

**RESOLUTION OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOUNT  
OLIVE AUTHORIZING THE EXECUTION OF A RELEASE IN CONNECTION WITH  
THE MATTER OF MICHAEL FOOTE V. BUDD LAKE VOLUNTEER FIRE  
DEPARTMENT**

**WHEREAS**, the Township was named as a party defendant in connection with a Civil Rights action brought by Michael Foote, a former member of the Budd Lake Fire Department, against the Budd Lake Fire Department relative to the “dismissal” of Foote from the Fire Department; and

**WHEREAS**, the Township has had many discussions with the Budd Lake Fire Department relative to the action commenced by Foote and specifically, the fact that the Fire Department at the very outset of the dispute with Foote took the position that it was sovereign in terms of its right to deal with a dissatisfied member of the Fire Department and that the Township should not intervene in any fashion in connection with the ongoing dispute; and

**WHEREAS**, the Township maintains Employment Practices Liability Insurance with the MEL; and

**WHEREAS**, at one point in time in this litigation, the MEL believed it had a settlement in the amount of \$25,000.00 which the Fire Department rejected and which the Fire Department requested that the Township Council reject rather than accept; and

**WHEREAS**, pursuant to the rules and regulations of the MEL’s EPL policy, the MEL is permitted to withdraw from the case once a settlement has reached the point of agreement between the parties when rejected by the Township; and

**WHEREAS**, the Township, at the request of the Fire Department, rejected the settlement on the basis that the Fire Department wished to litigate this matter to a conclusion; and

**WHEREAS**, the MEL has agreed to pay to the Township the sum of \$25,000.00 plus open defense costs, on the basis that this is the total sum that the Township would be entitled to if this matter were tried to a conclusion in light of the settlement that was not accepted; and

**WHEREAS**, the \$25,000.00 will be paid to the Township upon receipt by the MEL of an appropriate Release in the amount of \$25,000.00.

**NOW THEREFORE, BE IT RESOLVED** by the Township Council of the Township of Mount Olive, in the County of Morris, State of New Jersey, that it is does hereby authorize the Mayor and the Township Clerk to execute the Release forwarded by Bill Bruce, III of Scibal Associates for the purpose of receiving the sum of \$25,000.00 from the MEL with the explicit understanding that the Township will then not be entitled to any further coverage under the MEL's policies.

TOWNSHIP OF MOUNT OLIVE

---

RAYMOND T. PERKINS  
Mount Olive Township Council President

I hereby certify the above to be a true copy of a resolution passed by the Mount Olive Township Council at a duly convened meeting held on March 11, 2008.

---

LISA M. LASHWAY  
Mount Olive Township Municipal Clerk