to make certain representations, warranties and covenants concerning the Series 2010 Bonds, the Series 2010 Project and the other transactions contemplated hereby (the “Borrower Letter of Representations”) and (vi) and cause the Borrower to make certain representations, warranties and covenants concerning the tax status of the Series 2010 Bonds (the “Borrower Tax Letter of Representations”, and collectively, the “Offering Documents”);

WHEREAS, the Authority shall have no obligation with respect to the Series 2010 Project other than the financing thereof; accordingly, the payment of the Series 2010 Bonds shall remain the sole responsibility of the Borrower;

WHEREAS, in accordance with Section 13 (“Section 13”) of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Series 2010 Bonds, the Authority will have made a detailed report of the Series 2010 Project to the Board of Freeholders, which report will

include, without limitation, the Series Bond Resolution, the Series 2010 Bonds, the Financing Agreement, the Mortgage, the Continuing Disclosure Agreement, and as applicable, the Offering Documents (collectively, the “Financing Documents”); and

WHEREAS, the Authority believes: (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, wealth, convenience or betterment of the inhabitants of the Counties; (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 Counties and will not create an undue financial burden to be placed upon the Authority or the Counties.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Authority as follows:

Section 1. The Chairperson and the Treasurer of the Authority (including their designees, each an “Authorized Officer”) are each hereby severally authorized to prepare and submit the Local Finance Board Application for the purpose of financing the Series 2010 Project through the issuance of the Series 2010 Bonds. The Authorized Officer shall act in consultation with the Authority's counsel, Inglesino, Pearlman, Wyciskala & Taylor, LLC, hereby confirmed to act as bond counsel to the Authority for this financing (the “Consultant”), in the preparation and submission of the Local Finance Board Application. All actions taken to date by such parties in connection with the Local Finance Board Application are hereby ratified and approved. All of such parties are hereby authorized and directed to represent the Authority in matters pertaining thereto, including without limitation, the hearing to be held by the Local Finance Board relating to the Financing Documents, and the Series 2010 Project financed thereby required by N.J.S.A. 40A:5A-6.

Section 2. The Authorized Officers are each hereby severally authorized and directed to deliver or cause to be delivered to the governing body of the County and the County of Ocean a detailed report describing the applicable Financing Documents and the Series 2010 Project financed thereby, all in accordance with Section 13.

Section 3. Each Authorized Officer is hereby further authorized and directed to take all actions deemed necessary, convenient or desirable by any such Authorized Officer, in consultation with the Consultant, to obtain the resolutions of the governing body of the County and the County of Ocean contemplated by Section 13 relating to the Financing Documents and the Series 2010 Project financed thereby.

Section 4. The Secretary of the Authority is hereby directed to prepare and cause counsel to the Authority to file a copy of this resolution with the Local Finance Board as part of the Local Finance Board Application.

Section 5. The Local Finance Board is hereby respectfully requested to consider the Local Finance Board Application and to record its findings and recommendations as provided by N.J.S.A. 40A:5A-7 of the Local Authorities Fiscal

Control Law, and as applicable, the approvals required on behalf of the Local Unit under the Public School Bond Law.

Section 6. To the extent the Series 2010 Refunding Bonds are issued in any year other than 2010, references herein to “2010” may without any further action be changed to the year of issuance of such Series 2010 Refunding Bonds.

Section 7. The Authority hereby severally authorizes its Authorized Officers and Consultant to assist the Borrower in any action to be taken by the Borrower with the County of Ocean and the Local Finance Board under any applicable law, as any such actions may be related to or coordinated with the Local Finance Board Application and the transactions contemplated hereby, including without limitation the submission to the Local Finance Board on behalf of the Borrower, the hearing in connection therewith and the actions of the Local Finance Board relating thereto, all relating to the Series 2010 Bonds.

Section 8. All actions of the Authorized Officers and the Consultant taken prior to the date of adoption hereof in connection with the Series 2010 Bonds, the Series 2010 Project or any of the foregoing transactions contemplated by this resolution are hereby ratified and approved.

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Section 9. This resolution shall take effect immediately. Notwithstanding the prior sentence, in accordance with N.J.S.A. 40:37A-50, the Secretary of the Authority is hereby authorized and directed to submit to each member of the Board of Freeholders, by the end of the fifth business day following this meeting, a copy of the minutes of this meeting. The Secretary is hereby further authorized and directed to obtain from the Clerk of the Board of Freeholders a certification from the Clerk stating that the minutes of this meeting have not been vetoed by the Director of the Board of Freeholders.

MOVED/SECONDED:

Resolution moved by Commissioner _____.

Resolution seconded by Commissioner _____.

VOTE:

Commissioner	Yes	No	Abstain	Absent
Pinto				
Ramirez				
Roe				
Sandman				
Bonanni				

ATTESTATION:

This Resolution was acted upon at the Regular Meeting of the Authority held on September 15, 2010 at the Authority’s principal corporate office in Morristown, New Jersey.

Attested to this 15th day of September, 2010

By: _____

Secretary of the Authority

FORM and LEGALITY:

This Resolution is approved as to form and legality as of September 15, 2010

By: _____
Stephen B. Pearlman, Esq.,
Counsel to the Authority