

September 15, 2010

The regular meeting of the Town Council of the Town of Newton was held on the above date at 7:00 p.m. Present were Mr. Elvidge, Mr. Ricciardo, Mrs. Diglio, Mrs. Le Frois, Mayor Becker, Mr. William Hinkes, Esq., Town Attorney and Town Manager, Mr. Thomas Russo, Jr.

Mayor Becker made the following declaration that "in accordance with the Open Public Meetings Act, notice of this public meeting was given to the two newspapers of record and posted on the official bulletin board on December 31, 2009."

Mayor Becker led the invocation and Pledge of Allegiance to the flag. The Clerk called the roll and upon completion of same, upon motion of Mr. Ricciardo seconded by Mrs. Le Frois, the minutes of August 23, 2010 (Regular) meeting were approved as presented.

OPEN TO THE PUBLIC

There was no one from the public to be heard.

COUNCIL & MANAGER REPORTS

Mr. Russo congratulated the Greater Newton Chamber of Commerce for their very successful event with the Taste of Newton on Monday, September 13, 2010.

Mr. Russo reminded the Governing Body of the grand opening and ribbon cutting of Newton Pharmacy, 67 High Street, Newton to take place tomorrow, September 16th at 2:00 p.m. There will also be an Open House on Sunday, September 19th from 11 a.m. to 3 p.m. for all to attend.

Mr. Russo thanked Bruce Tomlinson and the New Jersey Herald for the recently printed article regarding the Town partnering with Christ Community Church in order to assist seniors and disabled residents with routine property maintenance issues. Mr. Russo indicated that the Town has already begun receiving phone calls from residents for assistance.

Mayor Becker also gave "kudos" to the Newton Police and Department of Public Works for all their assistance with the Taste of Newton.

September 15, 2010

ORDINANCES

Mayor Becker directed the Clerk to read aloud the following Ordinance relative to final adoption.

ORDINANCE #2010-14

AN ORDINANCE RESCINDING ORDINANCE 2010-2

WHEREAS, the Town of Newton enacted Ordinance 2010-2 on February 22, 2010 in an effort to ensure adequate fire protection capability for new construction; and

WHEREAS, the Town of Newton subsequently ordered, received and publicly reviewed at its regularly scheduled meeting of August 9, 2010 a comprehensive engineering report on the fire protection capacity of the fire hydrants in the Town of Newton, entitled "Fire Hydrant Flow Testing Study," prepared by Harold E. Pellow & Associates and dated August 4, 2010; and

WHEREAS, the Town of Newton has taken and will continue to take affirmative steps to provide fire protection capability, including the recommendations set forth in the above-referenced engineering report; and

WHEREAS, the Town of Newton considered the advice of its Construction Official and its Attorney regarding the obsolescence and inutility of Ordinance 2010-2 in light of the above-referenced engineering report, recent statutory lapses of referenced fire-related codes within the Uniform Construction Code occurring after the adoption of Ordinance 2010-2 and analysis of applicable Residential Site Improvement Standards and the State Uniform Construction Code, and concluded that Ordinance 2010-2 should be rescinded;

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Newton in the County of Sussex and State of New Jersey that Ordinance 2010-2 is hereby rescinded. This Ordinance shall take effect upon its passage and publication, as provided for by law.

Mayor Becker opened the hearing to the public. There being no one from the public to be heard, upon motion by Mrs. Le Frois, seconded by Mrs. Diglio and unanimously carried, the hearing was closed.

The following **ORDINANCE** was offered by Mr. Elvidge, who moved its adoption, seconded by Mr. Ricciardo and roll call resulted as follows:

Mr. Elvidge	Yes	Mr. Ricciardo	Yes
Mrs. Diglio	Yes	Mrs. Le Frois	Yes
	Mayor Becker	Yes	

This ordinance will take effect after publication and adoption according to law.

September 15, 2010

The Clerk will advertise the above Ordinance according to law.

Mayor Becker directed the Clerk to read aloud the following Ordinance relative to introduction of same.

ORDINANCE #2010-15

A FULLY FUNDED WATER SEWER CAPITAL IMPROVEMENT ORDINANCE IN THE AMOUNT OF \$29,200 FOR ACQUISITION OF AN EXCAVATOR FOR THE TOWN OF NEWTON

The following **ORDINANCE** was offered, by Mr. Elvidge, who moved its introduction, seconded by Mrs. Diglio and roll call resulted as follows:

Mr. Elvidge	Yes	Mr. Ricciardo	Yes
Mrs. Diglio	Yes	Mrs. Le Frois	Yes
	Mayor Becker	Yes	

BE IT RESOLVED by the Town Council of the Town of Newton that the above Ordinance be introduced for the first reading, with hearing on same to be held on Monday, September 27, 2010.

The Clerk will advertise the above Ordinance according to law.

ORDINANCE #2010-16

ATTENDANCE POLICY FOR ELECTED OFFICIALS AND APPOINTED BOARD MEMBERS

The following **ORDINANCE** was offered, by Mr. Ricciardo, who moved its introduction, seconded by Mrs. Le Frois and roll call resulted as follows:

Mr. Elvidge	Yes	Mr. Ricciardo	Yes
Mrs. Diglio	Yes	Mrs. Le Frois	Yes
	Mayor Becker	Yes	

BE IT RESOLVED by the Town Council of the Town of Newton that the above Ordinance be introduced for the first reading, with hearing on same to be held on Monday, September 27, 2010.

The Clerk will advertise the above Ordinance according to law.

ORDINANCE #2010-17

AN ORDINANCE TO VEST THE POWERS OF THE ZONING BOARD OF ADJUSTMENT INTO THE MUNICIPAL PLANNING BOARD

The following **ORDINANCE** was offered, by Mr. Ricciardo, who moved its introduction, seconded by Mrs. Le Frois and roll call resulted as follows:

September 15, 2010

Mr. Elvidge	Yes	Mr. Ricciardo	Yes
Mrs. Diglio	Yes	Mrs. Le Frois	Yes
	Mayor Becker	Yes	

BE IT RESOLVED by the Town Council of the Town of Newton that the above Ordinance be introduced for the first reading, with hearing on same to be held on Monday, September 27, 2010.

The Clerk will advertise the above Ordinance according to law.

OLD BUSINESS

There was no Old Business to be discussed.

CONSENT AGENDA

Mayor Becker read the following statement:

"All items listed with an asterisk () are considered to be routine and non-controversial by the Town Council and will be approved by one motion. There will be no separate discussion of these items unless a Council member so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda."*

RESOLUTION #143-2010*

TO CANCEL WATER SEWER CAPITAL APPROPRIATION BALANCES OF COMPLETED PROJECTS AND CANCEL A USDA GRANT RECEIVABLE

WHEREAS, certain Water Sewer Capital Improvement appropriation balances remain dedicated to projects now completed; and

WHEREAS, it is necessary to formally cancel said balances so that the unexpended balances may be returned to each respective Capital Improvement Fund or credited to Fund Balance, and unused debt authorizations may be canceled; and

WHEREAS, the Town of Newton received an award in 3/12/2002 in the amount of \$5,300,000.00 as a loan and \$1,702,360.00 as a grant from the USDA which was referenced in Ordinance #2001-5; and

WHEREAS, there is a grant receivable balance of \$49,450.28 Due from USDA/Watermain/Ordinance #2001-5 on the Water Sewer Capital balance sheet. The balance of the Improvement Authorization is \$34,362.50. \$15,087.78 will be raised in the 2011 Water Sewer Utility Budget as a deferred charge to pay off the remainder of the grant receivable; and

WHEREAS, Town personnel have reviewed the records on this project funded by Ordinance #2001-5 and have determined that there are no additional costs for this project and recommend to the Mayor and Council that this project is complete and any balances should be cancelled; and

WHEREAS, there has been no activity against Ordinance 2002-14 Water Filtration Plant since May of 2008, and Town personnel having reviewed the records recommend to the Mayor and Council that this project is complete and

September 15, 2010

any balances should be cancelled;

NOW, THEREFORE BE IT RESOLVED, by a majority of the full membership of the Town Council of the Town of Newton, that the following unexpended and dedicated balances of Water Sewer Capital appropriations be canceled:

<u>Ordinance Number</u>	<u>Date Auth.</u>	<u>Project Description</u>	<u>Amount Cancelled</u>	
			<u>Funded</u>	<u>Unfunded</u>
2001-5	7/23/01	Construct New Water Main in Sparta Glen to connect to the Town of Newton water supply	\$ 34,362.50	
2002-14	9/23/02	Construction of a Water Filtration Plant	\$ 68,646.47	

BE IT FURTHER RESOLVED by a majority of the full membership of the Town Council of the Town of Newton, that we hereby cancel the following grant receivable balance:

Water Sewer Capital Fund

Receivable – USDA/WATERMAIN (Ord #2001-5) #610143 \$34,362.50

September 15, 2010

RESOLUTION #144-2010*
WATER SEWER CAPITAL BUDGET AMENDMENT

Whereas, the local Water Sewer capital budget for the year 2010 was approved on the 24th day of May 2010; and

Whereas, it is desired to Amend said adopted Capital Budget Section;

Now, Therefore Be It Resolved, by the governing body of the Town of Newton, County of Sussex that the following capital budget amendment of 2010 be made:

	(((
RECORDED VOTE:	AYES	(NAYS	(ABSTAIN	(
(Insert last name)		(((
		((ABSENT	(
		(((

WATER SEWER CAPITAL BUDGET (Current Year Action)
2010

PROJECT	PROJECT NUMBER	ESTIMATED COST	AMOUNTS RESERVED IN PRIOR YEARS	PLANNED FUNDING SERVICES FOR CURRENT YEAR 2010 2010 BUDGET APPROPRIATIONS	CAPITAL IMPROVEMENT FUND	CAPITAL SURPLUS	GRANTS IN AID AND OTHER FUNDS	DEBT AUTHORIZED	TO BE FUNDED IN FUTURE YEARS
Purchase of Excavator	2010-1	29,200			29,200			0	
TOTAL ALL PROJECTS		29,200		0	29,200	0	0	0	0

September 15, 2010

**3 YEAR WATER SEWER CAPITAL PROGRAM 2010 - 2012
Anticipated Project Schedule and Funding Requirements**

PROJECT	PROJECT NUMBER	ESTIMATED COST	ESTIMATED COMPLETION TIME	FUNDING AMOUNTS PER YEAR					TO BE FUNDED IN FUTURE YEARS
				BUDGET YEAR: 2010	2011	2012	2013	2014	
Purchase of Excavator	2010-1	29,200	2010	29,200					
TOTAL ALL PROJECTS		29,200		29,200	0	0	0	0	0

**3 YEAR WATER SEWER CAPITAL PROGRAM 2010 - 2012
SUMMARY OF ANTICIPATED FUNDING SOURCES AND AMOUNTS**

PROJECT	BUDGET APPROPRIATIONS				BONDS AND NOTES					
	ESTIMATED COST	CURRENT YEAR 2010	FUTURE YEARS	CAPITAL IMPROVEMENT FUND	CAPITAL SURPLUS	GRANTS IN AID AND OTHER FUNDS	GENERAL	SELF LIQUIDATING	ASSESSMENT	SCHOOL
Purchase of Excavator	29,200			29,200						
TOTAL ALL PROJECTS	29,200			29,200	0	0	0.00			

Be It Further Resolved, that two certified copies of this resolution be filed forthwith in the Office of the Director of Local Government Services,

September 15, 2010

and one copy be forwarded to the Township Auditor and Chief Financial Officer.

It is hereby certified that this is a true copy of a resolution creating the capital budget section adopted by the governing body on the 15th day of September, 2010.

Certified by: Lorraine A. Read, RMC

Date

Lorraine A. Read, Municipal Clerk

September 15, 2010

RESOLUTION #145-2010*

TO ESTABLISH AN ATTENDANCE POLICY FOR ELECTED OFFICIALS AND APPOINTED OFFICIALS

WHEREAS, the Town of Newton seeks to maintain and ensure the quality and efficiency of its elected officials and appointed board members; and

WHEREAS, the State of New Jersey has established a "Best Practices" checklist for local governments that recommends the adoption of an "Absence from Meetings Policy" for elected officials and appointed board members; and

WHEREAS, the State of New Jersey has conditioned a municipality's receipt of State Aid for a municipality upon implementation of the action items on its "Best Practices" checklist, which include the adoption of an "Absence from Meetings Policy" for elected officials and appointed board members;

NOW, THEREFORE, BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF NEWTON, that the attached "Attendance Policy for Elected and Appointed Officials" is hereby adopted.

RESOLUTION #146-2010*

AUTHORIZE THE SUBMISSION OF AN APPLICATION FOR THE ACTION ALLIANCE GRANT FOR CALENDAR YEAR 2011

WHEREAS, the Town Council of the Town of Newton, County of Sussex, State of New Jersey recognizes that the abuse of alcohol and drugs is a serious problem in our society amongst persons of all ages; and

WHEREAS, the Newton Town Council further recognizes that it is incumbent upon not only public officials, but the entire community, to take action to prevent such abuses in our community; and

WHEREAS, the Newton Town Council has applied for funding to the Governor's Council on Alcoholism and Drug Abuse through the County of Sussex;

NOW, THEREFORE BE IT RESOLVED, that the Town Council of the Town of Newton hereby recognizes the following:

1. The Newton Town Council does hereby authorize the submission of an application for the Action Alliance grant for calendar year 2011 in the amount of \$18,772.
2. The Newton Town Council acknowledges the terms and conditions for administering the Municipal Alliance grant, including the administrative compliance and audit requirements.

Approved: _____
Kristen S. Becker, Mayor

September 15, 2010

RESOLUTION #147-2010*

RESOLUTION TO REMIT TAXES FOR MR. ROY R. SMITH

WHEREAS, Block 1108, Lot 9 also known as 92 Trinity Street is owned by Mr. Roy R. Smith, a totally disabled veteran; and

WHEREAS, on March 17, 2010, Mr. Scott Holzhauer, Certified Tax Assessor for the Town of Newton, deemed Mr. Roy R. Smith eligible for a tax exemption in accordance with NJSA 54:4-3.30 which allows for 100% exemption of property taxes for a veteran who is approved by the United States Veterans Administration; and

WHEREAS, the Tax Collector of the Town of Newton must remit (cancel) the taxes for the tax year of 2010 on said parcel in the amount of \$ 5,092.92;

NOW, THEREFORE BE IT RESOLVED, by the Town Council of the Town of Newton that this Governing Body acknowledges that taxes for the tax year 2010 for said parcel be remitted (cancelled); and

BE IT FURTHER RESOLVED, that the Tax Collector is hereby authorized to forgive said taxes for the tax year 2010.

RESOLUTION #148-2010*

RESOLUTION TO FORGIVE TAXES FOR BLOCK 716, LOT 23

WHEREAS, BLD, LLC owns a certain property known as 20 Trinity Street, shown on the Newton Tax Map as Block 716, Lot 23; and

WHEREAS, Block 716, Lot 23 is being utilized by the Parking Authority of the Town of Newton and managed by said Parking Authority for public parking purposes under the Agreement between the Town of Newton and BLD, LLC; and

WHEREAS, Resolution #41-2003 adopted April 28, 2003 by the Governing Body of the Town of Newton states this property is tax exempt for the duration of the agreement; and

WHEREAS, the Town of Newton's Tax Assessor has stated that the property does not meet the guidelines for tax exemption and the taxes should be forgiven on an annual basis by the Tax Collector;

NOW, THEREFORE BE IT RESOLVED, by the Town Council of the Town of Newton that this Governing Body acknowledges that taxes for the tax year 2010 for Block 716, Lot 23 also known as 20 Trinity Street be forgiven; and

BE IT FURTHER RESOLVED that the Tax Collector is hereby authorized to forgive said taxes for the tax year 2010 in the amount of \$782.90.

September 15, 2010

RESOLUTION #149-2010*

AUTHORIZE REFUND OF REDEMPTION MONIES TO OUTSIDE LIENHOLDERS

WHEREAS, at the Municipal Tax Sale held on June 2, 2010 a lien was sold on Block 203, Lot 32, also known as 25 Hillside Terrace, for 2009 delinquent water and sewer charges; and

WHEREAS, this lien, known as Tax Sale Certificate #1322, was sold to US Bank Cust for Pro Capital I, LLC for a 0% redemption fee with at \$100.00 premium; and

WHEREAS, Zucker, Goldbert & Ackerman, has effected redemption of Certificate #1322 in the amount of \$ 370.75;

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of the Town of Newton that this Governing Body acknowledges that US Bank Cust for Pro Capital I, LLC, is entitled to a refund in the amount of \$ 370.75 for the certificate redemption along with a refund in the amount of \$100.00 for the premium; and

BE IT FURTHER RESOLVED, that the Tax Collector be authorized to issue checks in the amount of \$370.75 and \$10.00, payable to US Bank Cust for Pro Capital I, LLC, 50 S 16th Street, Suite 1950 Philadelphia, PA for the redemption of Tax Sale Certificate #1322.

RESOLUTION #150-2010*

APPROVE REFUND OF 2010 OVERBILLING OF REAL PROPERTY TAX

WHEREAS, Scott J. Holzhauer, Certified Tax Assessor for the Town of Newton, has reduced the assessed value for 2010 on Block 1301, Lot 14 also known as 75 Sparta Avenue, creating an overbilling as reflected in the Tax Collector's extended tax duplicate issued by the Sussex County Board of Taxation on August 6, 2010; and

WHEREAS, the property taxes for the preliminary first half of 2010 were paid by First Hope Bank on behalf of the owner, Merriam Gateway Apartments, Inc. as they were billed on the 2009/2010 tax bills issued on July 24, 2009; and

WHEREAS, First Hope Bank now requests a refund in the amount of \$4,460.97 be issued to the owner of said property, Merriam Gateway Apartments, Inc.;

NOW, THEREFORE BE IT RESOLVED by the Town Council of the Town of Newton that this Governing Body acknowledges that Merriam Gateway Apartments, Inc. is entitled to a refund in the amount of \$4,460.97; and

BE IT FURTHER RESOLVED, that the Tax Collector is hereby authorized to process a refund for Merriam Gateway Apartments, Inc.

September 15, 2010

RESOLUTION #151-2010*

AUTHORIZE REFUND OF AUTHORIZE REFUND OF REDEMPTION MONIES TO OUTSIDE LIENHOLDER

WHEREAS, at the Municipal Tax Sale held on June 24, 2009 a lien was sold on Block 1306.01, Lot 9, also known as 29-29 ½ Mount View Street, for 2008 delinquent water and sewer charges; and

WHEREAS, this lien, known as Tax Sale Certificate #1320, was sold to US Bank Cust for CCTS Capital, LLC for a 7% redemption fee; and

WHEREAS, LPS Property Tax Solutions for Selene Finance LLC, has effected redemption of Certificate #1320 in the amount of \$ 1,148.96;

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of the Town of Newton that this Governing Body acknowledges that US Bank Cust for CCTS Capital, LLC, is entitled to a refund in the amount of \$ 1,148.96; and

BE IT FURTHER RESOLVED, that the Tax Collector be authorized to issue a check in the amount of \$1,148.96, payable to US Bank Cust for CCTS Capital, LLC, 2 Liberty Place, Philadelphia, PA 19102 for the redemption of Tax Sale Certificate #1320.

RESOLUTION #152-2010*

REMIT TAXES OF FORECLOSED TAX SALE CERTIFICATES

WHEREAS, the Town of Newton has received the final judgment from the Superior Court of New Jersey, Chancery Division, Sussex County, Docket No F-63920-09 on two (2) Tax Sale Certificates which were held by the municipality; and

WHEREAS, Resolution #233-2009 adopted November 23, 2009 by the Governing Body of the Town of Newton authorizes the foreclosure by short title In Rem, as provided in the In Rem Tax Foreclosure Act (1948), NJSA 54:5-104.29 et seq. on said two (2) Tax Sale Certificates held by the municipality; and

WHEREAS, the Tax Collector of the Town of Newton now must remit current year taxes as well as prior year(s) taxes which have accrued to the original Tax Sale Certificates;

NOW, THEREFORE BE IT RESOLVED, by the Town Council of the Town of Newton that this Governing Body hereby acknowledges that taxes be remitted in accordance with listings below ; and

BE IT FURTHER RESOLVED, that the Tax Collector for the Town of Newton is hereby authorized to remit said taxes as outlined in the list below entitled "Amounts to be Remitted as of 9/16/2010" which is attached herewith and made part of this resolution.

AMOUNTS TO BE REMITTED AS OF 9/16/2010

BLOCK	LOT	ADDRESS	BASE	INT & FEES	TOTAL TO REMIT
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September 15, 2010

902	42.02	141 Woodside Avenue	\$ 7,662.40	\$ 2,097.79	\$ 9,760.19
902	42.03	139 Woodside Avenue	\$ 7,775.15	\$ 2,130.47	\$ 9,905.62
Totals			\$ 15,437.55	\$ 4,228.26	\$ 19,665.81

RESOLUTION #153-2010*

AUTHORIZE CREDITS DUE WATER AND SEWER UTILITY ACCOUNTS

WHEREAS, the Water and Sewer Collector has determined that the following Water and Sewer Utility Accounts are due credits for the reasons stated;

NOW, THEREFORE BE IT RESOLVED, by the Town Council of the Town of Newton that the Water and Sewer Collector is hereby authorized to credit the following accounts due to the reason(s) stated:

Utility Board recommends credit for portion of high 4th quarter 2009 charge:

<u>Account</u>	<u>Address</u>	<u>Amount</u>
4118	1 Center Street	\$220.80

Credit due to incorrect meter reading:

<u>Account</u>	<u>Address</u>	<u>Amount</u>
8306	4 Jimland Terrace	\$340.00

Account should have been in final status and not charged:

<u>Account</u>	<u>Address</u>	<u>Amount</u>
17043	19 Sparta Avenue	\$75.00

Credit due to billing error - installed new meter in May and meter reading not set back to zero:

<u>Account</u>	<u>Address</u>	<u>Amount</u>
22452	92 Carriage Lane	\$12,813.41

Credit portion of sewer charge for Newton Memorial Hospital - cooling system is run on water and does not pass through sewer system:

<u>Account</u>	<u>Address</u>	<u>Amount</u>
19749	175 High Street	\$10,740.05

RESOLUTION #154-2010*

AWARD BID FOR RENTAL LADDER FIRE TRUCK

WHEREAS, the Town of Newton publicly opened and read bids for a Rental Ladder Fire Truck on Thursday, August 11, 2010 at 10:00am as follows:

Name and Address of Bidder Rental Price Trade -In Value for Old Ladder Truck

September 15, 2010

The Station Inc.,
d/b/a Company Two \$100,000 (12 month rental) \$15,000.00
283 Foster Street
Varnville, S.C. 29944

WHEREAS, the Town of Newton Purchasing Agent and the Fire Department recommend the award of the bid for the Rental Ladder Fire Truck in the amount of \$100,000.00 along with the trade- in value of the old ladder truck of \$15,000.00 for a total award of \$85,000.00 to The Station Inc., d/b/a Company Two; and

WHEREAS, the Chief Financial Officer has certified funds are available based on the attached certification;

NOW, THEREFORE BE IT RESOLVED, by the Town Council of the Town of Newton that the bid submitted for the Rental Ladder Truck be awarded to The Station, Inc., d/b/a Company Two, 283 Foster Street, Varnville, S.C., 29944 in the amount of \$85,000.00.

RESOLUTION #155-2010*

AWARD BID FOR PURCHASE OF A THREE WIRELESS CAMERA SYSTEM FOR SPRING STREET

WHEREAS, the Town of Newton publicly opened and read bids for the Purchase of a Three Wireless Camera System for Spring Street on Thursday, September 2, 2010 at 11:00am as follows:

<u>Name and Address of Bidder</u>	<u>Bid Price</u>
Earthcam, Inc. 84 Kennedy Street Hackensack, NJ 07601	\$42,973.64

WHEREAS, the Town of Newton Purchasing Agent, Police Chief Tomasula and Lieutenant Detective Richards recommend the award of the bid for the Purchase of a Three Wireless Camera System for Spring Street in the amount of \$42,973.64, and

WHEREAS, the Chief Financial Officer has certified funds are available based on the attached certification;

NOW THEREFORE BE IT RESOLVED by the Town Council of the Town of Newton that the bid submitted for the Purchase of Three Wireless Camera System for Spring Street be awarded to Earthcam, Inc., 84 Kennedy Street, Hackensack, NJ, 07601 in the amount of \$42,973.64.

RESOLUTION #156-2010*

APPROVE CHANGE ORDER NO. 3 FOR THE FIREHOUSE #1 RENOVATIONS PROJECT

WHEREAS, the Town Council of the Town of Newton awarded a contract for the Firehouse #1 Renovations Project to Zinno Construction in the amount of \$243,637.00 by Resolution #269-2009, which was adopted on December 14, 2009; and

September 15, 2010

WHEREAS, the Town Council approved Change Order No. 1 by Resolution #53-2010 adopted April 26, 2010 and Change Order No. 2 to adjust the contract total to \$241,177.00; and

WHEREAS, HQW Architects, LLC has prepared Change Order No. 3 for said project and recommends approval:

<u>Increase</u>	<u>Amount</u>
Replacement of Concrete Sidewalk	<u>\$ 6,200.00</u>
Total Change Order No. 3	\$ 6,200.00

WHEREAS, the adjusted contract amount will be increased by Change Order No. 3 to the new contract total of \$247,377.00;

WHEREAS, the Chief Financial Officer has certified that funds are available to support this project as per the attached certification;

NOW, THEREFORE BE IT RESOLVED, by the Town Council of the Town of Newton that it hereby approves Change Order No. 3 for the Firehouse #1 Renovations Project based on the recommendation of HQW Architects, LLC, and that the Mayor is authorized to execute said Change Order No. 3 resulting in a new contract total of \$247,377.00.

RESOLUTION #157-2010*

RESOLUTION OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY DETERMINING THE FORM AND OTHER DETAILS OF SALE OF \$4,075,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS OF THE TOWN, SERIES 2010A (FEDERALLY TAXABLE), MAKING CERTAIN DETERMINATIONS AND CONVENANTS IN CONNECTION THEREWITH AND AUTHORIZING CERTAIN ACTIONS RELATED THERETO

WHEREAS, the Mayor and Town Council (the "Governing Body") of the Town of Newton in the County of Sussex, New Jersey (the "Town"), acting by resolution on April 25, 2005, after review of the findings of the Planning Board in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the "Redevelopment Law") designated Block 1104, Lot 21 as an "area in need of redevelopment" under the Act (the "Redevelopment Area"); and

WHEREAS, on April 23, 2007, the Town designated a portion of the Town, including the public streets and rights-of-way of Sparta Avenue, Merriam Avenue and Pine Street adjacent to the Redevelopment Area as an "area in need of rehabilitation" in accordance with the Act (the "Rehabilitation Area"); and

WHEREAS, on March 23, 2009, after referral to and incorporation of comments received from the Planning Board, the Town adopted Ordinance No. 2009-6 implementing a redevelopment plan (the "Initial Redevelopment Plan") for the Redevelopment Area and a portion of the Rehabilitation Area adjacent thereto (collectively, and as further described therein, the "Sparta Avenue Plan Area"); and

September 15, 2010

WHEREAS, on January 11, 2010, after referral to the Planning Board in accordance with the Redevelopment Law, the Town adopted Ordinance No. 2009-33 amending the Initial Redevelopment Plan (as amended, the "Redevelopment Plan"); and

WHEREAS, the Town has executed an agreement with Thorlabs, Inc. dated November 30, 2009 (as amended, the "Redevelopment Agreement"), which Redevelopment Agreement has been assigned pursuant to the terms thereof by Thorlabs, Inc. to Thorlabs Urban Renewal, LLC (the "Redeveloper"), effective December 2, 2009; and

WHEREAS, the Redevelopment Agreement provides for the construction of a mixed-use facility within the Sparta Avenue Plan Area, composed of not to exceed 125,000 square feet of research and development, office and light manufacturing space and approximately 300 surface parking spaces, together with certain ancillary road and water improvements (collectively, the "Phase 1 Redevelopment Project"); and

WHEREAS, Section 37 of the Redevelopment Law provides that the Town may incur indebtedness, borrow, appropriate and expend money and issue its negotiable bonds or other obligations for the purpose of aiding any redevelopment entity with respect to any redevelopment project which is located within its jurisdiction, including those instances where, as here, the Governing Body of a municipality directly exercises the powers of the redevelopment entity under the Redevelopment Law; and

WHEREAS, Section 37 further provides that the bonds or other obligations of any municipality shall be authorized by ordinance adopted pursuant to the Local Bond Law, *N.J.S.A. 40A:2-1 et seq.* (the "Local Bond Law"); and

WHEREAS, on December 14, 2009, the Town, acting in accordance with the Local Bond Law, finally adopted Ordinance No. 2009-29 (the "Initial Bond Ordinance"), authorizing the issuance of not to exceed \$4,660,000 Redevelopment Area Bonds of the Town, secured by the full faith and credit pledge of the Town's *ad valorem* taxing power; and

WHEREAS, on August 23, 2010, acting in accordance with the Local Bond Law, the Town finally adopted Ordinance No. 2010-13 (the "Amending Bond Ordinance" and together with the Initial Bond Ordinance, the "Bond Ordinance") amending and supplementing the Initial Bond Ordinance to allow for the execution of a trust agreement (the "Trust Agreement") whereby in exchange for the full faith and credit pledge of the Town's *ad valorem* taxing power, the Town shall be deemed to be the sole bondholder for all purposes of the Redevelopment Law; and

WHEREAS, it is the desire of Newton to: (i) authorize and approve the issuance, sale, award and delivery of General Obligation Redevelopment Area Bonds (Federally Taxable) of the Town in the aggregate principal amount of \$4,075,000; and (ii) authorize certain related determinations, covenants and actions in connection with the foregoing,

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY (NOT LESS THAN TWO-THIRDS OF ALL THE MEMBERS THEREOF AFFIRMATIVELY CONCURRING) PURSUANT TO THE PROVISIONS OF THE LOCAL BOND LAW, AS FOLLOWS:

September 15, 2010

Section 1. Of the \$4,660,000 bonds authorized by the Bond Ordinance, \$4,075,000 will be issued as general obligation bonds and designated as General Obligation Redevelopment Area Bonds (Federally Taxable) (the "Bonds"). The Bonds shall mature in the principal amounts, as may be adjusted in accordance with the terms of the Full Notice of Sale, on May 15 as follows:

<u>Year*</u>	<u>Principal Amount*</u>	<u>Year*</u>	<u>Principal Amount*</u>
2013	\$40,000	2023	\$200,000
2014	60,000	2024	240,000
2015	80,000	2025	260,000
2016	100,000	2026	280,000
2017	110,000	2027	320,000
2018	120,000	2028	340,000
2019	130,000	2029	380,000
2020	140,000	2030	410,000
2021	150,000	2031	435,000
2022	180,000	2032	100,000

*Subject to change in accordance with the terms of the Full Notice of Sale, as defined herein.

The Bonds shall be subject to redemption prior to maturity in accordance with the terms of the Notice of Sale as authorized herein. The Bond shall be twenty in number, with one certificate being issued for each year of maturity and shall be numbered RAB-1 to RAB-20, inclusive.

Section 2. The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of the Bonds maturing in each year. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. The certificates will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with The Depository Trust Company. The Depository Trust Company will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of any multiple of \$1,000 (with a minimum purchase of \$5,000 required) through book-entries made on the books and records of The Depository Trust Company and its participants.

The Bonds will bear interest payable semiannually on the fifteenth day of May and November in each year until maturity or earlier redemption, commencing on May 15, 2011, at a rate or rates per annum, expressed in a multiple of 1/8 or 1/20 of 1% and proposed by the successful bidder in accordance with the Full Notice of Sale authorized herein.

The principal of and the interest on the Bonds will be paid to the Securities Depository by the Town or a duly authorized paying agent on the respective maturity date and due dates and will be credited on the respective maturity date and due dates to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of each next preceding May 1 and November 1 (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile signature of the Mayor and Chief Financial Officer of the Town under the official seal or facsimile

September 15, 2010

thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Clerk of the Town. The following matters are hereby determined with respect to the Bonds:

Date of Bonds: Date of Delivery

Interest Payment Dates:

Each May 15 and November 15, until maturity or earlier redemption, commencing on May 15, 2011.

Section 3. The Bonds shall be substantially in the following form with such additions, deletions and omissions as may be necessary for the Town to deliver and to market the Bonds in accordance with the requirements of The Depository Trust Company, the final terms of sale, and recommendations of bond counsel:

September 15, 2010

REGISTERED
NUMBER RAB-___

REGISTERED
\$_____

UNITED STATES OF AMERICA
STATE OF NEW JERSEY
COUNTY OF SUSSEX

TOWN OF NEWTON

GENERAL OBLIGATION REDEVELOPMENT AREA BOND
(SERIES 2010A) (FEDERALLY TAXABLE)

DATED DATE:	MATURITY DATE:	RATE OF INTEREST	CUSIP:
[_____]	5/15/___	_____%	___ _____

The TOWN OF NEWTON, in the County of Sussex, New Jersey (the "Town") hereby acknowledges itself indebted and for value received promises to pay to CEDE & CO., as nominee of The Depository Trust Company, which will act as Securities Depository, on the Maturity Date specified above, the principal sum of _____ DOLLARS (\$_____), and to pay interest on such sum from the Dated Date of this bond at the Rate of Interest Per Annum specified above semiannually on the fifteenth days of May and November in each year until maturity or earlier redemption, commencing on May 15, 2011. Interest on this bond will be paid to the Securities Depository by the Town or a duly appointed paying agent and will be credited to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of the May 1 and November 1 next preceding the date of such payments (the "Record Dates" for such payments). Principal of this bond, upon presentation and surrender to the Town, will be paid to the Securities Depository by the Town and will be credited to the participants of The Depository Trust Company.

This bond is not transferable as to principal or interest except to an authorized nominee of The Depository Trust Company. The Depository Trust Company shall be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants are responsible for maintaining records regarding the beneficial ownership interests in the bonds on behalf of individual purchasers.

The bonds of this issue maturing prior to May 15, 2022 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after May 15, 2022 are redeemable at the option of the Town in whole or in part on any date on or after May 15, 2021 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption, if any.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for such redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Town or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not

September 15, 2010

affect the validity of the redemption proceedings. If the Town determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Town. The bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the bond or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bond after the date fixed for redemption. Payment shall be made upon surrender of the bond redeemed.

This bond is one of an authorized issue of bonds issued pursuant to the Local Bond Law of the State of New Jersey and bond ordinances adopted by the Town on December 14, 2009 and August 23, 2010, respectively, and respectively entitled "Bond Ordinance Providing for Certain Improvements within the Sparta Avenue Plan Area in the Town of Newton, County of Sussex, New Jersey, Appropriating \$4,660,000 Therefor, and Authorizing the Issuance of Not to Exceed \$4,660,000 Bonds or Notes of the Town for Financing the Cost Thereof" and "Bond Ordinance Amending and Supplementing Bond Ordinance 2009-29 of the Town of Newton, in the County of Sussex, New Jersey Finally Adopted December 14, 2009 in Order to Authorize the Execution of a Trust Agreement," each in all aspects duly approved and published as required by law (collectively, the "Authorization Proceedings"). Pursuant to the Authorization Proceedings, the Town has entered into a trust agreement (the "Trust Agreement") with a corporate trust institution as trustee (the "Trustee") with respect to the bonds. The Trust Agreement provides in relevant part that in exchange for the full faith and credit, *ad valorem* pledge of the Town to the bondholders with respect to the bonds, the Town shall be deemed and treated for all purposes of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.*, as the sole holder of the obligations.

The full faith and credit of the Town are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Town is within every debt and other limit prescribed by such constitution or statutes.

September 15, 2010

IN WITNESS WHEREOF, THE TOWN OF NEWTON, in the County of Sussex, New Jersey has caused this bond to be executed in its name by the manual or facsimile signature of its Mayor and its Chief Financial Officer, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual signature of its Town Clerk, and this bond to be dated the Dated Date as specified above.

TOWN OF NEWTON
[SEAL]

ATTEST:

By: _____ (Facsimile)
Mayor

By: _____
Clerk

By: _____ (Facsimile)
Chief Financial Officer

September 15, 2010

Section 4. The Bonds shall be sold on October 13, 2010 by electronic open auction with the two minute extension rule upon the terms and the conditions set forth in and described in the Full Notice of Sale authorized below and set forth in Exhibit A attached hereto (the "Full Notice of Sale"). The Full Notice of Sale shall be posted in full on Grant Street Group's MuniAuction Website ("MuniAuction"). The Town Clerk is hereby directed to arrange for the publication of the Short Notice of Sale authorized below and set forth in Exhibit B attached hereto (the "Short Notice of Sale") and the Summary Notice of Sale authorized below and set forth in Exhibit C (the "Summary Notice of Sale"). The Notices of Sale shall be posted and published as required by law not less than seven days prior to the date of sale. The full Notice of Sale shall be substantially in the form attached hereto as Exhibit A, the Short Notice of Sale shall be substantially in the form attached hereto as Exhibit B, and the Summary Notice of Sale shall be substantially in the form attached hereto as Exhibit C, each with such additions, deletions and omissions as may be necessary for the Town to market the Bonds in accordance with the requirements of The Depository Trust Company and MuniAuction. The Short Notice of Sale shall be published in the New Jersey Herald and the Summary Notice of Sale shall be published in The Bond Buyer, a financial newspaper published and circulating in the City of New York, New York.

Section 5. The Town hereby designates the Chief Financial Officer as the officer to sell and to award the Bonds and to act on behalf of the Town in accordance with the Notices of Sale authorized herein, and the Chief Financial Officer shall report in writing the results of the sale to this Town Council as required by law.

Section 6. The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by the law firm of McManimon & Scotland, L.L.C. ("Bond Counsel"), complete except for omission of its date.

Section 7. (a) Bond Counsel is authorized to arrange for the printing of the Bonds and the printing and the posting of the Official Statement to be prepared in connection with the sale of the Bonds and to arrange for the distribution of the preliminary Official Statements on behalf of the Town to those financial institutions that customarily submit bids for such Bonds.

(b) Powell Capital Markets, Inc., Roseland, New Jersey, is hereby appointed as the Town's financial advisor (the "Financial Advisor") with respect to the Bonds.

(c) The Town Auditor, Financial Advisor and Bond Counsel are authorized to prepare the Official Statement necessary in connection with the issuance of the Bonds, and the Mayor and Chief Financial Officer of the Town are authorized to execute any certificates necessary in connection with the distribution of the Official Statement. Such Official Statement may be distributed in preliminary form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission on behalf of the Town by the Chief Financial Officer or Mayor. Final Official Statements shall be delivered to the purchaser of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the purchaser's confirmations that request payment for the Bonds. Bond Counsel, the Financial Advisor and the Town Auditor are further authorized to arrange on behalf of the Town for a rating for the Bonds from Standard and Poor's.

September 15, 2010

Section 8. The Mayor or the Chief Financial Officer are hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with The Depository Trust Company, New York, New York, as may be necessary in order to provide that the Bonds will be eligible for deposit with The Depository Trust Company and to satisfy any obligation undertaken in connection therewith.

Section 9. In the event that The Depository Trust Company may determine to discontinue providing its service with respect to the Bonds or is removed by the Town and if no successor Securities Depository is appointed, the Bonds that were previously issued in book-entry form shall be converted to registered bonds (the "Registered Bonds") in denominations of any integral multiple of \$5,000, except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in denominations of \$1,000, or any integral multiple thereof. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The Town shall be obligated to provide for the execution and delivery of the Registered Bonds in certificated form.

Section 10. Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission (the "SEC"), as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Town shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

(a) on or prior to November 1 of each year, commencing November 1, 2011, electronically to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system or such other repository designated by the SEC to be an authorized repository for filing secondary market disclosure information, if any, annual financial information with respect to the Town consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Town and certain financial information and operating data consisting of (1) Town and overlapping indebtedness including a schedule of outstanding debt issued by the Town; (2) the Town's most current adopted budget; (3) property valuation information for property located within the Town; and (4) tax rate, levy and collection data. The audited financial information will be prepared in accordance with modified cash accounting as mandated by State of New Jersey statutory principles in effect from time to time or with generally accepted accounting principles as modified by governmental accounting standards if required by New Jersey law in effect from time to time;

(b) if any of the following material events occur regarding the Bonds a timely notice not in excess of ten business days after the occurrence of the event to EMMA:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;

September 15, 2010

- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Material notices or determinations with respect to the tax status of the security;
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(c) Notice of failure of the Town to provide required annual financial information on or before the date specified in this resolution shall be sent in a timely manner to EMMA.

(d) If all or any part of the Rule ceases to be in effect or is not in effect for any reason, then the information required to be provided under this resolution, insofar as the provisions of the Rule not or no longer in effect required the provision of such information, shall not or no longer be required to be provided.

(e) The Chief Financial Officer shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Town prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

September 15, 2010

(f) In the event that the Town fails to comply with the Rule requirements or the written contracts or undertakings specified in this undertaking certificate, the Town shall not be liable for monetary damages. The sole remedy is hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 11. The Chief Financial Officer is authorized to pay the costs of issuance at or after the time of closing to the various participants regarding the sale and issuance of the Bonds, including costs for the open electronic auction, publications, preparation and printing of the official statement, credit rating, financial advisory services, legal services and other miscellaneous costs of issuing the Bonds.

Section 12. The Chief Financial Officer is authorized to invest the proceeds of the Bonds in investment obligations or deposits as permitted in accordance with law. The Chief Financial Officer and other appropriate representatives of the Town are authorized to take all other actions on behalf of the Town necessary for the sale and the delivery of the Bonds in accordance with this resolution.

Section 13. This resolution shall take effect immediately.

September 15, 2010

EXHIBIT A
FULL NOTICE OF SALE
(for publication on Muniauction website)

September 15, 2010

**TOWN OF NEWTON,
IN THE COUNTY OF SUSSEX, NEW JERSEY**

**NOTICE OF
\$4,075,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS,
SERIES 2010A (FEDERALLY TAXABLE)
(BOOK-ENTRY-ONLY)(CALLABLE)**

SUMMARY

ISSUER: Town of Newton, in the County of Sussex, New Jersey

PAR AMOUNT: \$4,075,000

SECURITY: General Obligations of the Town

TAX EXEMPT: Yes

RATINGS AND
INSURANCE: Rating to be Determined

TYPE OF SALE: Electronic Auction (open) with Two Minute Rule (See
Bidding Details Item (7) herein)

AUCTION AGENT: MuniAuction

BID/AWARD DATE: October 13, 2010 at 12:00 PM to 12:15 PM, subject to
the two-minute rule. Award by 3:00PM

DATED DATE: Date of Delivery

DELIVERY DATE: On or about October 28, 2010

INTEREST PAYMENT
DATES: May 15 and November 15, commencing May 15, 2011

FORM: Book-entry-only

FIRST CALL DATE: May 15, 2021

MINIMUM BID: \$4,075,000 (Par)

BID SECURITY: **Good Faith Check or wire transfer must be received
by Town by 11:30 a.m. prior to bidding in the amount of \$81,500, or Financial
Surety Bond as provided in Notice of Sale.**

BASIS OF AWARD: Net Interest Cost - Ascending Coupons Required in
multiples of 1/8 or 1/20 of 1%

OFFERING STATEMENT: Preliminary Official Statement available at
www.grantstreet.com

September 15, 2010

NOTICE

NOTICE IS HEREBY GIVEN that electronic sealed bids will be received by the Town of Newton, in the County of Sussex, New Jersey (the "Town") for the purchase of \$4,075,000 original principal amount of the Town's General Obligation Redevelopment Area Bonds, Series 2010A (Federally Taxable) (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group's MuniAuction's website ("MuniAuction") prior to 12:15 p.m., New Jersey time on October 13, 2010, unless otherwise extended by the two-minute rule described herein (see "Bidding Details").** The auction will begin at 12:00 p.m., New Jersey time on October 13, 2010 (the "Bid Date"). To bid via MuniAuction, Bidders (as defined below) must have (1) completed the registration form on either the MuniAuction or Grant Street Group website (parent of MuniAuction, herein referred to as "Grant Street") and (2) requested and received admission to the Town's auction, as described herein (see "Registration and Admission to Bid") and (3) submitted a good faith check or Financial Surety Bond, payable to the Town, in the amount of \$81,500 by no later than 11:30 a.m. on the Bid Date (see Bidding Details below). The use of MuniAuction shall be at the Bidder's risk and expense, and the Town shall have no liability with respect thereto.

Preliminary and Final Official Statement

The Town's Preliminary Official Statement (the "POS") with respect to the Bonds is available for viewing in electronic format on MuniAuction. The MuniAuction address is www.grantstreet.com. In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to October 13, 2010, elect to receive a photocopy of the POS in the mail by requesting it on MuniAuction or by calling the Town's bond counsel, McManimon & Scotland, L.L.C. ("Bond Counsel"), 1037 Raymond Boulevard, Suite 400, Newark, New Jersey 07102 to the attention of Andrea L. Kahn, Esq. (telephone no. 973-622-5171) or Jennifer L. Credidio, Esq. (telephone no. 973-622-5268). In order to print a copy or request a photocopy of the POS from MuniAuction, click the "View POS" button on the MuniAuction Selections Page and follow the instructions. All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

The POS is deemed by the Town to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the "Final Official Statement") as may be necessary.

The Town, at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements, within seven (7) business days following the date of acceptance of the Bid.

Types of Bids Allowed

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an "All-or-None" ("AON") basis for the entire amount of

September 15, 2010

\$4,075,000. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Town, the Bidder will be required to purchase the entire issue in accordance with such Bid.

Insurance

All or any part of the Bonds can be insured at the option of the Bidder. The insurance premium, if any, will be paid by the Bidder.

Interest Payment Dates; Description of the Bonds

The Bonds will be dated the date of delivery and will bear interest from such date payable semiannually on each May 15 and November 15, commencing on May 15, 2011

Principal Amortization

The Bonds will consist of serial bonds maturing on May 15 in the years 2013 through 2032, inclusive. The principal amounts of each serial maturity shall be, subject to adjustment as set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2013	\$40,000	2023	\$200,000
2014	60,000	2024	240,000
2015	80,000	2025	260,000
2016	100,000	2026	280,000
2017	110,000	2027	320,000
2018	120,000	2028	340,000
2019	130,000	2029	380,000
2020	140,000	2030	410,000
2021	150,000	2031	435,000
2022	180,000	2032	100,000

The Chief Financial Officer of the Town may adjust the maturity schedule set forth above up to twenty-four hours prior to the time advertised for the receipt of Bids and within twenty-four hours after the award of Bids, provided that no maturity schedule adjustment shall exceed ten percent of the principal for any maturity and further provided that the aggregate adjustment to the maturity schedule shall not exceed ten percent of the principal offered for sale.

Book-Entry-Only

The Bonds will be issued in book-entry-only form, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of integral multiples of \$1,000 with a minimum purchase of \$5,000 required. Payments of principal, interest and redemption premium, if any, will be made by the paying agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

Redemption Provisions

The Bonds of this issue maturing prior to May 15, 2022 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on

September 15, 2010

or after May 15, 2022 are redeemable at the option of the Town in whole or in part on any date on or after May 15, 2021 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption, if any.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Town or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Town determines, upon the exercise of its right of optional redemption, to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Town. Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

Term Bond Option

Bidders may elect to structure the issue to include term bonds (the "Term Bond Option"), which term bonds, if selected by the Bidder, will be subject to mandatory redemption prior to maturity, in the years and amounts shown above as serial maturities, upon payment of one hundred percent (100%) of the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for such mandatory redemption of such amounts. If the Bonds are awarded and no term bonds are designated in the Winning Bid (as defined herein), the Bonds will mature serially as shown in the preceding schedule.

Registration and Admission to Bid

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 370 Auction Support) for their ID Number or password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at www.muniauction.com.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Bonds:

September 15, 2010

(1) **BIDDERS MUST SUBMIT EITHER A GOOD FAITH CHECK, A WIRE TRANSFER OR A FINANCIAL SURETY BOND IN THE AMOUNT OF \$81,500 PAYABLE TO THE TOWN NO LATER THAN 11:30 A.M. ON THE DAY OF SALE. HOWEVER, BIDDERS ARE ENCOURAGED TO SUBMIT CHECKS ON THE DAY PRIOR TO THE SALE TO ASSURE RECEIPT OF PAYMENT BY THE TOWN AT THE FOLLOWING ADDRESS:**

**Dawn Babcock
Chief Financial Officer
Town of Newton
39 Trinity Street
Newton, NJ 07860**

BIDDERS SUBMITTING GOOD FAITH CHECKS SHOULD ALSO ENCLOSE A RETURN ENVELOPE FOR USE BY THE TOWN.

UNSUCCESSFUL BIDDERS SUBMITTING THE GOOD FAITH DEPOSIT BY WIRE TRANSFER SHALL, NO LATER THAN THE CLOSE OF BUSINESS ON THE DATE OF SALE OF THE BONDS, PROVIDE THE TOWN CHIEF FINANCIAL OFFICER IN WRITING WITH WIRING INSTRUCTIONS FOR THE RETURN OF SUCH UNSUCCESSFUL BIDDER'S GOOD FAITH DEPOSIT. IN THE EVENT THAT THE TOWN FAILS TO RETURN ANY GOOD FAITH WIRES IN A TIMELY FASHION, THE TOWN SHALL NOT BE LIABLE FOR MONETARY DAMAGES, REMEDY BEING HEREBY SPECIFICALLY LIMITED TO SPECIFIC PERFORMANCE.

(2) All Bids must be submitted on the MuniAuction website at www.grantstreet.com. **No telephone, telefax, telegraph or personal delivery Bids will be accepted.**

(3) All Bids for the Bonds must be submitted on an AON basis. Bidders may change and submit Bids as provided for herein, but a submitted Bid may not be withdrawn.

(4) Bidders may bid to purchase Bonds from the Town with an original issue premium. No Bid will be considered if the Bid is to purchase Bonds at a price less than 100% of the principal amount thereof.

(5) Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. If more than one rate of interest is named, no interest rate named for any maturity may be less than the interest rate named for any prior maturity. Each proposal submitted must state the purchase price, which must be not less than \$4,075,000. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed, as to each bid, by adding to the total principal amount of Bonds bid for the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the Town under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.

September 15, 2010

(6) Bidders are only permitted to submit Bids for the Bonds during the bidding period.

(7) If any bid on the auction becomes a leading Bid two (2) minutes, or less, prior to the end of the auction, then the auction will automatically be extended by two (2) minutes from the time such Bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single lead Bid remains the leading Bid for a least two (2) minutes.

(8) Bidders may change and submit Bids as many times as they wish during the auction; however, each and any Bid submitted subsequent to a Bidder's initial Bid must result in a lower Net Interest Cost (as defined herein and referred to as "NIC") when compared to the immediately preceding Bid of such Bidder. In the event the revised Bid does not produce a lower NIC, the prior Bid will remain valid.

(9) The last Bid submitted by a bidder prior to the deadline for the receipt of bids will be compared to all other final bids to determine the winning bid.

(10) During the auction, no Bidder will see any other bidder's Bid, but bidders will be able to see the ranking of their bid relative to other Bids (e.g. "Leader", "Cover", "3rd", etc.)

(11) The final maturity schedule as adjusted in accordance with this notice of sale shall be confirmed to the winning bidder within twenty four hours of the sale.

Rules of MuniAuction

The rules of MuniAuction (the "Rules") can be viewed on MuniAuction and are incorporated herein by reference. Bidders must comply with the Rules in addition to the requirements of the Notice of Sale for the Town's Bonds dated the date hereof (the "Notice of Sale"). To the extent there is a conflict between the Rules and the Notice of Sale, the Notice of Sale shall control.

Rules

(1) A Bidder submitting a Winning Bid is irrevocably obligated to purchase the Bonds at the rates and prices of the Winning Bid, if acceptable to the Town, as set forth in the related Notice of Sale. **Winning Bids are not officially awarded to the Bidder until formally accepted by the Town.**

(2) Neither the Town, Bond Counsel nor MuniAuction (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with MuniAuction, slowness in transmission of Bids, or other technical problems.

(3) If for any reason a Bidder is disconnected from MuniAuction's Auction Page during the auction after having submitted a Winning Bid, such Bid is valid and binding upon the Bidder, unless the Town exercises its right to reject Bids, as set forth herein.

(4) Bids that generate error messages are not accepted until the error is corrected and the Bid is received prior to the deadline.

(5) Bidders accept and agree to abide by all terms and conditions specified in the Notice of Sale (including amendments, if any) related to each auction.

(6) Neither the Town, Bond Counsel nor the Auction Administrator is responsible to any Bidder for any defect or inaccuracy in the Notice of Sale, amendments, or POS as they appear on MuniAuction.

(7) Only Bidders who request and receive admission to an auction and who have submitted a good faith check as required by the terms of this Notice of Sale may submit Bids. Bond Counsel and the Auction Administrator reserve the right to deny access to MuniAuction to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.

(8) Neither the Town, Bond Counsel nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's MuniAuction password.

(9) If two (2) Bids are submitted in the auction by the same or two or more different Bidders and result in the same NIC, the first confirmed Bid received by MuniAuction prevails. Any change to a submitted Bid constitutes a new Bid, regardless of whether there is a corresponding change in NIC.

(10) Bidders must compare their final Bids to those shown on the Observation Pages immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Pages they must report them to MuniAuction within fifteen (15) minutes after the bidding time period ends. Regardless of the final results reported by MuniAuction, bonds are definitively awarded to winning Bidders only upon official award by the Town. If, for any reason, the Town fails to: (i) award bonds to the winning Bidder reported by MuniAuction, or (ii) deliver bonds to the winning Bidders at settlement, neither Bond Counsel nor the Auction Administrator will be liable for damages.

Definitions

"Bid" any confirmed purchase offer received by MuniAuction on or before the auction deadline.

"Bidder" any firm registered with either MuniAuction or Grant Street and approved for participation in auctions.

"Winning Bid" any purchase offer made by a Bidder by clicking the "Submit Bid" button and received by MuniAuction that, at the end of the bidding time period, results in the lowest NIC that is acceptable to the Town.

"Net Interest Cost" computed by adding to the total principal amount of bonds bid for, the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any. The Net Interest Cost serves as the basis for awarding bonds to winning Bidders.

Bid Procedure and Basis of Award

Subject to the right reserved by the Town to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid produces the lowest NIC for the

September 15, 2010

Town and otherwise complies with the Notice of Sale.

Bids must remain valid until at least 3:00 p.m., prevailing time, on the date of the sale, and if accepted by the Town, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Town will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

Bid Security and Method of Payment for Bonds

A Good Faith Deposit ("Deposit") in the form of a certified, treasurer's or cashier's check, a wire transfer or a Financial Surety Bond in the amount of \$81,500 payable to the order of the Town, is required for each Bid to be considered. Wire instructions can be obtained by contacting Dawn Babcock, the Chief Financial Officer, at (973) 383-3521, or Jennifer L. Credidio, Esq. of McManimon & Scotland, L.L.C. at (973) 622-5268, and such wire must be received and confirmed by the Town prior to the time for bids to be submitted. If a check is used, it must be a certified, treasurer's or cashier's check and must be provided to the Town no later than by 11:30 a.m. on the Bid Date. Each bidder accepts responsibility for delivering such check on time and the Town is not responsible for any check that is not received on time. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of New Jersey and approved by the Director of the Division of Local Government Services of New Jersey (the "Director") and such bond must be submitted to the Town prior to the opening of the Bids at the address referred to above. At present, the Director has approved the use of Sure-Bid, a division of Assured Guaranty Municipal Corp. Use of any other Financial Surety Bond must be approved by the Director prior to the bid and will not be accepted by the Town unless evidence of such approval is provided prior to the bid. The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser (the "Purchaser") is required to submit its Deposit to the Town by wire transfer as instructed by the Town not later than 3:30 p.m. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Town to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Town. Award of the Bonds to the successful Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but such successful Bidder may not withdraw its proposal until after 3:00 p.m. of the day of receipt of such Bids and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Town at closing.

Right to Reject Bids; Waive Irregularities

The Town reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

Information Required from the Winning Bidder

By making a bid for the Bonds, the winning bidder(s) agrees: (a) to provide to the Town, in writing, immediately upon being unofficially awarded

September 15, 2010

the Bonds, a written confirmation of the bid, which shall include the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement or by Bond Counsel; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement; (c) to promptly file a copy of the final Official Statement with the Municipal Securities Rulemaking Board; and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to alternate purchasers.

Delivery of the Bonds

The Bonds will be delivered on or about October 28, 2010 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS PUBLISHED ON MUNIAUCTION NOT LATER THAN 2 HOURS PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in immediately available Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Chief Financial Officer or Mayor relating to the Official Statement.

CUSIP Numbers

CUSIP numbers will be applied for with respect to the Bonds by the winning bidder, but the Town will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the winning Bidder.

Legal Opinion

The approving opinion of McManimon & Scotland, L.L.C., Bond Counsel to the Town, will be furnished without cost to the winning Bidder.

Postponement

The Town reserves the right to postpone, upon not less than 24 hours' notice, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED ON MUNIAUCTION, BEFORE 12:00 P.M. ON THE DAY BEFORE THE SALE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via MuniAuction at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity in all respects with the provisions of the Notice of Sale, except for the date and time of sale and except for the changes announced on MuniAuction at the time the sale date and time are announced.

September 15, 2010

Additional Information

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Town. The Notice of Sale and the POS may be viewed on MuniAuction. However, the Town makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniAuction, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from Bond Counsel at the addresses and the phone numbers stated above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator at (412) 391-5555 (ext. 370 Auction Support). Additional information relating to the financing or the Town can be obtained by contacting the undersigned Chief Financial Officer at Phone No.: (973) 383-3524.

Town of Newton

By: Dawn Babcock, Chief Financial

Officer

DATED: [_____]

September 15, 2010

EXHIBIT B

SHORT FORM OF NOTICE OF SALE

(For publication in The New Jersey Herald)

September 15, 2010

NOTICE OF SALE
\$4,075,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS, SERIES 2010A
OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY
(Federally Taxable)
(Book-Entry-Only Bonds) (Callable)

NOTICE IS HEREBY GIVEN that sealed bids will be received by the Town of Newton, in the County of Sussex, New Jersey (the "Town") for the purchase of \$4,075,000 original principal amount of the Town's General Obligation Redevelopment Area Bonds, Series 2010A (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group's MuniAuction website ("MuniAuction") prior to 12:15 p.m., New Jersey time on October 13, 2010, unless otherwise extended by the two-minute rule described herein (see "Bidding Details"). The auction will begin at 12:00 p.m., New Jersey time on October 13, 2010 (the "Bid Date"). To bid via MuniAuction, Bidders (as defined below) must have both (1) completed the registration form on either MuniAuction or Grant Street Group's website (parent of MuniAuction, herein referred to as "Grant Street") and (2) requested and received admission to the Town's auction, as described herein (see "Registration and Admission to Bid") and (3) submitted a good faith check or Financial Surety Bond payable to the Town, in the amount of \$81,500 no later than 11:30 a.m. on the day of the sale (see Bidding Details below). The use of MuniAuction shall be at the Bidder's risk and expense, and the Town shall have no liability with respect thereto.**

Preliminary and Final Official Statement

The Town's Preliminary Official Statement (the "POS") with respect to the Bonds is available for viewing in electronic format on MuniAuction. The MuniAuction address is www.grantstreet.com. In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to October 13, 2010, elect to receive a photocopy of the POS in the mail by requesting it on MuniAuction or by calling the Town's bond counsel, McManimon & Scotland, L.L.C. ("Bond Counsel"), 1037 Raymond Boulevard, Suite 400, Newark, New Jersey 07102 to the attention of Andrea L. Kahn, Esq. (telephone no. 973-622-5171) or Jennifer L. Credidio, Esq. (telephone no. 973-622-5268). In order to print a copy or request a photocopy of the POS from MuniAuction, click the "View POS" button on the MuniAuction Selections Page and follow the instructions. All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

The POS is deemed by the Town to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the "Final Official Statement") as may be necessary.

The Town at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements, within seven (7) business days following the date of acceptance of the Bid.

Types of Bids Allowed

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an "All-or-None" ("AON") basis for the entire amount of \$4,075,000. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Town, the Bidder will be required to purchase the entire issue in accordance with such Bid.

Insurance

All or any part of the Bonds can be insured at the option of the Bidder. The insurance premium, if any, will be paid by the Bidder.

Interest Payment Dates; Description of the Bonds

The Bonds will be dated the date of delivery and will bear interest from such date payable semiannually on each May 15 and November 15, until maturity or earlier redemption, commencing on May 15, 2011.

Principal Amortization

The Bonds will consist of serial bonds maturing on May 15 in the years 2013 through 2032, inclusive. The principal amounts of each serial maturity shall be as set forth below:

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount</u>
2013	\$40,000	2023	\$200,000
2014	60,000	2024	240,000
2015	80,000	2025	260,000
2016	100,000	2026	280,000
2017	110,000	2027	320,000
2018	120,000	2028	340,000
2019	130,000	2029	380,000
2020	140,000	2030	410,000
2021	150,000	2031	435,000
2022	180,000	2032	100,000

The Chief Financial Officer of the Town may adjust the maturity schedule set forth above up to twenty-four hours prior to the time advertised for the receipt of Bids and within twenty-four hours after the award of Bids, provided that no maturity schedule adjustment shall exceed ten percent of the principal for any maturity and further provided that the aggregate adjustment to the maturity schedule shall not exceed ten percent of the principal offered for sale.

Book-Entry-Only

The Bonds will be issued in book-entry-only form, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interests

September 15, 2010

in the Bonds. Individual purchases will be in the principal amount of integral multiples of \$1,000 with a minimum purchase of \$5,000 required. Payments of principal, interest and redemption premium, if any, will be made by the paying agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

Redemption Provisions

The bonds of this issue maturing prior to May 15, 2022 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after May 15, 2022 are redeemable at the option of the Town in whole or in part on any date on or after May 15, 2021 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption, if any.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Town or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Town determines, upon the exercise of its right of optional redemption, to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Town. Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

Term Bond Option

Bidders may elect to structure the issue to include term bonds (the "Term Bond Option"), which term bonds, if selected by the Bidder, will be subject to mandatory redemption prior to maturity, in the years and amounts shown above as serial maturities, upon payment of one hundred percent (100%) of the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for such mandatory redemption of such amounts. If the Bonds are awarded and no term bonds are designated in the Winning Bid (as defined herein), the Bonds will mature serially as shown in the preceding schedule.

Registration and Admission to Bid

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 370 Auction Support) for their ID Number or

September 15, 2010

password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at www.muniauction.com.

Bid Procedure and Basis of Award

Subject to the right reserved by the Town to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid produces the lowest NIC for the Town and otherwise complies with the Notice of Sale.

Bids must remain valid until at least 3:00 p.m., prevailing time, on the date of the sale, and if accepted by the Town, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Town will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds, and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. If more than one rate of interest is named, no interest rate named for any maturity may be less than the interest rate named for any prior maturity. Each proposal submitted must state the purchase price, which must be not less than \$4,075,000. Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed as to each bid by adding to the total principal amount of Bonds bid for the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the Town under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.

If two (2) bids are submitted in the auction by the same or two or more different bidders and result in the same NIC, the first confirmed bid received by MuniAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in NIC.

Bid Security and Method of Payment for Bonds

A Good Faith Deposit ("Deposit") in the form of a certified, treasurer's or cashier's check or a Financial Surety Bond in the amount of \$81,500, payable to the order of the Town, is required for each Bid to be considered. Wire instructions can be obtained by contacting Dawn Babcock, the Chief Financial Officer, at (973) 383-3521, or Jennifer L. Credidio, Esq. of McManimon & Scotland, L.L.C. at (973) 622-5268, and such wire must be received and confirmed by the Town prior to the time for bids to be submitted. If a check is used, it must be a certified, treasurer's or cashier's check and must be provided to the Town no later than by 11:30 a.m. on the Bid Date. Each bidder accepts responsibility for delivering such check on time and the Town is not responsible for any check that is not received on time. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of New Jersey and approved by the Director of the Division of Local Government Services of New Jersey (the "Director") and such bond must be submitted to the Town prior to the opening of the Bids at the address referred to above. At present, the Director has approved the use of Sure-Bid, a

September 15, 2010

division of Assured Guaranty Municipal Corp. Use of any other Financial Surety Bond must be approved by the Director prior to the bid and will not be accepted by the Town unless evidence of such approval is provided prior to the bid. The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser (the "Purchaser") is required to submit its Deposit to the Town by wire transfer as instructed by the Town not later than 3:30 p.m. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Town to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Town. Award of the Bonds to the successful Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but such successful Bidder may not withdraw its proposal until after 3:00 p.m. of the day of receipt of such Bids and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Town at closing.

Right to Reject Bids; Waive Irregularities

The Town reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

Information Required from the Winning Bidder

By making a bid for the Bonds, the winning bidder(s) agrees: (a) to provide to the Town, in writing, immediately upon being unofficially awarded the Bonds, a written confirmation of the bid, which shall include the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement or by Bond Counsel; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement; (c) to promptly file a copy of the final Official Statement with the Municipal Securities Rulemaking Board and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to alternate purchasers.

Delivery of the Bonds

The Bonds will be delivered on or about October 28, 2010 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS PUBLISHED ON MUNIAUCTION NOT LATER THAN 2 HOURS PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in immediately available Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Chief Financial Officer or Mayor relating to the official statement.

September 15, 2010

CUSIP Numbers

CUSIP numbers will be applied for with respect to the Bonds by the winning bidder, but the Board will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the winning Bidder.

Legal Opinion

The approving opinion of McManimon & Scotland, L.L.C., Bond Counsel to the Town, will be furnished without cost to the winning Bidder.

Postponement

The Town reserves the right to postpone, upon 24 hours' notice, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED ON MUNIAUCTION, BEFORE 12:00 P.M. ON THE DAY BEFORE THE SALE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via MuniAuction at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity in all respects with the provisions of the Notice of Sale, except for the date and time of sale and except for the changes announced on MuniAuction at the time the sale date and time are announced.

Additional Information

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Town. The Notice of Sale and the POS may be viewed on MuniAuction. However, the Town makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniAuction, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from the Bond Counsel at the addresses and phone numbers stated above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator at (412) 391-5555 (ext. 370 Auction Support). Additional information relating to the financing or the Town can be obtained by contacting the undersigned Chief Financial Officer at Phone No.: (973) 383-3524.

Town of Newton

By: Dawn Babcock, Chief Financial

Officer

Dated: [_____]

September 15, 2010

EXHIBIT C

SUMMARY FORM OF NOTICE OF SALE

(For publication in The Bond Buyer)

September 15, 2010

**SUMMARY NOTICE OF SALE
\$4,075,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS, SERIES 2010A**

**TOWN OF NEWTON,
IN THE COUNTY OF SUSSEX, NEW JERSEY
(Federally Taxable)
(Book-Entry-Only Bonds) (Callable)**

Dated Date: Date of Delivery

Bid Date: October 13, 2010 at 12:00 PM to 12:15 PM, subject to the two-minute rule. Award by 3:00PM

Type of Sale: Electronic Open Auction

Interest: Multiple Interest Rates- ascending in multiples of 1/8 or 1/20 of 1%

Maturity Schedule: The Bonds shall mature on May 15 as set forth in the following table:

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>
2013	\$40,000	2023	\$200,000
2014	60,000	2024	240,000
2015	80,000	2025	260,000
2016	100,000	2026	280,000
2017	110,000	2027	320,000
2018	120,000	2028	340,000
2019	130,000	2029	380,000
2020	140,000	2030	410,000
2021	150,000	2031	435,000
2022	180,000	2032	100,000

* As may be adjusted by the Town's Chief Financial Officer in accordance with the terms of the Full Notice of Sale.

Legal Opinion: McManimon & Scotland, L.L.C., Newark, NJ

Bid Security: **Good Faith Check or wire transfer must be received by Town by 11:30 a.m. prior to bidding in the amount of \$81,500, or Financial Surety Bond as provided in Notice of Sale.**

Preliminary Official Statement, a Notice of Sale and other details available at www.Grantstreet.com

RESOLUTION #158-2010*

RESOLUTION OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY DETERMINING THE FORM AND DETAILS OF SALE OF \$350,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS OF THE TOWN, SERIES 2010B (TAX-EXEMPT), MAKING CERTAIN DETERMINATIONS AND CONVENANTS IN

September 15, 2010

**CONNECTION THEREWITH AND AUTHORIZING CERTAIN ACTIONS RELATED
THERETO**

WHEREAS, the Mayor and Town Council (the "Governing Body") of the Town of Newton in the County of Sussex, New Jersey (the "Town"), acting by resolution on April 25, 2005, after review of the findings of the Planning Board in accordance with the *Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.* (the "Redevelopment Law") designated Block 1104, Lot 21 as an "area in need of redevelopment" under the Act (the "Redevelopment Area"); and

WHEREAS, on April 23, 2007, the Town designated a portion of the Town, including the public streets and rights-of-way of Sparta Avenue, Merriam Avenue and Pine Street adjacent to the Redevelopment Area as an "area in need of rehabilitation" in accordance with the Act (the "Rehabilitation Area"); and

WHEREAS, on March 23, 2009, after referral to and incorporation of comments received from the Planning Board, the Town adopted Ordinance No. 2009-6 implementing a redevelopment plan (the "Initial Redevelopment Plan") for the Redevelopment Area and a portion of the Rehabilitation Area adjacent thereto (collectively, and as further described therein, the "Sparta Avenue Plan Area"); and

WHEREAS, on January 11, 2010, after referral to the Planning Board in accordance with the Redevelopment Law, the Town adopted Ordinance No. 2009-33 amending the Initial Redevelopment Plan (as amended, the "Redevelopment Plan"); and

WHEREAS, the Town has executed an agreement with Thorlabs, Inc. dated November 30, 2009 (as amended, the "Redevelopment Agreement"), which Redevelopment Agreement has been assigned pursuant to the terms thereof by Thorlabs, Inc. to Thorlabs Urban Renewal, LLC (the "Redeveloper") effective December 2, 2009; and

WHEREAS, the Redevelopment Agreement provides for the construction of a mixed-use facility within the Sparta Avenue Plan Area, composed of not to exceed 125,000 square feet of research and development, office and light manufacturing space and approximately 300 surface parking spaces, together with certain ancillary road and water improvements (collectively, the "Phase 1 Redevelopment Project"); and

WHEREAS, Section 37 of the Redevelopment Law provides that the Town may incur indebtedness, borrow, appropriate and expend money and issue its negotiable bonds or other obligations for the purpose of aiding any redevelopment entity with respect to any redevelopment project which is located within its jurisdiction, including those instances where, as here, the Governing Body of a municipality directly exercises the powers of the redevelopment entity under the Redevelopment Law; and

WHEREAS, Section 37 further provides that the bonds or other obligations of any municipality shall be authorized by ordinance adopted pursuant to the Local Bond Law, *N.J.S.A. 40A:2-1 et seq.* (the "Local Bond Law"); and

WHEREAS, on December 14, 2009, the Town, acting in accordance with the Local Bond Law, finally adopted Ordinance No. 2009-29 (the "Initial Bond Ordinance"), authorizing the issuance of not to exceed \$4,660,000

September 15, 2010

Redevelopment Area Bonds of the Town, secured by the full faith and credit pledge of the Town's *ad valorem* taxing power; and

WHEREAS, on August 23, 2010, acting in accordance with the Local Bond Law, the Town finally adopted Ordinance No. 2010-13 (the "Amending Bond Ordinance" and together with the Initial Bond Ordinance, the "Bond Ordinance") amending and supplementing the Initial Bond Ordinance to allow for the execution of a trust agreement (the "Trust Agreement") whereby in exchange for the full faith and credit pledge of the Town's *ad valorem* taxing power, the Town shall be deemed to be the sole bondholder for all purposes of the Redevelopment Law; and

WHEREAS, it is the desire of Newton to: (i) authorize and approve the issuance, sale and award of General Obligation Redevelopment Area Bonds (Tax-Exempt) of the Town in the aggregate principal amount of \$350,000; and (ii) authorize certain related determinations, covenants and actions in connection with the foregoing,

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY (NOT LESS THAN TWO-THIRDS OF ALL THE MEMBERS THEREOF AFFIRMATIVELY CONCURRING), PURSUANT TO THE PROVISIONS OF THE LOCAL BOND LAW, AS FOLLOWS:

Section 1. Of the \$4,660,000 bonds authorized by the Bond Ordinance, \$350,000 will be issued as general obligation bonds and designated as General Obligation Redevelopment Area Bonds (Tax-Exempt) (the "Bonds"). The Bonds shall mature in the principal amounts, as may be adjusted in accordance with the terms of the Full Notice of Sale, on May 15 as follows:

<u>Year*</u>	<u>Principal Amount*</u>
2032	\$350,000

*Subject to change in accordance with the terms of the Full Notice of Sale, as defined herein.

The Bonds shall be subject to redemption prior to maturity in accordance with the terms of the Notice of Sale as authorized herein. The Bond shall be one in number, with one certificate being issued for each year of maturity and shall be numbered RAB-21.

Section 2. The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of the Bonds maturing in each year. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. The certificates will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with The Depository Trust Company. The Depository Trust Company will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of any multiple of \$1,000 (with a minimum purchase of \$5,000 required) through book-entries made on the books and records of The Depository Trust Company and its participants.

September 15, 2010

REGISTERED
NUMBER RAB-21

REGISTERED
\$ _____

**UNITED STATES OF AMERICA
STATE OF NEW JERSEY
COUNTY OF SUSSEX**

TOWN OF NEWTON

**GENERAL OBLIGATION REDEVELOPMENT AREA BOND
(SERIES 2010B) (TAX-EXEMPT)**

		RATE OF INTEREST	
DATED DATE:	MATURITY DATE:	PER ANNUM:	CUSIP:
[____]	5/15/___	_____%	___ _____

The TOWN OF NEWTON, in the County of Sussex, New Jersey (the "Town") hereby acknowledges itself indebted and for value received promises to pay to CEDE & CO., as nominee of The Depository Trust Company, which will act as Securities Depository, on the Maturity Date specified above, the principal sum of _____ DOLLARS (\$_____), and to pay interest on such sum from the Dated Date of this bond at the Rate of Interest Per Annum specified above semiannually on the fifteenth days of May and November in each year until maturity or earlier redemption, commencing on May 15, 2011. Interest on this bond will be paid to the Securities Depository by the Town or a duly appointed paying agent and will be credited to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of the May 1 and November 1 next preceding the date of such payments (the "Record Dates" for such payments). Principal of this bond, upon presentation and surrender to the Town, will be paid to the Securities Depository by the Town and will be credited to the participants of The Depository Trust Company.

This bond is not transferable as to principal or interest except to an authorized nominee of The Depository Trust Company. The Depository Trust Company shall be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants are responsible for maintaining records regarding the beneficial ownership interests in the bonds on behalf of individual purchasers.

The bonds of this issue maturing prior to May 15, 2022 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after May 15, 2022 are redeemable at the option of the Town in whole or in part on any date on or after May 15, 2021 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption, if any.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for such redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Town or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not

September 15, 2010

affect the validity of the redemption proceedings. If the Town determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Town. The bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the bond or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bond after the date fixed for redemption. Payment shall be made upon surrender of the bond redeemed.

This bond is one of an authorized issue of bonds issued pursuant to the Local Bond Law of the State of New Jersey and bond ordinances adopted by the Town on December 14, 2009 and August 23, 2010, respectively, and respectively entitled "Bond Ordinance Providing for Certain Improvements within the Sparta Avenue Plan Area in the Town of Newton, County of Sussex, New Jersey, Appropriating \$4,660,000 Therefor, and Authorizing the Issuance of Not to Exceed \$4,660,000 Bonds or Notes of the Town for Financing the Cost Thereof" and "Bond Ordinance Amending and Supplementing Bond Ordinance 2009-29 of the Town of Newton, in the County of Sussex, New Jersey Finally Adopted December 14, 2009 in Order to Authorize the Execution of a Trust Agreement," each in all aspects duly approved and published as required by law (collectively, the "Authorization Proceedings"). Pursuant to the Authorization Proceedings, the Town has entered into a trust agreement (the "Trust Agreement") with a corporate trust institution as trustee (the "Trustee") with respect to the bonds. The Trust Agreement provides in relevant part that in exchange for the full faith and credit, *ad valorem* pledge of the Town to the bondholders with respect to the bonds, the Town shall be deemed and treated for all purposes of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.*, as the sole holder of the obligations.

The full faith and credit of the Town are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Town is within every debt and other limit prescribed by such constitution or statutes.

September 15, 2010

IN WITNESS WHEREOF, THE TOWN OF NEWTON, in the County of Sussex, New Jersey has caused this bond to be executed in its name by the manual or facsimile signature of its Mayor and its Chief Financial Officer, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual signature of its Town Clerk, and this bond to be dated the Dated Date as specified above.

TOWN OF NEWTON

[SEAL]

ATTEST:

By: _____
Clerk

By: _____ (Facsimile)
Mayor

By: _____ (Facsimile)
Chief Financial Officer

September 15, 2010

Section 4. The Bonds shall be sold on October 13, 2010 by electronic open auction with the two minute extension rule upon the terms and the conditions set forth in and described in the Full Notice of Sale authorized below and set forth in Exhibit A attached hereto (the "Full Notice of Sale"). The Full Notice of Sale shall be posted in full on Grant Street Group's MuniAuction Website ("MuniAuction"). The Town Clerk is hereby directed to arrange for the publication of the Short Notice of Sale authorized below and set forth in Exhibit B attached hereto (the "Short Notice of Sale") and the Summary Notice of Sale authorized below and set forth in Exhibit C (the "Summary Notice of Sale"). The Notices of Sale shall be posted and published as required by law not less than seven days prior to the date of sale. The full Notice of Sale shall be substantially in the form attached hereto as Exhibit A, the Short Notice of Sale shall be substantially in the form attached hereto as Exhibit B, and the Summary Notice of Sale shall be substantially in the form attached hereto as Exhibit C, each with such additions, deletions and omissions as may be necessary for the Town to market the Bonds in accordance with the requirements of The Depository Trust Company and MuniAuction. The Short Notice of Sale shall be published in the New Jersey Herald and the Summary Notice of Sale shall be published in The Bond Buyer, a financial newspaper published and circulating in the City of New York, New York.

Section 5. The Town hereby designates the Chief Financial Officer as the officer to sell and to award the Bonds and to act on behalf of the Town in accordance with the Notices of Sale authorized herein, and the Chief Financial Officer shall report in writing the results of the sale to this Town Council as required by law.

Section 6. The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by the law firm of McManimon & Scotland, L.L.C. ("Bond Counsel"), complete except for omission of its date.

Section 7. (a) Bond Counsel is authorized to arrange for the printing of the Bonds and the printing and the posting of the Official Statement to be prepared in connection with the sale of the Bonds and to arrange for the distribution of the preliminary Official Statements on behalf of the Town to those financial institutions that customarily submit bids for such Bonds.

(b) Powell Capital Markets, Inc., Roseland, New Jersey, is hereby appointed as the Town's financial advisor (the "Financial Advisor") with respect to the Bonds.

(c) The Town Auditor, Financial Advisor and Bond Counsel are authorized to prepare the Official Statement necessary in connection with the issuance of the Bonds, and the Mayor and Chief Financial Officer of the Town are authorized to execute any certificates necessary in connection with the distribution of the Official Statement. Such Official Statement may be distributed in preliminary form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission on behalf of the Town by the Chief Financial Officer or Mayor. Final Official Statements shall be delivered to the purchaser of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the purchaser's confirmations that request payment for the Bonds. Bond Counsel, the Financial Advisor and the Town Auditor are further authorized to arrange on behalf of the Town for a rating for the Bonds from Standard and Poor's.

September 15, 2010

Section 8. The Mayor or the Chief Financial Officer are hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with The Depository Trust Company, New York, New York, as may be necessary in order to provide that the Bonds will be eligible for deposit with The Depository Trust Company and to satisfy any obligation undertaken in connection therewith.

Section 9. In the event that The Depository Trust Company may determine to discontinue providing its service with respect to the Bonds or is removed by the Town and if no successor Securities Depository is appointed, the Bonds that were previously issued in book-entry form shall be converted to registered bonds (the "Registered Bonds") in denominations of any integral multiple of \$5,000, except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in denominations of \$1,000, or any integral multiple thereof. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The Town shall be obligated to provide for the execution and delivery of the Registered Bonds in certificated form.

Section 10. Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission (the "SEC"), as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Town shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

(a) on or prior to November 1 of each year, commencing November 1, 2011, electronically to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system or such other repository designated by the SEC to be an authorized repository for filing secondary market disclosure information, if any, annual financial information with respect to the Town consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Town and certain financial information and operating data consisting of (1) Town and overlapping indebtedness including a schedule of outstanding debt issued by the Town; (2) the Town's most current adopted budget; (3) property valuation information for property located within the Town; and (4) tax rate, levy and collection data. The audited financial information will be prepared in accordance with modified cash accounting as mandated by State of New Jersey statutory principles in effect from time to time or with generally accepted accounting principles as modified by governmental accounting standards if required by New Jersey law in effect from time to time;

(b) if any of the following material events occur regarding the Bonds a timely notice not in excess of ten business days after the occurrence of the event to EMMA:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;

September 15, 2010

- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exe
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(c) Notice of failure of the Town to provide required annual financial information on or before the date specified in this resolution shall be sent in a timely manner to EMMA.

(d) If all or any part of the Rule ceases to be in effect or is not in effect for any reason, then the information required to be provided under this resolution, insofar as the provisions of the Rule not or no longer in effect required the provision of such information, shall not or no longer be required to be provided.

(e) The Chief Financial Officer shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Town prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or

September 15, 2010

undertakings or the undertakings set forth in this resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

(f) In the event that the Town fails to comply with the Rule requirements or the written contracts or undertakings specified in this undertaking certificate, the Town shall not be liable for monetary damages. The sole remedy is hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 11. The Chief Financial Officer is authorized to pay the costs of issuance at or after the time of closing to the various participants regarding the sale and issuance of the Bonds, including costs for the open electronic auction, publications, preparation and printing of the official statement, credit rating, financial advisory services, legal services and other miscellaneous costs of issuing the Bonds.

Section 12. The Town hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the Bonds, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds. The Town does not intend to issue more than \$30,000,000 of tax-exempt obligations in calendar year 2010 that would count towards the limitation imposed by Section 265 of the Code and hereby designates the Bonds as "bank-qualified" for purposes of Section 265 of the Code.

Section 13. The Chief Financial Officer is authorized to invest the proceeds of the Bonds in investment obligations or deposits as permitted in accordance with law. The Chief Financial Officer and other appropriate representatives of the Town are authorized to take all other actions on behalf of the Town necessary for the sale and the delivery of the Bonds in accordance with this resolution.

Section 14. This resolution shall take effect immediately.

September 15, 2010

EXHIBIT A
FULL NOTICE OF SALE
(for publication on Muniauction website)

September 15, 2010

**TOWN OF NEWTON,
IN THE COUNTY OF SUSSEX, NEW JERSEY**

**NOTICE OF
\$350,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS, SERIES 2010B
(TAX-EXEMPT) (BANK QUALIFIED) (BOOK-ENTRY-ONLY)(CALLABLE)**

SUMMARY

ISSUER: Town of Newton, in the County of Sussex, New Jersey

PAR AMOUNT: \$350,000

SECURITY: General Obligations of the Town

TAX EXEMPT: Yes

RATINGS AND INSURANCE: Rating to be Determined

TYPE OF SALE: Electronic Auction (open) with Two Minute Rule (See Bidding Details Item (7) herein)

AUCTION AGENT: MuniAuction

BID/AWARD DATE: October 13, 2010 at 12:00 PM to 12:15 PM, subject to the two-minute rule. Award by 3:00PM

DATED DATE: Date of Delivery

DELIVERY DATE: On or about October 28, 2010

INTEREST PAYMENT: May 15 and November 15, commencing May 15, 2011

FORM: Book-entry-only

FIRST CALL DATE: May 15, 2021

MINIMUM BID: \$350,000 (Par)

BID SECURITY: **Good Faith Check or wire transfer must be received by Town by 11:30 a.m. prior to bidding in the amount of \$7,000, or Financial Surety Bond as provided in Notice of Sale.**

BASIS OF AWARD: Net Interest Cost - Ascending Coupons Required in multiples of 1/8 or 1/20 of 1%

OFFERING STATEMENT: Preliminary Official Statement available at www.grantstreet.com

NOTICE

NOTICE IS HEREBY GIVEN that electronic sealed bids will be received by the Town of Newton, in the County of Sussex, New Jersey (the "Town") for the purchase of \$350,000 original principal amount of the Town's General

September 15, 2010

Obligation Redevelopment Area Bonds, Series 2010B (Tax-Exempt) (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group's MuniAuction's website ("MuniAuction") prior to 12:15 p.m., New Jersey time on October 13, 2010, unless otherwise extended by the two-minute rule described herein (see "Bidding Details"). The auction will begin at 12:00 p.m., New Jersey time on October 13, 2010 (the "Bid Date"). To bid via MuniAuction, Bidders (as defined below) must have (1) completed the registration form on either the MuniAuction or Grant Street Group website (parent of MuniAuction, herein referred to as "Grant Street") and (2) requested and received admission to the Town's auction, as described herein (see "Registration and Admission to Bid") and (3) submitted a good faith check or Financial Surety Bond, payable to the Town, in the amount of \$7,000 by no later than 11:30 a.m. on the Bid Date (see Bidding Details below). The use of MuniAuction shall be at the Bidder's risk and expense, and the Town shall have no liability with respect thereto.**

Preliminary and Final Official Statement

The Town's Preliminary Official Statement (the "POS") with respect to the Bonds is available for viewing in electronic format on MuniAuction. The MuniAuction address is www.grantstreet.com. In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to October 13, 2010, elect to receive a photocopy of the POS in the mail by requesting it on MuniAuction or by calling the Town's bond counsel, McManimon & Scotland, L.L.C. ("Bond Counsel"), 1037 Raymond Boulevard, Suite 400, Newark, New Jersey 07102 to the attention of Andrea L. Kahn, Esq. (telephone no. 973-622-5171) or Jennifer L. Credidio, Esq. (telephone no. 973-622-5268). In order to print a copy or request a photocopy of the POS from MuniAuction, click the "View POS" button on the MuniAuction Selections Page and follow the instructions. All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

The POS is deemed by the Town to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the "Final Official Statement") as may be necessary.

The Town at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements, within seven (7) business days following the date of acceptance of the Bid.

Types of Bids Allowed

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an "All-or-None" ("AON") basis for the entire amount of \$350,000. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Town, the Bidder will be required to purchase the entire issue in accordance with such Bid.

Insurance

All or any part of the Bonds can be insured at the option of the Bidder. The insurance premium, if any, will be paid by the Bidder.

Interest Payment Dates; Description of the Bonds

The Bonds will be dated the date of delivery and will bear interest from such date payable semiannually on each May 15 and November 15, commencing on May 15, 2011.

Principal Amortization

The Bonds will consist of serial bonds maturing on May 15. The principal amounts of each serial maturity shall be, subject to adjustment as set forth below:

<u>Year</u>	<u>Principal Amount</u>
2032	\$350,000

The Chief Financial Officer of the Town may adjust the maturity schedule set forth above up to twenty-four hours prior to the time advertised for the receipt of Bids and within twenty-four hours after the award of Bids, provided that no maturity schedule adjustment shall exceed ten percent of the principal for any maturity and further provided that the aggregate adjustment to the maturity schedule shall not exceed ten percent of the principal offered for sale.

Book-Entry-Only

The Bonds will be issued in book-entry-only form, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of integral multiples of \$1,000 with a minimum purchase of \$5,000 required. Payments of principal, interest and redemption premium, if any, will be made by the paying agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

Section 265 Qualification

The Bonds will be designated as qualified under Section 265 of the Internal Revenue Code of 1986, as amended, by the Town for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

Redemption Provisions

The Bonds of this issue maturing prior to May 15, 2022 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after May 15, 2022 are redeemable at the option of the Town in whole or in part on any date on or after May 15, 2021 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption, if any.

September 15, 2010

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Town or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Town determines, upon the exercise of its right of optional redemption, to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Town. Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

Term Bond Option

Bidders may elect to structure the issue to include term bonds (the "Term Bond Option"), which term bonds, if selected by the Bidder, will be subject to mandatory redemption prior to maturity, in the years and amounts shown above as serial maturities, upon payment of one hundred percent (100%) of the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for such mandatory redemption of such amounts. If the Bonds are awarded and no term bonds are designated in the Winning Bid (as defined herein), the Bonds will mature serially as shown in the preceding schedule.

Registration and Admission to Bid

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 370 Auction Support) for their ID Number or password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at www.muniauction.com.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Bonds:

(1) BIDDERS MUST SUBMIT EITHER A GOOD FAITH CHECK, A WIRE TRANSFER OR A FINANCIAL SURETY BOND IN THE AMOUNT OF \$7,000 PAYABLE TO THE TOWN NO LATER THAN 11:30 A.M. ON THE DAY OF SALE. HOWEVER, BIDDERS ARE ENCOURAGED TO SUBMIT CHECKS ON THE DAY PRIOR TO THE SALE TO ASSURE RECEIPT OF PAYMENT BY THE TOWN AT THE FOLLOWING ADDRESS:

September 15, 2010

Dawn Babcock
Chief Financial Officer
Town of Newton
39 Trinity Street
Newton, NJ 07860

BIDDERS SUBMITTING GOOD FAITH CHECKS SHOULD ALSO ENCLOSE A RETURN ENVELOPE FOR USE BY THE TOWN.

UNSUCCESSFUL BIDDERS SUBMITTING THE GOOD FAITH DEPOSIT BY WIRE TRANSFER SHALL, NO LATER THAN THE CLOSE OF BUSINESS ON THE DATE OF SALE OF THE BONDS, PROVIDE THE TOWN CHIEF FINANCIAL OFFICER IN WRITING WITH WIRING INSTRUCTIONS FOR THE RETURN OF SUCH UNSUCCESSFUL BIDDER'S GOOD FAITH DEPOSIT. IN THE EVENT THAT THE TOWN FAILS TO RETURN ANY GOOD FAITH WIRES IN A TIMELY FASHION, THE TOWN SHALL NOT BE LIABLE FOR MONETARY DAMAGES, REMEDY BEING HEREBY SPECIFICALLY LIMITED TO SPECIFIC PERFORMANCE.

(2) All Bids must be submitted on the MuniAuction website at www.grantstreet.com. **No telephone, telefax, telegraph or personal delivery Bids will be accepted.**

(3) All Bids for the Bonds must be submitted on an AON basis. Bidders may change and submit Bids as provided for herein, but a submitted Bid may not be withdrawn.

(4) Bidders may bid to purchase Bonds from the Town with an original issue premium. **To the extent that any bid submitted includes an original issue premium, the original issue premium shall not exceed an amount equal to the first three years of accrued interest on the Bonds, calculated from the issue date of the Bonds.** No Bid will be considered if the Bid is to purchase Bonds at a price less than 100% of the principal amount thereof.

(5) Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. If more than one rate of interest is named, no interest rate named for any maturity may be less than the interest rate named for any prior maturity. Each proposal submitted must state the purchase price, which must be not less than \$350,000. The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed, as to each bid, by adding to the total principal amount of Bonds bid for the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the Town under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.

(6) Bidders are only permitted to submit Bids for the Bonds during the bidding period.

September 15, 2010

(7) If any bid on the auction becomes a leading Bid two (2) minutes, or less, prior to the end of the auction, then the auction will automatically be extended by two (2) minutes from the time such Bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single lead Bid remains the leading Bid for a least two (2) minutes.

(8) Bidders may change and submit Bids as many times as they wish during the auction; however, each and any Bid submitted subsequent to a Bidder's initial Bid must result in a lower Net Interest Cost (as defined herein and referred to as "NIC") when compared to the immediately preceding Bid of such Bidder. In the event the revised Bid does not produce a lower NIC, the prior Bid will remain valid.

(9) The last Bid submitted by a bidder prior to the deadline for the receipt of bids will be compared to all other final bids to determine the winning bid.

(10) During the auction, no Bidder will see any other bidder's Bid, but bidders will be able to see the ranking of their bid relative to other Bids (e.g. "Leader", "Cover", "3rd", etc.)

(11) The final maturity schedule as adjusted in accordance with this notice of sale shall be confirmed to the winning bidder within twenty four hours of the sale.

Rules of MuniAuction

The rules of MuniAuction (the "Rules") can be viewed on MuniAuction and are incorporated herein by reference. Bidders must comply with the Rules in addition to the requirements of the Notice of Sale for the Town's Bonds dated the date hereof (the "Notice of Sale"). To the extent there is a conflict between the Rules and the Notice of Sale, the Notice of Sale shall control.

Rules

(1) A Bidder submitting a Winning Bid is irrevocably obligated to purchase the Bonds at the rates and prices of the Winning Bid, if acceptable to the Town, as set forth in the related Notice of Sale. **Winning Bids are not officially awarded to the Bidder until formally accepted by the Town.**

(2) Neither the Town, Bond Counsel nor MuniAuction (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with MuniAuction, slowness in transmission of Bids, or other technical problems.

(3) If for any reason a Bidder is disconnected from MuniAuction's Auction Page during the auction after having submitted a Winning Bid, such Bid is valid and binding upon the Bidder, unless the Town exercises its right to reject Bids, as set forth herein.

(4) Bids that generate error messages are not accepted until the error is corrected and the Bid is received prior to the deadline.

(5) Bidders accept and agree to abide by all terms and conditions specified in the Notice of Sale (including amendments, if any) related to each auction.

September 15, 2010

(6) Neither the Town, Bond Counsel nor the Auction Administrator is responsible to any Bidder for any defect or inaccuracy in the Notice of Sale, amendments, or POS as they appear on MuniAuction.

(7) Only Bidders who request and receive admission to an auction and who have submitted a good faith check as required by the terms of this Notice of Sale may submit Bids. Bond Counsel and the Auction Administrator reserve the right to deny access to MuniAuction to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.

(8) Neither the Town, Bond Counsel nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's MuniAuction password.

(9) If two (2) Bids are submitted in the auction by the same or two or more different Bidders and result in the same NIC, the first confirmed Bid received by MuniAuction prevails. Any change to a submitted Bid constitutes a new Bid, regardless of whether there is a corresponding change in NIC.

(10) Bidders must compare their final Bids to those shown on the Observation Pages immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Pages they must report them to MuniAuction within fifteen (15) minutes after the bidding time period ends. Regardless of the final results reported by MuniAuction, bonds are definitively awarded to winning Bidders only upon official award by the Town. If, for any reason, the Town fails to: (i) award bonds to the winning Bidder reported by MuniAuction, or (ii) deliver bonds to the winning Bidders at settlement, neither Bond Counsel nor the Auction Administrator will be liable for damages.

Definitions

"Bid" any confirmed purchase offer received by MuniAuction on or before the auction deadline.

"Bidder" any firm registered with either MuniAuction or Grant Street and approved for participation in auctions.

"Winning Bid" any purchase offer made by a Bidder by clicking the "Submit Bid" button and received by MuniAuction that, at the end of the bidding time period, results in the lowest NIC that is acceptable to the Town.

"Net Interest Cost" computed by adding to the total principal amount of bonds bid for, the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any. The Net Interest Cost serves as the basis for awarding bonds to winning Bidders.

Bid Procedure and Basis of Award

Subject to the right reserved by the Town to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid produces the lowest NIC for the Town and otherwise complies with the Notice of Sale.

September 15, 2010

Bids must remain valid until at least 3:00 p.m., prevailing time, on the date of the sale, and if accepted by the Town, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Town will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

Bid Security and Method of Payment for Bonds

A Good Faith Deposit ("Deposit") in the form of a certified, treasurer's or cashier's check, a wire transfer or a Financial Surety Bond in the amount of \$7,000 payable to the order of the Town, is required for each Bid to be considered. Wire instructions can be obtained by contacting Dawn Babcock, the Chief Financial Officer, at (973) 383-3521, or Jennifer L. Credidio, Esq. of McManimon & Scotland, L.L.C. at (973) 622-5268, and such wire must be received and confirmed by the Town prior to the time for bids to be submitted. If a check is used, it must be a certified, treasurer's or cashier's check and must be provided to the Town no later than by 11:30 a.m. on the Bid Date. Each bidder accepts responsibility for delivering such check on time and the Town is not responsible for any check that is not received on time. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of New Jersey and approved by the Director of the Division of Local Government Services of New Jersey (the "Director") and such bond must be submitted to the Town prior to the opening of the Bids at the address referred to above. At present, the Director has approved the use of Sure-Bid, a division of Assured Guaranty Municipal Corp. Use of any other Financial Surety Bond must be approved by the Director prior to the bid and will not be accepted by the Town unless evidence of such approval is provided prior to the bid. The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser (the "Purchaser") is required to submit its Deposit to the Town by wire transfer as instructed by the Town not later than 3:30 p.m. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Town to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Town. Award of the Bonds to the successful Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but such successful Bidder may not withdraw its proposal until after 3:00 p.m. of the day of receipt of such Bids and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Town at closing.

Right to Reject Bids; Waive Irregularities

The Town reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

Information Required from the Winning Bidder

By making a bid for the Bonds, the winning bidder(s) agrees: (a) to provide to the Town, in writing, immediately upon being unofficially awarded the Bonds, a written confirmation of the bid, which shall include the purchase price, reoffering yield(s), and other related information necessary for

September 15, 2010

completion of the final Official Statement or by Bond Counsel; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement; (c) to promptly file a copy of the final Official Statement with the Municipal Securities Rulemaking Board; and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to alternate purchasers.

Delivery of the Bonds

The Bonds will be delivered on or about October 28, 2010 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS PUBLISHED ON MUNIAUCTION NOT LATER THAN 2 HOURS PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in immediately available Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Chief Financial Officer or Mayor relating to the Official Statement.

CUSIP Numbers

CUSIP numbers will be applied for with respect to the Bonds by the winning bidder, but the Town will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the winning Bidder.

Legal Opinion

The approving opinion of McManimon & Scotland, L.L.C., Bond Counsel to the Town, will be furnished without cost to the winning Bidder.

Postponement

The Town reserves the right to postpone, upon not less than 24 hours' notice, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED ON MUNIAUCTION, BEFORE 12:00 P.M. ON THE DAY BEFORE THE SALE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via MuniAuction at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity in all respects with the provisions of the Notice of Sale, except for the date and time of sale and except for the changes announced on MuniAuction at the time the sale date and time are announced.

Additional Information

September 15, 2010

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Town. The Notice of Sale and the POS may be viewed on MuniAuction. However, the Town makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniAuction, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from Bond Counsel at the addresses and the phone numbers stated above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator at (412) 391-5555 (ext. 370 Auction Support). Additional information relating to the financing or the Town can be obtained by contacting the undersigned Chief Financial Officer at Phone No.: (973) 383-3524.

Town of Newton

By: Dawn Babcock, Chief Financial

Officer

DATED: [_____]

September 15, 2010

EXHIBIT B

SHORT FORM OF NOTICE OF SALE

(For publication in The New Jersey Herald)

September 15, 2010

NOTICE OF SALE

**\$350,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS, SERIES 2010B
OF THE TOWN OF NEWTON,
IN THE COUNTY OF SUSSEX, NEW JERSEY
(Tax-Exempt) (Bank Qualified)
(Book-Entry-Only Bonds) (Callable)**

NOTICE IS HEREBY GIVEN that sealed bids will be received by the Town of Newton, in the County of Sussex, New Jersey (the "Town") for the purchase of \$350,000 original principal amount of the Town's General Obligation Redevelopment Area Bonds, Series 2010B (the "Bonds"). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group's MuniAuction website ("MuniAuction") prior to 12:15 p.m., New Jersey time on October 13, 2010, unless otherwise extended by the two-minute rule described herein (see "Bidding Details"). The auction will begin at 12:00 p.m., New Jersey time on October 13, 2010 (the "Bid Date"). To bid via MuniAuction, Bidders (as defined below) must have both (1) completed the registration form on either MuniAuction or Grant Street Group's website (parent of MuniAuction, herein referred to as "Grant Street") and (2) requested and received admission to the Town's auction, as described herein (see "Registration and Admission to Bid") and (3) submitted a good faith check or Financial Surety Bond payable to the Town, in the amount of \$7,000 no later than 11:30 a.m. on the day of the sale (see Bidding Details below). The use of MuniAuction shall be at the Bidder's risk and expense, and the Town shall have no liability with respect thereto.**

Preliminary and Final Official Statement

The Town's Preliminary Official Statement (the "POS") with respect to the Bonds is available for viewing in electronic format on MuniAuction. The MuniAuction address is www.grantsstreet.com. In addition, broker dealers registered with the National Association of Securities Dealers (the "NASD") and dealer banks with The Depository Trust Company ("DTC") clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to October 13, 2010, elect to receive a photocopy of the POS in the mail by requesting it on MuniAuction or by calling the Town's bond counsel, McManimon & Scotland, L.L.C. ("Bond Counsel"), 1037 Raymond Boulevard, Suite 400, Newark, New Jersey 07102 to the attention of Andrea L. Kahn, Esq. (telephone no. 973-622-5171) or Jennifer L. Credidio, Esq. (telephone no. 973-622-5268). In order to print a copy or request a photocopy of the POS from MuniAuction, click the "View POS" button on the MuniAuction Selections Page and follow the instructions. All Bidders must review the POS and certify that they have done so prior to participating in the bidding.

The POS is deemed by the Town to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities and Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Bonds and any other terms or provisions to be determined from the successful Bid(s) or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a Final Official Statement (the "Final Official Statement") as may be necessary.

The Town at its expense, will make available to the winning Bidder a reasonable number of Final Official Statements, within seven (7) business days following the date of acceptance of the Bid.

September 15, 2010

Types of Bids Allowed

Subject to the Bid requirements described below, Bids for the Bonds must be submitted on an "All-or-None" ("AON") basis for the entire amount of \$350,000. First, a Bidder must submit a conforming Bid for the entire issue, and if such Bid is accepted by the Town, the Bidder will be required to purchase the entire issue in accordance with such Bid.

Insurance

All or any part of the Bonds can be insured at the option of the Bidder. The insurance premium, if any, will be paid by the Bidder.

Interest Payment Dates; Description of the Bonds

The Bonds will be dated the date of delivery and will bear interest from such date payable semiannually on each May 15 and November 15, until maturity or earlier redemption, commencing on May 15, 2011.

Principal Amortization

The Bonds will consist of serial bonds maturing on May 15. The principal amounts of each serial maturity shall be, subject to adjustment as set forth below:

<u>Year</u>	<u>Principal Amount</u>
2032	\$350,000

The Chief Financial Officer of the Town may adjust the maturity schedule set forth above up to twenty-four hours prior to the time advertised for the receipt of Bids and within twenty-four hours after the award of Bids, provided that no maturity schedule adjustment shall exceed ten percent of the principal for any maturity and further provided that the aggregate adjustment to the maturity schedule shall not exceed ten percent of the principal offered for sale.

Book-Entry-Only

The Bonds will be issued in book-entry-only form, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of integral multiples of \$1,000 with a minimum purchase of \$5,000 required. Payments of principal, interest and redemption premium, if any, will be made by the paying agent to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Bonds.

Section 265 Qualification

The Bonds will be designated as qualified under Section 265 of the Internal Revenue Code of 1986, as amended, by the Town for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

Redemption Provisions

September 15, 2010

The bonds of this issue maturing prior to May 15, 2022 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after May 15, 2022 are redeemable at the option of the Town in whole or in part on any date on or after May 15, 2021 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption, if any.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Town or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Town determines, upon the exercise of its right of optional redemption, to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Town. Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption and no further interest shall accrue beyond the redemption date. Payment shall be made upon surrender of the Bonds redeemed.

Registration and Admission to Bid

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 370 Auction Support) for their ID Number or password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at www.muniauction.com.

Bid Procedure and Basis of Award

Subject to the right reserved by the Town to reject any or all Bids, the Bonds will be sold to the Bidder whose Bid produces the lowest NIC for the Town and otherwise complies with the Notice of Sale.

Bids must remain valid until at least 3:00 p.m., prevailing time, on the date of the sale, and if accepted by the Town, prior to such time, shall be irrevocable except as otherwise provided in the Notice of Sale. Upon selection of the winning Bidder, the Town will execute an award certificate to award the Bonds and will promptly communicate with the winning Bidder by telephone, e-mail or fax.

Each proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds, and the rate or rates named must be multiples of 1/8 or 1/20 of 1%. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the number of rates that may be named. If more than one rate of interest is named, no interest rate

September 15, 2010

named for any maturity may be less than the interest rate named for any prior maturity. Each proposal submitted must state the purchase price, which must be not less than \$350,000. Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest net interest cost. Such net interest cost shall be computed as to each bid by adding to the total principal amount of Bonds bid for the total interest cost to maturity in accordance with such bid and by deduction therefrom of the amount of premium, if any, bid. No proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest net interest cost to the Town under any legally acceptable proposal. The purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of payment of the purchase price.

If two (2) bids are submitted in the auction by the same or two or more different bidders and result in the same NIC, the first confirmed bid received by MuniAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in NIC.

Bid Security and Method of Payment for Bonds

A Good Faith Deposit ("Deposit") in the form of a certified, treasurer's or cashier's check or a Financial Surety Bond in the amount of \$7,000, payable to the order of the Town, is required for each Bid to be considered. Wire instructions can be obtained by contacting Dawn Babcock, the Chief Financial Officer, at (973) 383-3521, or Jennifer L. Credidio, Esq. of McManimon & Scotland, L.L.C. at (973) 622-5268, and such wire must be received and confirmed by the Town prior to the time for bids to be submitted. If a check is used, it must be a certified, treasurer's or cashier's check and must be provided to the Town no later than by 11:30 a.m. on the Bid Date. Each bidder accepts responsibility for delivering such check on time and the Town is not responsible for any check that is not received on time. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of New Jersey and approved by the Director of the Division of Local Government Services of New Jersey (the "Director") and such bond must be submitted to the Town prior to the opening of the Bids at the address referred to above. At present, the Director has approved the use of Sure-Bid, a division of Assured Guaranty Municipal Corp. Use of any other Financial Surety Bond must be approved by the Director prior to the bid and will not be accepted by the Town unless evidence of such approval is provided prior to the bid. The Financial Surety Bond must identify the bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser (the "Purchaser") is required to submit its Deposit to the Town by wire transfer as instructed by the Town not later than 3:30 p.m. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Town to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the Town. Award of the Bonds to the successful Bidder or rejection of all Bids is expected to be made within two hours after opening of the bids, but such successful Bidder may not withdraw its proposal until after 3:00 p.m. of the day of receipt of such Bids and then only if such award has not been made prior to the withdrawal. The balance of the purchase price shall be paid in Federal Funds by wire transfer to the Town at closing.

Right to Reject Bids; Waive Irregularities

September 15, 2010

The Town reserves the right to reject any and all Bids and to the extent permitted by law to waive any irregularity or informality in any Bid.

Information Required from the Winning Bidder

By making a bid for the Bonds, the winning bidder(s) agrees: (a) to provide to the Town, in writing, immediately upon being unofficially awarded the Bonds, a written confirmation of the bid, which shall include the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement or by Bond Counsel; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement; (c) to promptly file a copy of the final Official Statement with the Municipal Securities Rulemaking Board and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to alternate purchasers.

Delivery of the Bonds

The Bonds will be delivered on or about October 28, 2010 (UNLESS A NOTICE OF A CHANGE IN THE DELIVERY DATE IS PUBLISHED ON MUNIAUCTION NOT LATER THAN 2 HOURS PRIOR TO ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) in New York City at DTC against payment of the purchase price therefor (less the amount of the good faith deposit) in immediately available Federal funds.

There will also be furnished the usual closing papers, including (1) a certificate signed by the officials who signed the Bonds stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds, or in any manner questioning the proceedings and authorization under which the Bonds are issued or affecting the validity of the Bonds and (2) a certificate signed by the Chief Financial Officer or Mayor relating to the official statement.

CUSIP Numbers

CUSIP numbers will be applied for with respect to the Bonds by the winning bidder, but the Board will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and make payment for the Bonds. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the winning Bidder.

Legal Opinion

The approving opinion of McManimon & Scotland, L.L.C., Bond Counsel to the Town, will be furnished without cost to the winning Bidder.

Postponement

The Town reserves the right to postpone, upon 24 hours' notice, the date and time established for receipt of Bids. **ANY SUCH POSTPONEMENT WILL BE PUBLISHED ON MUNIAUCTION, BEFORE 12:00 P.M. ON THE DAY BEFORE THE SALE.** If any date fixed for the receipt of Bids and the sale of the Bonds is postponed, an alternative sale date will be announced via MuniAuction at least forty-eight (48) hours prior to such alternative sale date. On any such alternative sale date, any Bidder may submit a Bid for the purchase of the Bonds in conformity

September 15, 2010

in all respects with the provisions of the Notice of Sale, except for the date and time of sale and except for the changes announced on MuniAuction at the time the sale date and time are announced.

Additional Information

For further information relating to the Bonds, reference is made to the POS prepared for and authorized by the Town. The Notice of Sale and the POS may be viewed on MuniAuction. However, the Town makes no assurance or representation with respect to the form of the Notice of Sale and the POS on MuniAuction, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Notice of Sale may be obtained from the Bond Counsel at the addresses and phone numbers stated above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator at (412) 391-5555 (ext. 370 Auction Support). Additional information relating to the financing or the Town can be obtained by contacting the undersigned Chief Financial Officer at Phone No.: (973) 383-3524.

Town of Newton

By: Dawn Babcock, Chief Financial

Officer

Dated: [_____]

September 15, 2010

EXHIBIT C

SUMMARY FORM OF NOTICE OF SALE

(For publication in The Bond Buyer)

September 15, 2010

**SUMMARY NOTICE OF SALE
\$350,000 GENERAL OBLIGATION REDEVELOPMENT AREA BONDS, SERIES 2010B**

**TOWN OF NEWTON,
IN THE COUNTY OF SUSSEX, NEW JERSEY
(Tax-Exempt) (Book-Entry-Only Bonds)
(Callable) (Bank Qualified)**

Dated Date: Date of Delivery

Bid Date: October 13, 2010 at 12:00 PM to 12:15 PM, subject to the two-minute rule. Award by 3:00PM

Type of Sale: Electronic Open Auction

Interest: Multiple Interest Rates- ascending in multiples of 1/8 or 1/20 of 1%

Maturity Schedule: The Bonds shall mature on May 15 as set forth below:

<u>Year</u>	<u>Principal Amount*</u>
2032	\$350,000

*As may be adjusted by the Town's Chief Financial Officer in accordance with the terms of the Full Notice of Sale.

Legal Opinion: McManimon & Scotland, L.L.C., Newark, NJ

Bid Security: **Good Faith Check or wire transfer must be received by**
Town by 11:30 a.m. prior to bidding in the amount of \$7,000, or Financial Surety Bond as provided in Notice of Sale.

Preliminary Official Statement, a Notice of Sale and other details available at www.Grantstreet.com

RESOLUTION #159-2010*

**RESOLUTION OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY
DIRECTING THE TOWN PLANNING BOARD TO REVIEW PROPOSED AMENDMENTS
TO THE SPARTA AVENUE REDEVELOPMENT PLAN PURSUANT TO THE LOCAL
REDEVELOPMENT AND HOUSING LAW**

WHEREAS, the *Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.* (the "Act"), authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, to determine whether certain areas within the Town of Newton, in the County of Sussex, New Jersey (the "Town") constitute areas in need of redevelopment, the Town Council, by way of Resolution #56-2004 adopted April 26, 2004, authorized and directed the Planning Board (the "Planning Board") of the Town of Newton to conduct a preliminary investigation and public hearing to determine whether Block 1104, Lot 21 in the Town (the "Property") met the criteria set forth in *N.J.S.A. 40A:12A-5* and should be designated as an area in need of redevelopment; and

September 15, 2010

WHEREAS, on April 25, 2005, after review of the findings of the Planning Board in accordance with the Act, the Town designated Block 1104, Lot 21 as an "area in need of redevelopment" under the Act (the "Redevelopment Area"); and

WHEREAS, on April 23, 2007, the Town designated a portion of the Town, including the public streets and rights-of-way of Sparta Avenue, Merriam Avenue and Pine Street adjacent to the Redevelopment Area as an "area in need of rehabilitation" in accordance with the Act (the "Rehabilitation Area", that certain portion of the Rehabilitation Area laying adjacent to the Redevelopment Area, as further delineated in the Redevelopment Plan defined below, referred to hereinafter together with the Redevelopment Area as the "Sparta Avenue Plan Area"); and

WHEREAS, after review of and comment by the Planning Board in accordance with the Act, the Town, acting by Ordinance 2009-6 finally adopted on March 23, 2009 implemented a redevelopment plan for the Sparta Avenue Plan Area (the "Initial Redevelopment Plan"); and

WHEREAS, after review of and comment by the Planning Board in accordance with the Act with respect to certain proposed amendments to the Initial Redevelopment Plan, the Town, acting by Ordinance 2009-33 finally adopted on January 11, 2010 amended the Initial Redevelopment Plan (as amended, the "Redevelopment Plan");

WHEREAS, Thorlabs Urban Renewal, LLC has requested certain amendments to the Redevelopment Plan (the "Proposed Amendments") attached hereto as Exhibit A; and

WHEREAS, the Town desires the Planning Board to review and comment on the Proposed Amendments to the Redevelopment Plan,

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, AS FOLLOWS:

I. GENERAL

The aforementioned recitals are incorporated herein as though fully set forth at length.

II. PLANNING BOARD DIRECTED TO REVIEW AMENDMENTS TO THE REDEVELOPMENT PLAN

The Town Council hereby authorizes and directs the Planning Board to review the Proposed Amendments to the Redevelopment Plan attached hereto as Exhibit A, and to transmit its comments to the Town Council within 45 days, as required by *N.J.S.A. 40A:12A-7(e)*.

III. SEVERABILITY

If any part of this Resolution shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Resolution.

IV. AVAILABILITY OF THE RESOLUTION

A copy of this resolution shall be available for public inspection at the offices of the Town.

September 15, 2010

V. EFFECTIVE DATE

This Resolution shall take effect upon final passage.

EXHIBIT A

SUMMARY OF REQUESTED REDEVELOPMENT PLAN AMENDMENTS

1. Section 6.3: The requirement for a minimum of 2.0 floors for Office/R&D/Manufacturing to be deleted.
2. Section 6.4.5: This subsection shall be amended to read in its entirety: "Story Heights: Floor heights shall vary."

RESOLUTION #160-2010*

APPROVE BILLS AND VOUCHERS FOR PAYMENT

BE IT RESOLVED by the Town Council of the Town of Newton that payment is hereby approved for all vouchers that have been properly authenticated and presented for payment, representing expenditures for which appropriations were duly made in the 2009 and 2010 Budgets adopted by this local Governing Body, including any emergency appropriations, and where unexpended balances exist in said appropriation accounts for the payment of such vouchers.

TOWN BILLS

905.07	Virginia Raftery	27525
189,249.09	Payroll Account	1010046
329,600.00	Bank of New York	1010047
2,300,000.00	Capital Account	1010048
4,750.00	Joint Munic Housing	1010049
674,516.95	County of Sussex	27526
19,153.96	County of Sussex	27527
54,391.45	County of Sussex	27528
285.78	Quill Corporation	27529
395.50	Harold Pellow & Assoc., Inc.	27530
5,290.82	G & G Diesel Service, Inc.	27531
9,851.34	JCP&L	27532
160.00	Centurylink Communications, Inc.	27533
122.59	Centurylink Communications, Inc.	27534
329.09	Campbell's Small Engine	27535
396.00	Neopost Leasing	27536
101.00	Lock & Key World	27537
641.18	Timmerman Company	27538
7.00	Peter J. Kays	27539
229.34	Newton Citgo	27540
3,832.00	Mitchell Agency	27541
7.00	William F. Smith	27542
60.00	Minisink Press, Inc.	27543
66.79	Sherwin-Williams	27544
2,168.16	Newton Hockey c/o J. Hoffman	27545
1,567.00	Treasurer, State of NJ DCA	27546
140.35	Airgas East	27547
694.81	Boonton Tire Supply	27548
21,876.07	Ford Motor Credit-Municipal	27549
320.00	Weiner Lesniak	27550

September 15, 2010

856.78	Vision Service Plan	27551
90.00	Rutgers Center for Gov't Serv.	27552
790.00	Rutgers Center for Gov't Serv.	27553
187.28	Verizon Wireless	27554
285.00	North Jersey Portable Toilets	27555
1,212.00	Dell Marketing L.P.	27556
10.96	Walmart	27557
1,680.00	Vogel, Chait, Collins, Schneider, PC	27558
19.07	Advance Auto Parts	27559
90.00	Professional Gov't Educators Inc.	27560
446.62	Lab Safety Supply, Inc.	27561
560.00	Scarinci & Hollenbeck, LLC	27562
221.39	Buckman's Inc.	27563
1,683.00	Michael Pelligrino, Esq.	27564
8.50	Language Line Services	27565
73.77	Nestle Waters	27566
149.75	R & S Business Machine Co.	27567
3,528.22	Rachles/Michele's Oil Company	27568
2,757.11	Taylor Oil Co.	27569
113.75	Northern Rain	27570
1,598.34	Garden State Highway Products	27571
168.00	Jersey Central Power & Light	27572
225.00	Knapp, Trimboli & Prusinowski, LLC	27573
89,957.00	NJBEBF	27574
1,460.00	Chelbus Cleaning Co., Inc.	27575
662.02	Custom Products Corporation	27576
9,576.83	Direct Energy Business	27577
60.00	Kiwanis Club of Newton	27578
395.00	Orkin Pest Control	27579
50.60	Suzie Givone	27580

CAPITAL

100,000.00	Current Account	103005
1,500.00	Current Account	103006
404.12	B & M Aquatic Gardens & KOI Center	7577
12,368.85	Zinno Construction	7578
6,840.00	Zinno Construction	7579
8,950.00	AA Fence Co., Inc.	7580

Total TOWN BILLS \$3,870,087.30

WATER AND SEWER ACCOUNT

143,471.00	U.S.D.A. / FHA	106026
572.91	Newton Postmaster	11683
35,211.17	Payroll Account	106027
5,512.50	Schmidt's Wholesale, Inc.	11684
675.00	Municipal Software, Inc.	11685
8,355.78	Lee Company	11686
7,051.19	JCP&L	11687
550.22	Sussex County Plumbing	11688
28.00	Paul M. Havens	11689
10,899.54	Coyne Chemical Corp., Inc.	11690
33.00	Rectifier Auto Electric	11691
986.00	Beaver Run Farms	11692
42.00	Campbell's Small Engine	11693
23.00	Joseph Carr	11694

September 15, 2010

278.14	Zee Medical	11695
750.00	Frank Semeraro Construction, Inc.	11696
8,896.00	R & D Trucking, Inc.	11697
111.15	Airgas East	11698
28.00	Ervin Lasso	11699
122.95	Boonton Tire Supply	11700
157.22	Vision Service Plan	11701
5,184.00	Passaic Valley Sewerage Comm.	11702
1,232.91	Tilcon New Jersey	11703
75.00	Water Environment Federation	11704
503.47	Airmatic Compressor Systems, Inc.	11705
208.00	Process Tech Sales & Service	11706
42.00	Eric Tompkins	11707
13,921.00	NJMEBF	11708
37.00	Dustin McGarry	11709
17,172.78	Direct Energy Business	11710

Total WATER & SEWER BILLS \$262,130.93

TRUST ACCOUNT

8,055.25	Payroll Account	107122
1,575.00	Harold Pellow & Assoc., Inc.	2810
300.00	Harold Pellow & Assoc., Inc.	2811
270.00	Hollander, Strelzik, Pasculli, Hinkes	2812
288.00	Weiner Lesniak	2813
1,800.00	Vogel, Chait, Collins, Schneider, PC	2814
389.65	Staples Business Advantage	2815

Total TRUST ACCOUNT BILLS \$12,677.90

DOG RESERVE ACCOUNT

597.40	Munidex	8512
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Total DOG RESERVE ACCOUNT BILLS \$597.40

COMMUNITY DEVELOPMENT

4,750.00	Willco, Inc.	1070
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Total COMMUNITY DEVELOPMENT ACCOUNT BILLS \$4,750.00

The Clerk presented an application for a Special Permit for a Social Affair from Katie's House, Inc., P.O. Box 96, 29 Moran Street, Newton, NJ to be held on October 17, 2010 from 5:00 p.m. to 9:00 p.m. It was noted that the application was in order, signed by the Chief of Police and accompanied by the prescribed fee.

The Clerk presented an application for transfer membership to the Newton Fire Department from Justin Rossano, 210 Main Street, Newton. The application was in order and signed by the Chief of the Fire Department.

September 15, 2010

A motion was made by Mrs. Diglio to approve the **COMBINED ACTION RESOLUTIONS**, seconded by Mr. Ricciardo and roll call resulted as follows:

Mr. Elvidge	Yes	Mr. Ricciardo	Yes
Mrs. Diglio	Yes	Mrs. Le Frois	Yes
	Mayor Becker	Yes	

INTERMISSION – None

DISCUSSION

a. **Assessment Relief for Fire Damaged Properties**

Mr. Russo advised that this item was requested by a resident and was forwarded to legal counsel for their advice. Mr. William Hinkes, Esq. outlined the State Statute and advised that state law does not permit a tax assessor to make an adjustment on a property's assessment during the year the destruction of the house occurred. However, the Assessor may make an adjustment only for the following year, if timely notice from the taxpayer is provided. Mr. Hinkes also provided additional options for the Governing Body. Council may direct the Tax Collector to extend the tax payment grace period; waive interest and/or penalties during the extension period. Mr. Hinkes also noted that Council cannot control the County portion or the School portion of taxes but has within its power the decision to forgive the municipal portion of taxes for the year they choose. Mr. Hinkes clarified that there would only be a maximum of one year of potential reduction available for a property owner.

After a lengthy discussion, Council would like to further discuss this subject at the next Council, after reviewing a draft resolution. Mr. Hinkes will prepare a draft for Council's review.

OPEN TO THE PUBLIC

Mr. Steve Kelmer, 21 Diller Avenue, Newton noted that he has lived there for 11 years. Mr. Kelmer distributed a packet of information, including photos, regarding his concerns on Diller Avenue. Mr. Kelmer addressed each document and explained his concerns regarding the missing crosswalks as well

September 15, 2010

as the sidewalks which are not complete. Mr. Kelmer addressed the traffic on Diller Avenue and feels it will only get worse when the road widening improvements are completed by the County. Mr. Russo will forward this document to Harold E. Pellow and Associates for their review.

COUNCIL & MANAGER COMMENTS

Councilwoman Le Frois updated Council on the current status of the purchase of the fire truck. Two bids were received; awaiting the recommendation of the fire truck committee and will then be forwarded to legal counsel for their review, Mrs. Millikin advised.

Mr. Russo noted that Newton Memorial Hospital is negotiating with Atlantic Health Systems (AHS) to merge the hospital with AHS and are looking for a support letter from the Town. Mr. Russo will draft a letter of support for the Mayor's signature.

Mr. Russo noted that this meeting will be Deputy Manager Millikin's last Council meeting for awhile, as she is going out on maternity leave. On behalf of the Town Council and staff we all wish her all the best, Mr. Russo concluded.

There being no further business to be conducted, upon motion by Mr. Ricciardo, seconded by Mrs. Le Frois and unanimously carried, the meeting was adjourned at 7:49 p.m.

Respectfully submitted,

Lorraine A. Read, RMC
Municipal Clerk