



Highlands Borough Mayor & Council Meeting Minutes
Municipal Building, 151 Navesink Avenue, Highlands
November 20, 2023 – Special Meeting Minutes

SPECIAL MEETING: Meeting came to order at 10:00AM.

MEETING STATEMENT: The public meetings statement was read.

The notice requirements provided for in the Open Public Meetings Act have been satisfied. Notice of this meeting was properly given by transmission to the Asbury Park Press and the Two River Times and by posting at the Borough of Highlands Municipal Building and filing with the Borough Clerk all on November 7, 2023. Items listed on the agenda are subject to change.

PLEDGE OF ALLEGIANCE

ROLL CALL: Councilmember Chelak, Councilmember Melnyk, Council President Olszewski, and Mayor Broullon were present. Councilmember Cervantes arrived at 10:08am.

Also in attendance were Borough Administrator Michael Muscillo, Borough Attorney Andrew Ball, Esq., and Borough Clerk Nancy Tran.

RESOLUTIONS:

RESOLUTION 23-221

AUTHORIZING BONDS AGGREGATING THE PRINCIPAL SUM NOT TO EXCEED \$8,036,736 AUTHORIZED BY SIX BOND ORDINANCES HERETOFORE ADOPTED TO FINANCE PART OF THE COST OF VARIOUS GENERAL IMPROVEMENTS IN THE BOROUGH OF HIGHLANDS, COUNTY OF MONMOUTH, NEW JERSEY INTO ONE CONSOLIDATED ISSUE OF BONDS AND PROVIDING FOR THE FORM, MATURITIES, SALE AND OTHER DETAILS OF SAID CONSOLIDATED ISSUE

WHEREAS, the Borough Council of the Borough of Highlands, in the County of Monmouth, New Jersey (the "Borough"), has heretofore adopted six bond ordinances authorizing bonds to finance part of the cost of various general improvements in the Borough; and

WHEREAS, it is necessary to issue bonds pursuant to said ordinances in an aggregate principal amount not to exceed \$8,036,746 and it is deemed advisable and in the best interests of the Borough, for the purpose of the orderly marketing of said bonds and for other financial reasons, to combine the bonds authorized under said six ordinances into one consolidated issue in the aggregate principal amount not to exceed \$8,036,736 pursuant to the Local Bond Law, constituting Chapter 2 of Title 40A of the Revised Statutes of New Jersey; and

WHEREAS, the Borough has determined to finance said improvements over a term of approximately twenty (20) years through participation in the Governmental Pooled Loan Program of The Monmouth County Improvement Authority (the "MCIA"), through which various municipalities and other public entities (including the Borough) will issue their bonds to the MCIA (collectively, the "Local Unit Bonds"), and the MCIA will issue its Governmental Pooled Loan Revenue Bonds, Series 2023_ (the "MCIA Bonds") to the public, secured by payments to be received under the Local Unit Bonds (including the hereinafter-defined Bonds) and additionally secured, indirectly, by the guaranty of the County of Monmouth, New Jersey; and

WHEREAS, the Borough now desires to authorize the issuance of said consolidated issue of bonds and to provide for the form, maturities, interest rates and other details thereof and for the sale thereof to the MCIA; and

WHEREAS, the MCIA intends to market the MCIA Bonds through the circulation of a Preliminary Official Statement and a final Official Statement of the MCIA, each of which will include, inter alia, certain financial information and operating data relating to the Borough.

NOW, THEREFORE, BE IT RESOLVED BY THE BOROUGH COUNCIL OF THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) that:

**Highlands Borough Mayor & Council Meeting Minutes
Municipal Building, 151 Navesink Avenue, Highlands
November 20, 2023 – Special Meeting Minutes**

Section 1. There shall be issued bonds of the Borough in the aggregate principal amount not to exceed \$8,036,736 pursuant to the following bond ordinances:

A. An amount not to exceed \$1,637,543, being a portion of the bonds authorized collectively, by the following ordinances (Ordinance No. 09-28 as supplemented by Ordinance 12-20 and Ordinance 14-8), each entitled:

09-28

“BOND ORDINANCE PROVIDING AN APPROPRIATION OF \$446,000 FOR DESIGN AND PERMITTING FOR VARIOUS PROJECTS FOR AND BY THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY, AND, AUTHORIZING THE ISSUANCE OF \$423,700 BONDS OR NOTES OF THE BOROUGH FOR FINANCING PART OF THE APPROPRIATION”;

heretofore finally adopted. The average period of usefulness stated in said ordinance is 15 years.

12-20

“BOND ORDINANCE PROVIDING APPROPRIATION OF \$1,200,000 FOR THE CONSTRUCTION OF THE STORMWATER PUMP STATION AND OTHER STORMWATER SYSTEM AND DRAINAGE IMPROVEMENTS BY AND FOR THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY, AND, AUTHORIZING THE ISSUANCE OF \$1,200,000 BONDS OR NOTES OF THE BOROUGH FOR FINANCING PART OF THE APPROPRIATION”;

heretofore finally adopted. The average period of usefulness stated in said ordinance is 40 years.

14-08

“BOND ORDINANCE PROVIDING A SUPPLEMENTAL APPROPRIATION OF \$3,154,00 FOR THE CONSTRUCTION OF THE STORMWATER PUMP STATION AND OTHER STORMWATER SYSTEM AND DRAINAGE IMPROVEMENTS IN AND BY THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY, AND, AUTHORIZING THE ISSUANCE OF \$3,154,000 BONDS OR NOTES OF THE BOROUGH FOR FINANCE PART OF THE COST THEREOF”

heretofore finally adopted. The average period of usefulness stated in said ordinance is 40 years.

B. An amount not to exceed \$3,420,000, being a portion of the bonds authorized collectively, by the following ordinances (Ordinance No. 21-28 as supplemented by Ordinance 23-13), each entitled:

21-28

“BOND ORDINANCE PROVIDING FOR THE CONSTRUCTION OF A NEW MUNICIPAL BUILDING, APPROPRIATING \$10,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$4,750,000 BONDS AND NOTES TO FINANCE A PORTION OF THE COSTS THEREOF, AUTHORIZED IN AND BY THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY”;

heretofore finally adopted. The average period of usefulness stated in said ordinance is 30 years.

23-13

“BOND ORDINANCE AMENDING IN PART BOND ORDINANCE NO. O-21-28 ADOPTED ON JUNE 16, 2021, PROVIDING FOR THE CONSTRUCTION OF A NEW MUNICIPAL BUILDING FOR THE BOROUGH OF HIGHLANDS, IN ORDER TO INCREASE THE AUTHORIZED BONDS AND NOTES TO BE ISSUED TO FINANCE A PORTION OF THE COSTS THEREOF BY \$3,420,000 FOR A TOTAL DEBT AUTHORIZATION OF \$8,170,000, AUTHORIZED IN AND BY THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY”;

heretofore finally adopted. The average period of usefulness stated in said ordinance is 30 years.

C. An amount not to exceed \$2,979,193, being a portion of the bonds authorized by the following ordinance entitled:

Ordinance No. 23-10

“BOND ORDINANCE PROVIDING FOR VARIOUS CAPITAL IMPROVEMENTS AND THE ACQUISITION OF VARIOUS CAPITAL EQUIPMENT, APPROPRIATING \$3,035,000

**Highlands Borough Mayor & Council Meeting Minutes
Municipal Building, 151 Navesink Avenue, Highlands
November 20, 2023 – Special Meeting Minutes**

THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,979,193 BONDS AND NOTES TO FINANCE A PORTION OF THE COSTS THEREOF, AUTHORIZED IN AND BY THE BOROUGH OF HIGHLANDS, IN THE COUNTY OF MONMOUTH, NEW JERSEY”, heretofore finally adopted. The average period of usefulness stated in said ordinance is 10.7168 years.

Section 2. The bonds referred to in Section 1 hereof are hereby combined into one consolidated issue of bonds in the aggregate principal amount not to exceed \$8,036,736 and are sometimes hereinafter collectively referred to as the “Bonds”. The average period of usefulness for the general improvements financed by the Bonds is 24.88935 years. The bonds shall be designated “General Obligation Bonds, Series 2023” and shall be numbered from one (1) consecutively upward with a prefix designating the series. The bonds of said consolidated issue shall be dated the date of delivery of the Bonds and will be issued in fully registered form. The Bonds of said issue (i) shall be dated the date of delivery of the Bonds, (ii) shall mature not later than their stated average period of usefulness, (iii) shall bear interest at the interest rates per annum as determined by the Chief Financial Officer, (iv) shall be sold at such price or prices as determined by the Chief Financial Officer, and (v) may be subject to redemption prior to their stated maturities as determined by the Chief Financial Officer, as shall be set forth in the proposal for the purchase of the Bonds acceptance of which is authorized pursuant to Section 5 hereof. The Bonds shall be numbered one consecutively upward, and will be issued in fully registered form.

Section 3. The Bonds shall bear interest at the respective interest rates per annum as determined by the Chief Financial Officer and as required by the MCIA, payable (unless otherwise provided in the hereinafter-defined Bond Purchase Agreement) on each June 1 and December 1, commencing on June 1, 2024. The Bonds will mature not later than their stated average period of usefulness and shall mature (unless otherwise provided in the Bond Purchase Agreement) on December 1 in each year in the respective amounts as determined by the Chief Financial Officer and as required by the MCIA. Unless otherwise provided in the Bond Purchase Agreement, (i) the principal of and interest on the Bonds shall be payable to the trustee for the MCIA Bonds (the “MCIA Bond Trustee”) at the corporate trust office of the MCIA Bond Trustee, (ii) the principal of the Bonds shall be payable to the MCIA Bond Trustee on the November 15 prior to each December 1 principal payment date, (iii) interest on the Bonds shall be payable to the MCIA Bond Trustee on the May 15 and November 15 prior to each June 1 and December 1 interest payment date, in the respective amounts accruing to each June 1 and December 1 interest payment date, and (iv) interest on the Bonds shall be calculated on the basis of a 360-day year or twelve 30-day calendar months. The Bonds may be subject to redemption prior to their stated maturities as determined by the Chief Financial Officer, on such terms as shall be set forth in the MCIA’s proposal for the purchase of the Bonds, the acceptance of which by the Chief Financial Officer on behalf of the Borough is authorized pursuant to Section 5 hereof.

Section 4. The Bonds shall be signed by the Mayor and the Chief Financial Officer, by their manual or facsimile signatures, and the corporate seal of the Borough shall be affixed thereto, or imprinted or reproduced thereon and shall be attested by the manual or facsimile signature of the Borough Clerk or Deputy Borough Clerk of the Borough.

Section 5. The Bonds are hereby sold and awarded to the MCIA at an aggregate purchase price determined by the Chief Financial Officer pursuant to the terms of the hereinafter-defined Bond Purchase Agreement, which may provide for a purchase price equal to the par amount of the Bonds, plus original issue premium (if any), less original issue discount (if any), and subject to netting to reflect the Borough’s share of the costs of issuance of the MCIA (including but not limited to the County guaranty premium and the underwriters’ discount). The terms and conditions of such sale will be set forth in a Bond Purchase Agreement between the Borough and the MCIA (the “Bond Purchase Agreement”), in substantially the form attached hereto as Exhibit A and which by this reference is made a part hereof as if set forth in full herein. The Mayor, Business Administrator and Chief Financial Officer, or any of them (the “Authorized Officers”), are each hereby authorized and directed to execute and deliver the Bond Purchase Agreement on behalf of the Borough in substantially such form, with such changes as the officer(s) of the Borough executing same may approve (such approval to be conclusively evidenced by such officer’s execution thereof). The Borough Clerk or Deputy Borough Clerk is hereby authorized to attest to same and to affix the official seal of the Borough

**Highlands Borough Mayor & Council Meeting Minutes
Municipal Building, 151 Navesink Avenue, Highlands
November 20, 2023 – Special Meeting Minutes**

thereto. Such execution and delivery shall constitute the acceptance by the Borough of the MCIA’s offer to purchase the Bonds. Settlement for the Bonds will be made in immediately available funds on or about December 21, 2023, or on such other date as may be agreed to by the Borough and the MCIA.

Section 6. The Borough hereby consents to the inclusion of financial information and operating data relating to the Borough, with such changes as may be approved by the Chief Financial Officer of the Borough, within a Preliminary Official Statement and a final Official Statement of the MCIA for use in marketing the MCIA Bonds. The Chief Financial Officer is hereby authorized to deem the Borough Information “final” within the meaning of Rule 15c2-12 of the Rules of the Securities and Exchange Commission and to execute and deliver a certificate to that effect.

Section 7. The execution and delivery by an Authorized Officer of a Continuing Disclosure Agreement, if any, to be dated as of the date of closing of the MCIA Bonds, between the Borough and the trustee for the MCIA Bonds, in such form as shall be approved by such officer, is hereby authorized, such approval to be conclusively evidenced by such officer’s execution thereof.

Section 8. The Bonds and the registration provisions endorsed thereon shall be in substantially the following form, with such changes as may be approved by the Authorized Officers executing same, such approval to be conclusively evidenced by their execution thereof...

Mayor Broullon explained the resolution. Councilmembers Melnyk and Olszewski asked for clarifications of the terms and Mr. Muscillo answered.

Motion: Mayor Broullon
Second: Chelak
Ayes: Chelak, Melnyk, Olszewski, Mayor Broullon
Nays: None
Abstain: None
Absent: Cervantes

**RESOLUTION 23-222
PROVIDING FOR THE TRANSFER OF SURPLUS FUNDS**

WHEREAS, N.J.S. 40A:4-58 provides for the transfer of surplus funds from one account to the other during the last two months of the calendar year:

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Highlands that transfers be made in the Borough's 2023 budget appropriations in accordance with the following schedule:

BE IT FURTHER RESOLVED that this Resolution shall take immediately:

<u>A/C #</u>	<u>FROM</u>	<u>TO</u>
20-120-100 Municipal Clerk-S&W	\$ 5,000.00	
20-120-200 Municipal Clerk-OE		\$ 5,000.00
20-130-100 Finance-S&W	3,000.00	
20-130-200 Finance-OE		3,000.00
20-145-100 Tax Collector-S&W		10,000.00
28-360-200 Community Center-OE	5,000.00	
28-360-010 Community Center-S&W		15,000.00
22-201-200 Code-Substandard Housing-OE	16,000.00	
22-195-100 Construction Official-S&W		16,000.00
20-150-100 Tax Assessor-S&W	6,000.00	
43-495-100 Public Defender-S&W		6,000.00
21-180-200 Municipal Land Use-OE	10,000.00	
21-180-100 Municipal Land Use-S&W		10,000.00
23-210-200 Liability Insurance	25,000.00	
36-472-000 Social Security		25,000.00

**Highlands Borough Mayor & Council Meeting Minutes
Municipal Building, 151 Navesink Avenue, Highlands
November 20, 2023 – Special Meeting Minutes**

20-152-100 Central Services-S&W	15,000.00	
21-185-200 Zoning-OE	10,000.00	
22-201-200 Code Enforcement-OE	5,000.00	
26-310-100 Bldg & Grounds-S&W	10,000.00	
26-310-200 Bldg & Grounds-OE	5,000.00	
30-415-100 Accumulated Leave-S&W	35,000.00	
20-165-200 Engineering-OE		80,000.00
Totals	\$ 160,000.00	\$160,000.00

Motion: Melnyk
 Second: Olszewski
 Ayes: Chelak, Melnyk, Olszewski, Mayor Broullon
 Nays: None
 Abstain: None
 Absent: Cervantes

**RESOLUTION 23-223
REQUESTING APPROVAL OF INSERTION OF \$20,049.03 THE 2023 BUDGET REVENUE AVAILABLE
FROM THE MUNICIPAL ALLIANCE PROGRAM GRANT**

WHEREAS, N.J.S. 40:4-87 provides that the Director of Local Government Services may approve the insertion of any special item of revenue in the budget of any municipality when such item shall have been made available by law and the amount thereof was not determined at the time of the adoption of the budget, and

WHEREAS, said Director may also approve the insertion of any item of appropriation for equal amount.

NOW, THEREFORE, BE IT RESOLVED that the Borough of Highlands hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget of the year 2023 in the sum of \$20,049.03 which item is now available as revenue from the Municipal Alliance Program Grant.

BE IT FURTHER RESOLVED that a like sum of \$20,049.03 be and the same is hereby appropriated under the caption of Municipal Alliance Program Grant, and

BE IT FURTHER RESOLVED that the sum of \$3,738.55 representing the amount required for the borough’s share of the aforementioned undertaking or improvement appears in the budget of the year 2023 under the caption of Matching Funds for Grants and is hereby appropriated under the caption of Municipal Alliance Program Grant-Matching Funds. (Sheet 24)

Motion: Melnyk
 Second: Mayor Broullon
 Ayes: Chelak, Melnyk, Olszewski, Mayor Broullon
 Nays: None
 Abstain: None
 Absent: Cervantes

**RESOLUTION 23-224
REQUESTING APPROVAL OF INSERTION OF \$37,000 THE 2023 BUDGET REVENUE AVAILABLE
FROM THE AMERICAN RESCUE PLAN FIREFIGHTER GRANT**

WHEREAS, N.J.S. 40A:4-87 provides that the Director of Local Government Services may approve the insertion of any special item of revenue in the budget of any municipality when such item shall have been made available by law and the amount thereof was not determined at the time of the adoption of the budget, and

Highlands Borough Mayor & Council Meeting Minutes
Municipal Building, 151 Navesink Avenue, Highlands
November 20, 2023 – Special Meeting Minutes

WHEREAS, said Director may also approve the insertion of any item of appropriation for equal amount.

NOW, THEREFORE, BE IT RESOLVED that the Borough of Highlands hereby requests the Director of the Division of Local Government Services to approve the insertion of an item of revenue in the budget of the year 2023 in the sum of \$37,000 which item is now available as a revenue from the American Rescue Plan Firefighter Grant.

BE IT FURTHER RESOLVED that a like sum of \$37,000 be and the same is hereby appropriated under the caption of:

American Rescue Plan Firefighter Grant

Motion: Olszewski

Second: Melnyk

Ayes: Chelak, Melnyk, Olszewski, Mayor Broullon

Nays: None

Abstain: None

Absent: Cervantes

**RESOLUTION 23-225
AUTHORIZING PAYMENT OF BILLS**

WHEREAS, certain numbered vouchers have been submitted to the Borough of Highlands for payment from a list, prepared and dated November 17, 2023, which totals as follows:

Current Fund	\$	199,986.61
Sewer Account	\$	28,647.92
Capital Fund	\$	140,440.24
Trust-Other	\$	46,482.91
Federal/State Grants	\$	17,434.53
Total	\$	432,992.21

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Highlands that the vouchers, totaling \$ 432,992.21 be paid to the person[s] named, for the amounts set opposite their respective name[s], and endorsed and approved on said vouchers. An individual listing of all bills is posted on the borough website at www.highlandsborough.org and on file in the Municipal Clerk's office for reference.

Motion: Chelak

Second: Olszewski

Ayes: Chelak, Melnyk, Olszewski, Mayor Broullon

Nays: None

Abstain: None

Absent: Cervantes

PUBLIC PORTION:

Carl West, Portland Rd., asked why the Special Meeting was necessary and thought that the town should stop spending money.

With no further comments from the public, Mayor Broullon closed the Public Portion.

ADJOURNMENT:

Offered by Mayor Broullon and seconded by Councilmember Chelak. All in Favor. None opposed. Meeting adjourned at 10:10am.

Approve: _____

Carolyn Broullon, Mayor

Attest: _____

Nancy Tran, Borough Clerk