

**MAYOR AND COUNCIL
WORK SESSION AND
AGENDA MEETING
December 4, 2018
7:00 P.M.**

CALL TO ORDER

SALUTE TO COLORS

Mayor Maio invited all those present to stand in a salute to the colors.

MAYOR'S STATEMENT AS TO COMPLIANCE WITH P.L. 1975

Adequate Notice of this Meeting has been provided according to the Open Public Meetings Act, Assembly Bill 1030. Notice of this Meeting was included in the Annual Meeting Notice sent to the New Jersey Herald and the Daily Record on January 3, 2018 and was placed on the Official Bulletin Board in the Municipal Building.

In the event the Mayor and Council have not addressed all items on this Agenda by 11:00 PM and they are of the opinion that they cannot complete the Agenda in a reasonable time period, the Mayor and Council may exercise their option to continue this meeting at an agreed to date, time and place within ten (10) days of this meeting. Please turn off all cell phones for the duration of this meeting.

ROLL CALL

Council Members:

Councilwoman Kuncken – present	Councilwoman Thistleton - present
Councilman Riccardi – present	Councilman Thornton - present
Councilman Romano – present	Councilwoman Zdichocki - present

Mayor Maio – present

Mayor Maio asked all those present to join her in a moment of silence to honor the memory of former President George H.W. Bush.

DISCUSSIONS

Ray Sarinelli, Borough Auditor – Mayor Maio invited Ray Sarinelli, Borough Auditor, to come forward to discuss the Borough's finances at this annual meeting. Mr. Sarinelli stated he spoke with Administrator McNeilly today with regard to moving the capital budget forward. Last year's budget had stable appropriations, revenues were good and there was a small tax increase. The current fund has been stable with a fund balance of approximately \$1,700,000. The sewer utility has increased slightly each year. The water utility has declined slightly. A transfer was done in the third quarter of last year and the utilities should start to balance out. Mr. Sarinelli stated he has received the capital plan and debt service projections. The Borough has more projects planned than in the past. In order to get the 2019 capital projects moving forward a temporary capital budget can be put in place for adoption at the reorganization meeting. The temporary budget will have to include a sufficient amount of down payment. Administrator McNeilly reviewed the timeline and the projects. Mr. Sarinelli stated the Annual Debt Statement could be filed prior to the due date of January 31st, which would enable the ordinance process to begin earlier. The bid process could be started but bids cannot be awarded until the ordinance is adopted. If the Annual Debt Statement is filed prior to the Mayor and Council meeting scheduled for January 22nd, then on January 22nd the Supplemental Debt Statement can be done. The ordinance can be introduced. The bid specifications can be made available and once the ordinance is adopted in February and the timeframes have been met the bid can be awarded. Mayor Maio stated the time table needs to be finalized and the information must be presented to the Borough Engineer in writing. Mr. Sarinelli stated the interest rates are increasing. The Borough traditionally pays off its' debt in five to eight years. By bonding and taking that debt and spreading it out over twenty years, this will give the Borough room to start other projects. Mr. Sarinelli stated in his opinion this is a reasonable plan and should be able to do so without a dramatic impact to the tax rate. The bonds are due in May. To move forward with this plan the Borough would have to act by February and the capital ordinances would have to be in place and adopted. Dana Mooney, CFO, asked how much needs to be budgeted. Mr. Sarinelli stated the

cost of a bond sale is capitalized with the ordinances. The premise is that it costs between \$30,000 - \$50,000 for a bond sale with all of the legal fees, advertising and documents. If the Borough locks in at an interest rate of 2 ¾ and the interest rates rise to 8 ½ percent, then the Borough will have more than made that up. The Borough has been very conservative for a long time. Mayor Maio stated the project list is still being reviewed. Mr. Sarinelli explained the process of taking out a note in May and then bonding in October once the list is finalized and the note comes due. The projects have to be agreed on, the ordinances must be in place and adopted before they can be included in a bond sale. The base cost is high and therefore if the Borough is going to do this it should be done once and then hold off on capital and work it into the budget so that the Borough can afford other things which will come up down the road. Mayor Maio stated the capital plan for 2019 is set and the Governing Body will have the short term plan done in May and be ready to bond in October. Mayor Maio asked the Governing Body if there were any objections to this plan. There were no objections. Mayor Maio thanked Mr. Sarinelli for attending this evenings meeting.

Jason Laliker, Borough Tax Assessor – Mayor Maio invited Jason Laliker, Borough Tax Assessor, forward to provide his annual report. Mr. Laliker stated the Borough is holding steady to where its' been over the past few years in terms of overall valuation, tax appeals and added assessments. Some growth has been seen for the first time in a few years. Mr. Laliker provided a report showing the comparison of the total assessed valuation for 2018 and where 2019 is projected to be. The figures indicate the market is doing well. The Borough had 111 sales this year, 48 of them are usable sales. Short sales and foreclosures totaled 13.51%. Mr. Laliker stated the sales are consistent with the figures from the last few years. The coefficient of deviation of 9.61% is basically a study of uniformity. The State says anything over 10 – 12% means the assessments are less uniform. 9.61% is a very good coefficient, especially based on the fact the last reassessment was done in 2013, which was five years ago. This year there were 24 added assessments. The increase in assessed value of \$455,000 also included two properties which had been exempt veteran deductions and are now back on the rolls. The actual number of added assessments has increased and that indicates the market is doing well. Mr. Laliker stated the Borough had three tax appeals this year. The County Tax Board of Appeals is pleased with that figure. All three tax appeals were affirmed and there were no losses to the ratable base this year. There is one outstanding State Tax Appeal for the years of 2017 and 2018 are under appeal. Mr. Laliker stated he will try to have this resolved prior to the 2019 tax year. Discussion took place about the current market for home sales. Mayor Maio and the Council members thanked Mr. Laliker for attending this evenings meeting.

ADMINISTRATOR'S REPORT

Communication Upgrade – Administrator McNeilly stated according to Ed from Spectrum, the system upgrades are complete. The Police, Ambulance Squad and Fire Department are now utilizing the new antennas and equipment. There was a small issue with a cable issue the other night which has been taken care of. The Fire Department tie lines and the Byram Township tower site are no longer needed, which will also eliminate the Verizon bill and the Century Link bill. Administrator McNeilly stated he spoke with Rich Kuncken from the First Aid Squad and the pagers are now crystal clear. When the cable was run, there was enough cable length to run a second line which can be used in the future in the event that something happens to the existing line or if new equipment is to be added.

Veteran Request – Administrator McNeilly stated a request has been received from a Disabled Veteran for a 100% property tax relief. Jason Laliker, Tax Assessor, stated typically the requests are granted exemption from the date of application to the Borough. This is how the former Tax Assessor handled these requests. Administrator McNeilly stated the Veteran is requesting relief from the effective date of September 12, 2017. This is for a full year, plus 111 days. Administrator McNeilly stated Mr. Laliker has outlined three options in a memo to the Governing Body. This is a Governing Body decision. Mayor Maio stated years ago it was determined that the procedure would be to approve the exemption as of the date of application. This was done due to the fact there was nothing that could be done to stop someone from coming in ten years after they had been granted a certification and then asking for ten years of reimbursement. Mayor Maio stated she is of the opinion the Borough should move from the date of the certification. Administrator McNeilly stated the Governing Body needs to take a very active and have a very clear understanding of the situation due to the sensitive nature of the issue. Discussion took place regarding the process the Veteran's or their families go through to request a certification. Dana Mooney, CFO, stated the applicant received his certification from the VA last week. The applicant then submitted his request to the Borough last week. The letter

he received stated he was granted the 100% deduction dating back to September 2017. Mr. Laliker stated someone could be 70% - 80% disabled for years according to the VA and then the status can change to 100%. The date of certification is the date when the applicant is 100% disabled. This situation is slightly different. Mr. Laliker stated he has never seen an application for this cause before for what this gentleman is going through. The VA changed their procedures several years ago. They are granting more 100% exemptions. Mr. Laliker stated over the last four or five years he has not received a back dated letter. The Veterans usually receive their letter and come right in. Councilwoman Kuncken asked if the applicant had delayed in submitting his exemption in any way. Mr. Laliker stated the applicant was very timely. Administrator McNeilly asked Mr. Laliker how the other towns he is familiar with make their determinations. Mr. Laliker stated most of the municipalities follow the same procedure. There are some who make determination on a case by case basis which in his opinion is difficult. Councilwoman Kuncken stated when looking at the differentials in the dollar amounts it pulls at your heart but it is a very tough road to go down. Councilman Romano stated the Borough has a sufficient amount of precedence set and in his opinion the decision should not vary from option three. Councilman Riccardi asked if the Borough's policy was explained to the applicant when he submitted his application. Mayor Maio stated the applicant's letter to the Governing Body states he was made aware of the Borough's policy. Councilwoman Zdichocki asked if the policy should be put in writing to avoid any issues in the future. Mr. Laliker stated this question could be better answered by the Borough Attorney but he is of the opinion that the council can put something in writing outlining the policy. Mayor Maio asked Administrator McNeilly to consult with the Borough Attorney. For the purposes of this application, the Governing Body is going to follow the past practice. Ms. Mooney stated the resolution will be prepared for the next meeting and she will contact the applicant with the council's decision.

Senate President's Roundtable – Administrator McNeilly stated he and Councilwoman Kuncken attended the Senate President's Roundtable which was held in Sparta and was well attended. Councilwoman Kuncken stated *Path To Progress* is a work group put together primarily started by the Senate President Steve Sweeney. Senator Steve Oroho, from our legislative district, is the co-chair. The group consists of bi-partisan legislators, as well as experts in particular areas such as tax, education, pension, health benefits in order to cover an array of topics which are subjects of concern in the State of New Jersey. The purpose of the meeting was to educate the local elected officials in order for the officials to educate their communities as things begin to move forward. Councilwoman Kuncken stated she has a packet of information which can be copied or the information can be accessed on the work group's website. Both Senator's stated they will begin moving forward with this in 2019. The website is www.pathtoprogressnj.org Councilwoman Kuncken stated Christine Quinn, Sussex County League of Municipalities, has suggested a regional Morris, Sussex and Warren League of Municipalities be created to brainstorm ways to educate our communities. Administrator McNeilly stated one of the statements made during the presentation was they have found the most efficient towns are the smallest towns. The most costly schools are the smaller schools. Consolidation of schools was discussed and how special education costs should be addressed. Councilwoman Kuncken and Administrator McNeilly stated the topics discussed were interesting and pertinent.

Development Potential – Administrator McNeilly stated he has been contacted by an engineering firm that is working on a potential development on Sparta Road just past the High School. This parcel was previously in the Stanhope sewer service area but was removed several years ago as part of negotiations with Sussex County and the NJDEP. The Borough made an agreement at that time to permit a developer to petition to have the property added back in to the sewer service area if the need should arise. The developer is in the process of having the parcel placed back in the sewer service area and needs a general resolution of support. The developer will be appearing before the County Planning Board on January 11th. The name on the application is Old Sparta Road Acquisition LLC. The property consists of 136 acres which would have 266 high end apartments of varying sizes. The units will have one, two and three bedrooms with garages, a pool and a field house. Mayor Maio stated two years ago the developer presented a very impressive plan. Councilwoman Kuncken stated the extension of the sewer line has been discussed many times over the years. The sewer line ends at Lenape Valley High School. Mayor Maio stated it is a valuable piece of property and it will be a tremendous valley to the Borough if it gets developed. Administrator McNeilly stated with 45,000 to 85,000 gallons, the discussion would not even be possible if the work that has been done never took place. This would be the largest project to ever come before the Stanhope Land Use Board. Mr. Laliker stated the value would be determined on the income approach. Actual figures are not available at this time for the various units. Mr. Laliker stated he works in another town which has an older apartment building and they have a very high assessment. As a new project, from the income approach,

with all the units being rented, you know what the rents are, these types of projects are typically in agreement with the developer from the beginning. Administrator McNeilly stated approximately 32 units will be affordable housing which could benefit the Borough. Councilwoman Kuncken is of the opinion it will be difficult obtaining approval from the DEP with regard to the sewer service. Mayor Maio stated the developer is aware of this. Administrator McNeilly stated if there are no objections he will have the Borough Attorney prepare the resolution for adoption at the next scheduled meeting. Councilwoman Kuncken stated years ago there would have been concern the schools would be overcrowded. This is no longer an issue. The Governing Body had no objections. Mayor Maio asked Administrator McNeilly to move forward with the resolution.

Stanhope-Netcong Emergency Water Connection – Administrator McNeilly stated the 10 year agreement with Netcong for an emergency water connection is set to expire on January 15, 2019. A copy of the new agreement has been provided to Attorney Leo for review. A resolution will be prepared for the December 11th meeting agenda.

WORK SESSION

TAP Grant – Mayor Maio stated Eric Keller, Borough Engineer, and Administrator McNeilly have sent out the reports. Administrator McNeilly stated the manual is almost complete.

Construction Department Request – Mayor Maio stated the Construction Department has requested an increase to the fee schedule. Mayor Maio stated she receives a great deal of complaints regarding the cost of permits. Residents who are moving complain about having to pay a Tax Map fee. Mayor Maio stated in her opinion there is no justification for increasing the fees. The Construction Department is not supposed to be a money making entity. The department currently covers its own costs. Mayor Maio stated her recommendation is to leave the fees as they are. Administrator McNeilly stated the Construction Official was concerned about the changes recently made by the State which no longer require permits for items such as roofs and siding. Councilwoman Zdichocki stated the request also asks for a fee to be charged for rescheduled appointments. Discussion took place regarding the issue and it was determined at this time it is not a significant problem. Administrator McNeilly stated there is an issue with the Certificate of Occupancy for resale properties. The realtors expect the inspection to be done immediately. The inspections should be scheduled a month in advance. Administrator McNeilly stated if the development project discussed earlier becomes a reality, the Borough may have to sub-contract inspectors. Administrator McNeilly stated he will inform the Construction Official of the Governing Body's decision to keep the current fee schedule.

Capital Budget – Mayor Maio asked if there are any changes, additions or questions regarding the capital budget. Councilwoman Kuncken stated a Public Safety meeting was held with the Police Chief to clarify the vehicle option. The \$14,893 is used to run three cars. The Chief wants to run four cars and distribute the use evenly. The funds would be used to install the electronic equipment the fourth vehicle. For the third vehicle they will take equipment from the Taurus, which will be gone. The two utility vehicles will remain and two others will be leased. This plan would change the current schedule of replacing vehicles from every three years to replacing them every four years. Administrator McNeilly stated when looking at the reliability of the utility vehicles, compared to the Taurus, there is quite a difference. The Taurus was an improvement over the Crown Victoria. Administrator McNeilly stated the plan will keep the vehicles in operation for six years. Much discussion took place regarding the mileage, the rotation schedule and the life span of the assorted equipment. Councilwoman Kuncken stated the Chief mentioned there is no way to know if during that time the software of equipment may become obsolete and would have to be replaced. The police vehicles are leased and this plan has worked out well. Councilman Riccardi asked the age of the equipment in the Taurus. Administrator McNeilly stated the equipment would have been installed new in 2013 or 2014.

Councilwoman Kuncken stated the Public Safety Committee spoke with the Police Chief regarding the Chief's vehicle. The committee explained to the Chief that the Governing Body would prefer to have the same type of vehicles. The Chief had presented information from the company that had the State contract. The committee asked the Chief to go back and obtain a quote for an Explorer. Administrator McNeilly stated the total bonded amount is \$42,400. The Chief obtained the price through the Middlesex County Educational Co-op. Administrator McNeilly checked the pricing with the Morris County Co-op and the Chief's quote is lower. Councilwoman Kuncken stated the Chief has complied with the committee's requests.

Councilwoman Kuncken stated the scanning for the Police Department is a requirement and has to be replaced.

Mayor Maio asked if there were any other questions or concerns with the capital budget. The Governing Body had no further questions. Mayor Maio stated the capital budget will move forward. Administrator McNeilly stated he will ask the CFO to move the saddles the water budget. Administrator McNeilly stated he will provide copies of the specifications for the Chief's vehicle to the Governing Body.

NEW BUSINESS

RESOLUTIONS

CONSENT AGENDA (All items listed on the Consent Agenda are considered routine by the Borough Council and were enacted by one motion of the Borough Council with no separate discussion.)

Resolution 170-18

RESOLUTION AUTHORIZING CANCELLATION OF MUNICIPAL CERTIFICATE OF SALE

WHEREAS, Certificate of Sale #2018-025 was issued to Stanhope Borough, 77 Main Street, Stanhope, New Jersey 07874 for delinquent 2017 taxes and/or utility charges on Block 11501, Lot 2, C0334, located at 17334 Aspen Ct, assessed to Gregory C Watson at a tax sale held on October 16, 2018; and,

WHEREAS, the certificate was redeemed on November 26, 2018 by paying the full amount of the delinquency.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Municipal Clerk of the Borough of Stanhope are hereby authorized to endorse Certificate of Sale #2018-025 for cancellation.

BE IT FURTHER RESOLVED, that a certified copy of this Resolution be forwarded to the Borough Chief Financial Officer/Tax Collector.

Resolution 171-18

RESOLUTION AUTHORIZING A REFUND OF OVERPAYMENT OF TAXES

WHEREAS, the homeowners of this property were granted a Veteran's Deduction of \$250.00 on September 21, 2018; and

WHEREAS, the homeowners' bank paid 2018 property taxes improperly, leaving a balance due of \$0.02 due; and

WHEREAS, the Veteran's deduction of \$250.00 less the balance due of \$0.02 has created an overpayment of taxes on this property in the amount of \$249.98; and

WHEREAS, 2018 property taxes are now paid in full.

NOW, THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Stanhope, that a warrant be drawn to the homeowners in the designated amount representing an overpayment of taxes, as follows:

Homeowner Information:

Block	Lot	Qual	Name & Address	Tax Year	Amount
10610	8		Delroy & Chouansavat Green 136 Brooklyn Road Stanhope, New Jersey 07874	2018	\$249.98

Resolution 172-18

RESOLUTION AUTHORIZING REFUND OF REDEMPTION MONIES TO OUTSIDE LIEN HOLDER

WHEREAS, the Tax Collector has received payment for the redemption of Tax Title Lien No. 2016-027, representing 2015 property taxes and/or utility charges on Block 11501, Lot 2, C0310, known as 16310 Dell Pl, assessed to Sandra Ploskonka and Gayle Garner, and;

WHEREAS, the Tax Collector certifies that reimbursement is now required to be made to the following lien holder for the required redemption amounts as shown below:

To Lienholder:	US Bank Cust for Actlien Holding Inc. 50 South 16 th Street, Suite 2050 Philadelphia, Pennsylvania 19102
Redemption Amount:	Tax Title Lien #2016-027 and Interest to Date of Meeting \$ 14,437.62 Premium Paid by Lienholder <u>1,400.00</u>
Total From Current Fund:	\$ 14,437.62
Total From Tax Premium Account	1,400.00

NOW, THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Stanhope, County of Sussex, State of New Jersey, that the Borough Treasurer be authorized to prepare the necessary check as stated above and to forward same to the lien holder.

BE IT FURTHER RESOLVED, that a certified copy of this Resolution be forwarded to the Borough Chief Financial Officer/Tax Collector.

On motion by Councilman Romano, seconded by Councilwoman Kuncken and unanimously carried by the following roll call vote, the foregoing resolutions were duly adopted.

Roll Call:

- | | |
|----------------------------|-------------------------------|
| Councilwoman Kuncken – yes | Councilwoman Thistleton - yes |
| Councilman Riccardi - yes | Councilman Thornton – yes |
| Councilman Romano - yes | Councilwoman Zdichocki – yes |

AGENDA ITEMS

All items listed on the Agenda for December 11, 2018 were approved.

CITIZEN’S TO BE HEARD

Mayor Maio opened the meeting to the public after advising attendees that there is a five (5) minute time limit for each speaker.

Raymond Cipollini, 11 Towpath Lane, stated last week he was appointed to the Board of Directors of the NJ Bike and Walk Coalition. The coalition consists of approximately 40 organizations whose purpose is to promote pedestrian and bike safety in the State of New Jersey. This is done through initiatives such as the Safe Streets to School Program, Complete Streets, TAP Grants, Greenways and Rails to Trails. The coalition works with state legislators, DOT and the NJ Transportation Planning Authority. Mr. Cipollini offered his help and service to the Borough of Stanhope for any upcoming projects or services which are already in place. The Mayor and Council congratulated Mr. Cipollini and thanked him for offering his assistance.

Seeing no one from the public wishing to speak, Mayor Maio closed the public portion of the meeting.

CLOSED SESSION

WHEREAS, Section 8 of the Open Public Meetings Act, Chapter 231 P.L. 1975 permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, this public body is of the opinion that such circumstances presently exist.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Stanhope, County of Sussex, New Jersey as follows:

1. The public shall be excluded from discussion of and action upon the hereinafter-specified subject matter(s).
2. The general nature of the subject matter(s) to be discussed is as follows:
 - 1 – Contract for Professional Services
3. It is anticipated at this time that the above stated subject matter(s) will be made public at the conclusion of each individual specified subject matter.
4. This resolution shall take effect immediately.

On motion by Councilwoman Kuncken, seconded by Councilman Romano, and unanimously carried by voice vote, the foregoing resolution was adopted.

The Mayor and Council went into Closed Session at 8:35 P.M.

RETURN TO OPEN SESSION

At the conclusion of the Closed Session, the Mayor and Council reconvened the public meeting at 8:40 P.M. with all present.

ADJOURNMENT

On motion by Councilwoman Kuncken, seconded by Councilwoman Thistleton, and unanimously carried by voice vote the meeting was adjourned at 8:40 P.M.

Approved:

Linda Chirip,
Deputy Clerk for
Ellen Horak, RMC
Borough Clerk