

**MAYOR AND COUNCIL
WORK SESSION AND
AGENDA MEETING
February 11, 2020
7:00 P.M.**

CALL TO ORDER

SALUTE TO COLORS

Mayor Zdichocki 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 8, 2020 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 10:00 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. Please turn off all cell phones for the duration of this Meeting.

Moment of Silence - Mayor Zdichocki stated she would like to pay tribute at this time to one of Stanhope Borough's outstanding citizens who recently passed away. Lorraine Bender dedicated herself to the Borough of Stanhope by giving over 40 years of service and dedication to the community. Lorraine served on the Environmental Commission from the time it was formed in 1978. She also served as secretary on a number of boards and commissions; including the Environmental Commission, Planning Board, Musconetcong Historical Society, and she was the original administrative clerk for the Lake Musconetcong Regional Planning Board. Lorraine was honored as Volunteer of the Year in 2013 by the Musconetcong Historical Society. The Governing Body extends their sincere condolences to the family and friends of Lorraine Bender. May she rest in peace. Mayor Zdichocki asked for a moment of silence in Lorraine's memory.

ROLL CALL

Council Members:

Councilman Cipollini – present
Councilwoman Kuncken – present
Councilman Riccardi – present

Councilman Romano - present
Councilman Thornton – present
Councilman Wronko – present

Mayor Zdichocki – present

ENGINEER'S REPORT

Mayor Zdichocki invited Eric Keller, Borough Engineer, to come forward to present his report.

Sparta Road TAP Grant – Mr. Keller stated, after all this time, the NJDOT has voiced concerns regarding the design of the bike path configuration. There is concern the lane is too narrow due to inlets along the roadway. Mr. Keller provided a drawing to the governing body. Mr. Keller stated several options were submitted to NJDOT and their latest response is to have a shoulder line on the north bound side so there is a defined parking lane and the bikes can use that unless someone is parked there and then the bikes would have to move into the travel lane. NJDOT has now determined the plan has to be submitted to their bicycle-oped advocate for review before they can sign off on it. Mr. Keller stated everything else has been addressed and this issue has been going back and forth for the past few months in an effort to get this taken care of.

Stormwater Audit - Mr. Keller stated he received a phone call from the State of NJ a few weeks ago informing him that Stanhope Borough has been selected for a Stormwater Audit. The State has suggested dates in late February or early March. Mr. Keller stated he would like to have the audit done at the end of March as long as the governing body has no objections. Mr. Keller provided the governing body with the list of information that they will be looking for during the audit. Mr. Keller stated he will work with the Administrator and the DPW Superintendent regarding the items on the list. A record of the stormwater training which has been done for the Land Use Board is required. This is not a punitive audit. The State is trying to make things better but it is a process. Councilwoman Kuncken asked Mr. Keller for the status of the stormwater manual he has been working on and asked if it is part of this audit. Mr. Keller stated yes,

the manual is part of the audit and it is complete except for a few minor items. The quarterly inspection for the fourth quarter of 2019 has been completed. A list of repairs will be compiled which will have to be completed by the DPW. Councilwoman Kuncken asked where we stand on maintenance. Administrator McNeilly stated a lot of what is going on now is part of what was required relative to the reporting for the grant for the hydrorake. The catch basins are maintained, cleaned out and recorded. Mr. Keller stated the State will be making sure that information is posted on the website. When the O&M Manual is complete it will be posted on the website to let people know what we are doing as a Borough on maintaining our stormwater facilities. Brochures need to be made available in the office. Mayor Zdichocki asked if there is a list to work from and if most of the items are complete. Mr. Keller stated there is a list and most of the items are complete. The outfall map has to be updated. Currently there are hand drawn items on the tax map but the State wants the information to be GIS based. The base is done because the zoning map and street map were completed last year. Councilman Thornton stated Mr. Keller mentioned earlier he provided a copy of the list but he and the governing body only have Mr. Keller's report. Mr. Keller replied the list of required information from the State is listed on page 2 and 3 of his report.

Pump Station – Mr. Keller stated JCP&L is supposed to run the new service line with the upgraded 225 AMP service for the pump station. After the service is run everything can be connected and a final inspection will be done, then the testing procedures for the new pumps will take place. The new pump station is nearly complete.

School Route Walk Assessment - Councilwoman Kuncken asked Mr. Keller if he will be addressing the school route walk assessment. Mr. Keller stated the Chief of Police, as part of his training requirements, attended a seminar which discussed crosswalk locations, school route alignments and crossing guard locations which are supposed to be determined by an engineering site. To the Chief of Police's knowledge, this has never been done. In an effort to have everything in order, Mr. Keller stated the Chief of Police has asked him to prepare a proposal. Mr. Keller stated he has written the proposal but it just needs to be priced out and completed for submission. This will require traffic counts in order to define the number and extent of gaps in the traffic stream on Brooklyn Road and Route 183. Administrator McNeilly stated the location for the school crosswalks was not determined by the type of verbose study that the engineer is now doing. The backup is necessary for the file. Logical locations were chosen but the engineer needs to certify that. The budget contains \$15,000 for general engineering and the study may in fact fit inside that number. Mr. Keller stated this needs to be a collaborative effort with the Board of Educations. Administrator McNeilly stated school crosswalks are relative to grade schools only. However, the crosswalks will crisscross the entire town and will pass the other school but a crossing guard is not required for the high school. The crosswalk, for example, at the Little League Field still has a neighborhood across the street where grade school children live, so some of the areas will overlap. Mayor Zdichocki asked if the new lights being installed will be included. Mr. Keller stated the controls provided at the crosswalks will be part of the discussion. Administrator McNeilly stated the part that is important in the traffic control portion are the numbers. The numbers in the neighborhood are very fluid. This may not be the only time we have this discussion with the engineer but as we move forward the numbers may go up and down and will have to be adjusted accordingly. If, for example, Lloyd Avenue has an increased potential number of walkers for the first time in years, then based upon that information a crossing guard may be needed at that location. The traffic count could be low at Crestview Drive and Grove Road but because this is not a great location the Borough could opt to have a crossing guard remain at the intersection. The same could be said for the Maple Terrace location. Just because a light is installed it does not necessarily negate the responsibility to have a crossing guard, just like the light at Linden Avenue. Mr. Keller stated his point with the high school is that it is not necessarily the crosswalk but it goes to where the students are and where they are walking from. While they do not require a crossing guard, there are still pedestrians crossing at that location. These numbers will still factor into the crossing. Obviously, there are different times of day for that but it still needs to be looked at. Perhaps the discussion with the high school would be at a different level and different information than it would be with the K-8 school. Councilman Wronko asked how often the information should be evaluated. Mr. Keller stated he is of the opinion a specific timeframe can not be set. The demographic shifts would need to be reviewed to determine where the children are located. If the numbers change from 20 children to 15 children this may not be an issue. At some locations it may not matter how many students are crossing, it is the conditions that are there. Mayor Zdichocki stated she is in favor of the study. Residents voiced concern last year regarding the crossing guards and whether we have enough. Mr. Keller stated this is an opportunity for the Valley Road School to better identify what their expectation is regarding students who are walking. Mr. Keller stated he looked at the school's website and he could not find any information about how students should be walking to school. Administrator McNeilly asked when the proposal will be received. Mr. Keller stated the proposal will be completed by the end of the week if not sooner. Councilman Riccardi asked if the State provided guidelines for the crosswalks. Mr. Keller stated this is part of the manual on uniform traffic control devices, which is a federal document, and the guidelines are being followed which are set forth there. There are other local things, studies and recommendations which have been done but this is being based on the federal guidelines.

ADMINISTRATOR'S REPORT

Musconetcong Avenue / Young Drive – Administrator McNeilly stated additional slow down signage has been installed on Musconetcong Avenue and Young Drive.

Open Space Plan – Administrator McNeilly stated he has reviewed the process for updating the Open Space Plan. The current plan expired a year ago. This is an issue only if the Borough applies for Green Acres funding or to pursue grants with ANJEC for open space. The review needs to be initiated by the Environmental Commission. The Environmental Commission can inform the governing body of their plan to update the Open Space Plan and then the commission can apply to ANJEC for the grant to update the plan. The original plan was done in 2008 or 2009 and at that time there was a large committee which included the Environmental Commission and the Governing Body. The ANJEC grant would provide the funding for the Land Conservancy to prepare the different aspects of the inventory. Administrator McNeilly asked the governing body for approval to send the request to the Environmental Commission. The governing body granted approval for the memo to be sent to the Environmental Commission requesting the Open Space Plan be updated.

Sussex County Fire Marshal – Administrator McNeilly stated the Sussex County Fire Marshal has provided an updated format for the monthly reports as requested by the governing body. A sample of the new report was provided to the governing body. Councilwoman Kuncken stated in her opinion the new report does provide the information the governing body was looking for.

Borough Lien Properties – Administrator McNeilly stated he and Rich Erickson, Joint Insurance Fund Environmentalist, toured several of the properties on the Borough's lien list. The environmental reports are currently being prepared. The reports will indicate if such things as oil tanks exist on the properties. The governing body can then determine how to proceed. A paper review has been done along with an inspection of the properties. The Construction Department records review is still pending. The special properties on Route 206 are quite interesting. Administrator McNeilly stated Mayor Zdichocki accompanied them to the Peat Bog. Mayor Zdichocki stated it is a shame that the Borough has 55 acres of property that cannot be utilized. Administrator McNeilly explained that back in 1980 a gentleman decided he was going to mine peat out of the peat bog. The area is located out on Sparta Road where the one lane bridge was on the other side of the railroad tracks. When they ran out of reachable peat they brought in tires to be able to drive the equipment further back on the property and as those tires sank they added more. There is a voluminous number of tires. Administrator McNeilly stated he parked the car and the three of them walked further back onto the property than he had ever been and the area is beautiful but there are many empty drums, oil tanks, debris and tires. This makes the site very difficult to foreclose on because then the Borough owns all of those items. This is why the lien has sat active since 1995. A determination would have to be made as to where the boundary lines are and then a location would have to be chosen to drill to determine if there is contamination. The cost to do this would cost approximately \$50,000. If there is contamination, who is going to clean that up. Removing the debris would be costly as well. The good thing is as more land is built up, developers will be looking for land to use as open space. That may be the Borough's salvation at some point. They may be so desperate for an open structure round that the cost incentive may be good enough for someone to come in and clean the site. This could happen in another 10, 15 or 20 years from now. Administrator McNeilly stated he did a quick search to find an owner but there were no results. The property located at Kynor Avenue is still privately owned and the taxes are being paid and this is the only property that can access the peat bog site. There was another piece of property associated with the site that was sold through a lien which was purchased by Dennis Walker. Administrator McNeilly stated once the reports are available he will forward them to the governing body. There are a few properties which the Borough could make some money on. The properties located off of Burnett Street and Spruce Lane are 40 by 100 lots in the middle of nowhere but a report will be produced to state they are clean. They cannot be sold. The focus is on the occupied properties and once the letters are sent out, payments should be received. The reports could take a month or two based on how long it takes for Mr. Erickson to receive the information from the State. The cost to the Borough as this point is zero. This service is provided through the environmental insurance fund that the Borough is a member of.

NJ Transit Bus Shelter (Route 183) – Administrator McNeilly stated he is still waiting for an answer on the NJ Transit bus shelter. Another email was sent today.

Route 602 / Grove Road / Crestview Drive Crosswalk – Administrator McNeilly stated he received word from the County Engineer on the project status for Route 602/Grove Road/Crestview Drive Crosswalk. The beacon and related ADA engineering design is in the Division of Engineering work queue. The site work has been done to determine where the utilities are in the road and some survey work has been done. They anticipate the actual installation will take place during the summer of 2020. Administrator McNeilly stated he will keep the governing body apprised when a

more specific schedule becomes available. Councilwoman Kuncken stated the President of the School Board is present in the audience this evening. Once the crosswalk is installed, even in anticipation, the Borough will have to work with the school to provide a great deal of education for the students. Just because a button is pressed at the crosswalk does not mean you can walk right out into the street. Mayor Zdichocki stated pushing a button does not mean the cars are going to stop. Administrator McNeilly stated funds are pre-allocated in this budget for the Maple Terrace crosswalk. It may not be possible to marry the Maple Terrace crosswalk in with the Grove Road crosswalk but Administrator McNeilly will do his best once a commitment is received. Councilman Riccardi stated there was some concern regarding the ability to obtain power at the crosswalk. Administrator McNeilly stated so far it appears that the solar power will be available.

Millennium Strategies Meeting – Mayor Zdichocki stated she and Administrator McNeilly met with Ian from Millennium Strategies this morning. The meeting addressed areas where the Borough could use funding, what is available and what Millennium's suggestions are. Mayor Zdichocki stated this is the first time she met Ian and he seems very energetic about assisting the Borough. Administrator McNeilly stated they discussed what has been successful and what has not been and they are seeing how the wording has to go on certain things. The Borough's focus is still police, fire and ambulance, on the public safety side and pedestrian safety. Education, crosswalks, sidewalks and anything to do with pedestrian safety has remained our focus for the past five years. Some other topics discussed were a dog park, a community center, signage and benches for parks and places of gathering. The wording of some of the Borough's grant applications was discussed as being too perfectly worded. Mayor Zdichocki stated for example a grant for the Fire Department might be reviewed by a fireman and therefore having the application written in the words of a fireman might be more beneficial. Councilwoman Kuncken stated the Borough did try to do this in the last grant application. Administrator McNeilly stated the Borough will get better at this. A key discussion was how the process goes. If it is a police grant, Administrator McNeilly forwards it to the Police Chief. If it is a fire department grant, it is forwarded to the Fire Chief. They in turn will work on the application and as it gets close to being finalized and it requires a resolution or a match, it is sent back for the governing body to approve and put a resolution to it. The same process is done with environmental grants and the ambulance squad. The departments have access to the grant writer as well. Administrator McNeilly stated Katherine from Millennium, who used to work on the Borough account, has been moved up. Ian has been working with the Borough for the past two years. He is bright for his age and he has been very good at working on the different aspects. Ian also works well with the engineer which was evidenced with the Local Aid Grants. The base narrative has been written and does not change much.

2020 Capital Funds – Administrator McNeilly stated the 2020 capital funds will become available on February 25th. This is due to the efforts made to have the capital budget ready for January 1st and having the first and second readings completed. In the past, these funds would not have been available until June or July. The departments will be able to take advantage of this. The engineer will be able to schedule the projects as listed.

2020 Budget Introduction – Administrator McNeilly stated the 2020 Budget Introduction is tentatively set for March 10th. This may slide to the end of the month depending on any further discussions the governing body may have which stretches beyond the end of February. The CFO can provide a quick overview on the State of NJ requirements.

Pump Station – Administrator McNeilly stated the electrical service for the pump station had to be upgraded from 125 to 225. The Construction Official was involved in the process along with the vendor. A final inspection will be scheduled. The generator has been prepared for the contractor and it is ready to go.

Infrastructure Committee Meeting – Administrator McNeilly stated a meeting date needs to be set for an Infrastructure Committee Meeting. There is a piece of equipment to be discussed.

Crosswalks – Councilman Cipollini stated comment was made that the children will need to be educated about the use of the crosswalks. Councilman Cipollini asked if there is any type of education available for the car drivers. Administrator McNeilly stated this is a difficult situation. The governing body is of the opinion that some type of outreach is necessary. Mayor Zdichocki suggested that information be placed on the Borough website and a flyer can be placed in the water bills informing residents about the location of the crosswalks and precautions to be taken. Administrator McNeilly stated as far as an enforcement example, even if a policeman was stationed all day at the square in Newton, cars are still going to fly through. Councilman Cipollini

stated this happens in Netcong as well. Administrator McNeilly stated the type of light being installed will be the same as the one near Hayek's Market in Newton. The County only installs one type of light. Councilman Thornton suggested if a flyer is distributed it should also include what the penalties are for not adhering to the crosswalk signals. Administrator McNeilly stated extra time could be assigned for an officer to be stationed at the crosswalk at various times of the day to monitor the area. The two times which will be the busiest are at rush hour and when Lenape Valley High School students are leaving school at the end of the day. The crosswalk being installed on Sparta Road will also be affected by the high school end of day traffic. Councilman Cipollini stated this is a difficult situation but it is also an education opportunity for car drivers. By law cars are supposed to stop when a pedestrian is in the crosswalk regardless of whether or not there are lights. It is very important for the children to be taught not to step off the curb. Councilman Riccardi suggested the Borough ask the County to send out some type of statement as well. Drivers going through the Borough are not only from Stanhope.

JCP&L - Councilman Wronko stated at the last Mayor and Council Meeting there was a discussion with regard to having a representative from JCP&L coming to speak at a meeting. Councilman Wronko asked if a date has been set. Mayor Zdichocki stated she spoke with Jackie, our JCP&L representative, and Jackie has been extremely busy but she is trying to find an available date.

New Ambulance – Councilwoman Kuncken stated the new ambulance is due to be delivered on Friday, February 14th. Administrator McNeilly stated the loaner has already been returned and the gas key has been switched from diesel to gas.

WORK SESSION

Board of Health Request – Mayor Zdichocki stated a request has been received from the Board of Health for approval to place a flyer in the water bills. Councilman Romano stated at the end of last year a grant was applied for to purchase radon kits. The Borough did not receive the grant but the grant would have required the Borough to purchase 25 kits for distribution throughout the year. The Board of Health reviewed the previous year's sales of radon kits and no more than 3 have been sold in any one particular year. The reason could be that residents do not realize they are available or the only time it is an issue is when a sale of a home is being made. The flyer would let the public know the radon kits are available and the Board of Health can measure the response. Mayor Zdichocki stated a note has been placed on the bulletin board to inform the public that the radon kits are available. Radon kits have a shelf life of just a year which is why the Borough cannot purchase a large quantity at one time.

Boards and Commissions Positions Available Flyer – Mayor Zdichocki stated a flyer has also been created to place in the water bills to let the residents know there are several positions available on the various boards and commissions as well as on the fire department and ambulance squad.

On motion by Councilman Romano, seconded by Councilman Wronko, and unanimously carried by voice vote, approval was granted for the Board of Health flyer and the Boards and Commissions flyer to be placed in the water bills.

TAP Grant – Mr. Keller stated no further discussion is needed at this time regarding the TAP Grant.

Budget Salaries – Councilman Romano stated there are two areas of the budget to be discussed. One has to do with the salaries for the unrepresented employees and the other has to do with paying down the Borough's debt. Councilman Romano described the process the Finance Committee went through in trying to come up with some recommendations to present. Councilman Romano stated Mayor Zdichocki was contacted by the unrepresented Borough employees. For lack of a better definition this refers to any employee who is not under contract or covered by union representation. The request is for salary consideration in the new budget. This is the second time the governing body has received this type of request over the past couple of years and some accommodations were made in the budget last year. The Finance Committee met several times over the past month to consider the request and consulted with our legal counsel, Attorney Ursula Leo. Internal data was reviewed concerning salary and benefits which was compared with some external data with municipalities of like size, population and tax base. Based on that research, three conclusions were made concerning the salary portion of the question. (1) There is still some inequity in the salary and benefits for the unrepresented employees. (2) The Borough's ability to pay must be tempered by the size of the community and the tax base. This has been said often in the past. Stanhope is only one size and what we can pay is based on what we can pay and that is just a hard fact. We

have to compare our salaries with municipalities of like size. (3) Whatever decision is made in this regard, this is the last time it will be addressed. We would like to close this perceived gap once and for all and it is also not to be a consideration or a new floor of what we are going to use in future deliberations.

Councilman Romano stated if we want to achieve the goal of closing this gap, we could give a 3 ½ % salary increase in the current budget. The current budget we have been reviewing has been calculated at 2%. If we come to an agreement at 3 ½ % that would mean that over the past two budget cycles we will have made a 6 ½ % increase to close this gap. The other recommendation or the other conclusion that we would make, to even out the benefits for all employees in the Borough, would be to add a personal day to the unrepresented employee's benefit package and that would bring them in line with everybody else. That is the recommendation to the salary question. Currently, the unrepresented employees do not have a personal day. The union employees do already have personal time. It is the recommendation of the Finance Committee to give a 3 ½% increase and one personal day to the unrepresented employees.

Budget Debt Paydown – Councilman Romano stated debt paydown has been talked about in the past and the auditor has advised the governing body that the current budgeted debt paydown is insufficient to retire the debt in a timely fashion. The debt needs to be retired in ten-year cycles. Last year's allocation was \$310,000 in the last budget. The auditor was advising a minimum of \$100,000 over and above that. Based on that, the Finance Committee is bringing forth proposals to the council on both these questions. Councilman Romano stated paperwork was distributed and he was now going to focus on summary of revenues on the last page. There is one that says summary of revenues with a 3% raise and a \$350,000 paydown on the debt. The bottom of that page shows it would make the increase in the levy 1.78% and the average municipal increase for a taxpayer paying with a residence value of \$192,100 would be \$45.70. Using a bad baseball analogy that is taking a half swing at both problems. The second proposal would be 3 ½ % on the raises and again a \$350,000 debt paydown. This would put the municipal levy at 1.83% and the average increase for the taxpayer with a residence value of \$192,100 would be \$46.87. So that is a full swing at the salary problem and a half swing at the debt problem. The next proposal is for 3% again on the raise and a \$400,000 paydown on the debt. This is where we really get socked folks. The municipal levy is 3.23% and it would be an average increase of \$78.34. This is a half swing at the salaries and a full swing at the debt. The last proposal is a 3 ½% on the raise and \$400,000 on the paydown. That is 3.29% on the levy and \$79.51 to the average taxpayer.

Councilman Wronko asked how long the Borough has not been up to speed on the salaries. Councilman Romano stated the salary gap has been perceived for the last two years and whether we go with 3% or 3 ½%, Councilman Romano suggests that this is the last time we entertain this. We think this will bring us in line with like communities and like salaries. We are fairly confident with that. Councilman Wronko asked on a standard year is there a cost of living adjustment that are just typical. Councilman Romano replied No and stated the percentage was 1.75% or 2% for the past several years. Last year was the first time we gave 3% during his term. Councilman Thornton asked what other municipalities were used for the basis of the comparison. Councilman Romano stated the closest one to Stanhope with similar size and similar tax base. Councilman Thornton stated Franklin would have a larger commercial tax base. Councilman Romano stated we are talking community and we compared the salaries. Councilwoman Kuncken stated they also looked at the population being served. It is really hard to do those kinds of comparisons. It is not as easy as you would think. Mayor Zdichocki stated they tried to look at a lot of the towns which were about the same amount of people and how many people are in their office and what their salaries are. You can never really get close and there is no standard to go by. A lot of time has been spent going over the paperwork. Mayor Zdichocki stated Administrator McNeilly and Dana Mooney, CFO, have been included in the review of different options. Mayor Zdichocki stated they did not want to fill the council's heads with a whole bunch of things and the Finance Department has come up with their best suggestions. Councilman Wronko stated in looking at the municipal levy what is the average, normal rate. Councilman Romano stated last year it was .98 and this is a big jump. Councilman Wronko asked if it is possible for the council to review some of the data. Franklin was mentioned as one of the towns. Are there other townships or borough's? Councilman Romano stated he can get some of that out but he pointed out that he has been looking at these numbers for quite a bit of time over the past couple of weeks. The knockem sockem number is debt paydown. This can be seen when we talk about going from \$350,000 to \$400,000. That is where the big hit is coming and the other thing to consider is that our concern here is the municipal budget but we do not know what the schools are going to come in at and what that will add to the tax amount. The Borough will get beat up for it but that is where it is at. We need to paydown debt and cannot continue to kick it down the road. If we do we will not have a good option and that

number will really be nuts. Councilman Wronko stated considering this is such a large number that is why he was asking about the history of the increases. Councilman Romano stated he has been here six years and Councilwoman Kuncken has been here for quite a while. Councilman Wronko stated based on that should the governing body try to get ahead of things and communicate this to the public. Councilman Romano stated the community absolutely needs to know. Councilwoman Kuncken stated a decision has to be made, and Councilman Romano is absolutely right that the real focus is the debt paydown. Each council member needs to determine their philosophy about debt. The Borough has always prided itself on being below the 2% cap and we did it for years but our auditor has been telling us for the past several years that more has to be paid down on the debt. What happens with the ten-year bond anticipation notes, some fall off but we keep adding new bond issues so we are not making the headway. Councilman Romano stated the CFO stated at yesterday's meeting that she wants to be able to take a tenth off of each note that we have coming due and she cannot. Councilman Wronko stated he is not disagreeing. His question is different. As a resident that is quite a jump and he is of the opinion that if we can proactively get ahead of things to determine how we can communicate this to avoid the situation like what happened with the zoning where the whole town showed up all upset. This needs to be explained in a real intelligent way to state there is an increase and this is why. No one is hiding anything and this needs to be done to keep the town running and this is based on the advice of the auditors. Mayor Zdichocki stated this is why a hearing is held for the budget. Councilman Thornton stated in his opinion it is difficult to put these numbers in front of the council tonight and he hopes this is the beginning of the discussions. Councilman Thornton stated he is not comfortable voting on any of these scenarios tonight. Councilwoman Kuncken stated they anticipated that and, as you know, we tried to give a little bit of a heads up but we literally just finished working on this yesterday. Four meetings have been held which included two and a half hours yesterday and a lot of time and effort has been put into this. Councilwoman Kuncken stated she agrees with Councilman Thornton that the governing body agreed a long time ago that things would not be voted on which were just put before us so we understand and as Administrator McNeilly stated earlier we are looking at the date of March 10th as the introduction date. If we are not ready by March 10th, there is still time. This was a lot of information for us and we realize this is the first time you are seeing this. This is a tough decision. Councilman Cipollini asked if the scenarios have been run by the auditor. Mayor Zdichocki stated the CFO did speak to the auditor today.

At this time Mayor Zdichocki invited Dana Mooney, CFO, to come forward to discuss the budget. Ms. Mooney stated she has been in contact with Ray Sarinelli, Sr. who is partially retired but still working and she has spoken with Ray Sarinelli, Jr. often over the past week. This debt service, not the salary, is going to be the issue but it is to the point where a decision has to be made in how to go forward. This is not going to continue at this rate. In essence a new base will be set so that next year you will not see a dramatic increase but we have to start somewhere. Ms. Mooney stated last year she tried to paydown the debt and she cannot do it. If \$350,000 is paid down and then \$350,000 is taken out it might be ok but that is not how it always happens. There are emergencies and we are trying to get infrastructure straightened out. If it does not happen things will get worse. Councilman Thornton asked Ms. Mooney if what she is saying is that the municipal levy has not been enough over the past few years. Ms. Mooney stated there were years where it was kept below 1% and it has caught up with us. Councilwoman Kuncken stated that Mr. Sarinelli had mentioned to the governing body that one day this day might come. In the budget preparations the governing body was always very mindful of the taxpayer and we did the very best we could to keep the tax levy as low as we could, but what we were doing in essence was treading water as far as the debt payment. Keeping up the infrastructure has been very important to us and we want to continue to be able to do that. Having done that for a number of years we are reaching the point where we have three or four years left. Ms. Mooney stated we thought this would be avoided by going to long term funding but what we found was that some of our existing debt did not have a long enough life to make the bonding possible. Councilman Thornton stated discussions have been held over the past few years about using long term bonding. Councilman Thornton again asked Ms. Mooney if the municipal levy has not been enough for the past few years. Ms. Mooney stated the Bond Attorney met with them last year and it was not until that time that it was determined that we could not do what we had planned. Councilman Wronko stated it sounds like this is two separate things.

Administrator McNeilly stated the conversation sounds very doom and gloom. In the term of Stanhope's way of doing things, yes, but in the real-world way of doing things we are not even close. We are talking about a short-term financing aspect which needs an adjustment. We are not going bankrupt. We are paying debt, treading water. It is not bad and it is not good. When you buy something that has a ten- or fifteen-year life cycle, you should pay for it over ten years because year nine will get as much use out of it as year one. We are hopeful of having our ten-year bond anticipation notes (BANS) paid for and a good timeframe is five or six years. Some of the lifecycles

of those BANS are approaching eight or nine years. There can be different reasons for that. There were some years where more than the \$300,000 or \$310,000 was borrowed. A year and a half ago the Borough had to buy a fire truck. It happens every ten years. Now there is a large number that is exceeding your debt payment and it has to be accounted for. The long-term financing is not an option because these items are not going to live long enough to qualify and even if the building is added to the discussion, it only brings it to fourteen years which is not enough to go through the process. It would cost \$35,000 to get a Dun & Bradstreet rating and putting the bid on the street \$30,000. We do not have to go through this by staying with short term financing. Lots of towns carry long term financing, we do not. We are just calling out an adjustment which would take us from \$310,000 with an option to go to \$350,000 or to \$400,000. The financial advisor is always going to lean toward the conservative side. The \$400,000 gets the Borough to where it should be and \$350,000 gets the Borough kind of where it should be. Councilman Wronko asked, if to Councilman Thornton's point, does the Borough consistently exceed the levy to a large enough amount to where this will be a problem again in the future. Administrator McNeilly stated there was a year where a small amount was bonded and extra money was applied to the paydown. But there have been a couple years which were heavier than the bond paydown and now the amount should be raised to at least \$350,000. Councilman Romano stated the governing body is very good at budgeting but this is not a budget issue. There is nothing extravagant in the budget at all. We are talking about basic services that people in this community have come to expect. Our roads are better than any others locally, garbage and recycling is picked up, police protection is provided and it is being provided at a fair rate for what we are paying. Councilman Romano stated he does not want to raise taxes or the levy and he does not want to pay anymore himself.

Councilman Thornton stated this conversation takes place every year and he is shocked at the amount which is the reason for his question all along with the various tax levies. Five out of the seven governing body members have worked very hard on the budget and thought we were in line and to sit here tonight and find out that we are not is a little shocking. Administrator McNeilly stated there was a question that came out of the last two budget meetings concerning where do we go from here. You cannot cut your way out of the situation. It has been tried. We can tread water but we will not get ahead of it. The Borough needs ratables. Councilman Thornton stated that was his point in comparing Stanhope to Franklin. Franklin has a more commercial ratable base and is not a fair comparison. Councilman Romano stated they were comparing salaries. Administrator McNeilly stated we should always look toward Branchville, Ogdensburg, Franklin and Hamburg. There are two incremental steps to choose from. Councilman Thornton asked if we choose to go with \$350,000 will we be having this conversation again next year. Administrator McNeilly stated this will become the new number. The \$400,000 choice makes everyone happy from a financial aspect but the decision has to be made from a political standpoint but the \$310,000 is not viable. Councilwoman Kuncken stated if you look at the sheet which lists the 3.5% raise with the \$400,000 and the sheet with the 3.5% raise and the \$350,000 and look down at the tax levy that is where our focus is. The levy is 1.88 with the \$350,000 down and it is 3.25 with the \$400,000 down. With the \$400,000 we will be exceeding the 2% cap. Councilman Cipollini stated, going with Councilman Thornton's point, if we have not been incrementally increasing the debt paydown over the years with the 2% now we have to pay the piper with the big jump. Paying interest is worthless because you are not buying anything. Councilman Cipollini is of the opinion that paying with today's dollars is better than tomorrow's dollars and a balloon. Can we bring it up half way this year and do it again next year or should we bring it up three quarters and leave it there? Councilman Romano stated \$350,000 is half way. Administrator McNeilly stated the amount last year was \$310,000. Councilman Cipollini asked what happens if it is brought up to the 2% cap. Councilman Wronko stated that brings it to approximately \$375,000. Administrator McNeilly stated the reason long term funding was originally discussed was due to concern that the interest rates for the short-term funding would be increasing and that did not occur. Ms. Mooney stated the short-term rates are actually better than the long-term rates now. Administrator McNeilly stated by doing nothing this actually benefitted the Borough. The percentages are low. Councilman Romano stated there is room in the Cap bank. Ms. Mooney stated that is not an issue and because it is capital there is no penalty. If you are paying down any kind of debt or putting into capital expenses they are excluded. There is no bad consequence to this except that the tax increase. Councilman Cipollini stated to put this into perspective this increase is only a third of the taxes. Administrator McNeilly stated it is 28%. Councilwoman Kuncken stated the unknown is the amount from the county and the schools. Councilman Cipollini stated if their auditors are advising them in the same way it could be a big hit. Councilwoman Kuncken stated the school budget is much different. It is not the same kind of budget. Councilman Riccardi asked what will happen if we do nothing. Administrator McNeilly stated he does not want to pin the CFO down on that but he wants the governing body to know they should not go there. The issue needs to be addressed. By doing nothing road projects will be off lined, vehicles will be moved to 15 years instead of 10 years and you will get into the

cycle that occurred during the mid-70's to early 2000's where a road was not paved unless 100% financing is received. Mayor Zdichocki stated these numbers were discussed last year with the auditor and he is paid to give us the best scenario. Administrator McNeilly stated whatever decision is made the number will remain going forward. Ms. Mooney stated you will not be able to handle the big swings when a truck has to be replaced. Currently the notes total, before the new projects which have already been approved and are about to bond, is \$3,229,000 and the interest is at 2%. There were two short term notes from last year because we thought we were going to bond and we did not. If \$310,000 is paid, that is not even one tenth of the amount. It kept getting cut back and we cannot do it anymore. In 2018 we bonded \$1,328,000. That cannot be done and then expect to be solvent. Councilman Wronko asked if a projection can be made to account for certain equipment over the next three to five years. Administrator McNeilly stated vehicle replacement is fairly solid. The general capital for the mason dump was only \$28,000 and it is a sizable vehicle that is split up over three areas. Fire trucks are a big item which occurs every ten years. When there is capital discussion the floor has to be at \$350,000. Road projects always add into the amount. Administrator McNeilly stated to maintain, the money can only come by expanding the ratables or collecting taxes or do less projects. Councilman Wronko stated if we are at 3.88 to catch up then next year we should be at 1.8 or 2. Administrator McNeilly stated there are two sides to that too. That kind of budget provides for a larger debt payment to take out the peaks and valleys. If a budget ends up with money left over, and we do not over spend on anything, later it drops into the surplus which can then be utilized for debt payment. Last year we put back a quarter of a million dollars.

Councilwoman Kuncken stated the governing body should take the information received tonight and review it. Ask any questions that come up and this will need to be discussed again. Mayor Zdichocki stated unfortunately everyone cannot attend a finance meeting where it would be a lot easier to explain and it is a lot to take in. None of us want to see taxes go up, we all live here. We are doing our best to keep the taxes down but we have to look to the years to come. Councilman Cipollini asked if other scenarios were reviewed such as spreading this out over three years. Administrator McNeilly stated it is the rolling 10 years that is the problem. Ms. Mooney stated we have 2010 debt that has to be cleared out. It is not a large amount of debt but subsequent years are. The current debt is \$3,565,000 which has been authorized. This will have to start to be paid down next year and \$350,000 is not a tenth of that. Councilman Riccardi asked if there is an amount being dropped into surplus this year. Ms. Mooney stated at the beginning of last year it was \$1,722,333 and it is down \$15,000. Administrator McNeilly asked what the excess is from the 2017 budget. Ms. Mooney stated the surplus did not completely regenerate. We are starting this year with \$1,707,000. There was a lot interest last year and unfortunately, we will not have it this year because the interest rate has already dropped as of February. There has been a decrease in municipal court receipts. This is not a big revenue but it does not look like it is changing. The same amount of surplus from last year is being used. Part of the reason being that last year we saw a little bit of a bump. The bump is being used again even though we did not have it. Ms. Mooney stated if the governing body would like a debt analysis the auditor could provide that. The financial statement is nearly complete. The governing body agreed the analysis would be helpful. Councilman Riccardi asked the Finance Committee if more information is available for the other options which were suggested. Administrator McNeilly asked Ms. Mooney to provide an email format with the information for the \$350,000 options with same percentages. Councilwoman Kuncken stated the Finance Committee would like to thank everyone. The information was being provided to the council members as quickly as possible. Mayor Zdichocki stated this information has been provided but the council members are certainly encouraged to ask any additional questions. Ms. Mooney stated she will be happy to answer any questions. Mayor Zdichocki thanked Ms. Mooney for her time and work on the budget.

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 051-20

**RESOLUTION AUTHORIZING STANHOPE HOSE CO. #1
TO CONDUCT A BUCKET DROP**

WHEREAS, Stanhope Hose Company No. 1 has indicated a desire to hold a “Bucket Drop” July 2nd to and including July 5th, 2020, within the hours of 8:00 am to 8:00 pm, at the intersection of State Rt. 183 and CR 602 in the Borough of Stanhope and on Linden Avenue from State Route 183 to McKinley Street; and

WHEREAS, should the weather be inclement, the following rain dates and times will be utilized instead, at the same locations: July 10th to and including July 12th, 2020 within the hours of 8:00 a.m. to 8:00 p.m. at the same locations; and

WHEREAS, Fire Department personnel are to be stationed at the above-mentioned location and all collections shall be done in a manner as to not impede the flow of traffic at any time, pursuant to the Traffic Safety Plan; and

WHEREAS, the Borough directs the Chief of Police to sign the NJDOT application for a charitable solicitation permit and to monitor compliance of the Traffic Safety Plan as necessary; and

WHEREAS, Fire Department members shall wear safety vests and traffic safety setup in shall conform with the “Manual on Uniform Traffic Control”; and

WHEREAS, N.J.A.C. 16:40-3.1 et seq. requires charitable organizations to obtain approval of the Commissioner of Transportation before soliciting contributions within State highways and County Freeholder approval for county highways.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the Borough of Stanhope, in the County of Sussex, State of New Jersey hereby approves the Stanhope Hose Company No. 1’s request to hold a “Bucket Drop” on July 2nd to and including July 5th, 2020, within the hours of 8:00am to 8:00pm, at the intersection of State Rt. 183 and CR 602 in the Borough of Stanhope and on Linden Avenue from State Route 183 to McKinley Street, and rain dates of July 10th to and including July 12th, 2020 within the hours of 8:00 a.m. to 8:00 p.m. at the same locations, per the Traffic Safety Plan and subject to obtaining approval of the Sussex County Board of Chosen Freeholders and a charitable solicitation permit from the New Jersey State Department of Transportation.

Resolution 052-20

**RESOLUTION AUTHORIZING THE STANHOPE POLICE
DEPARTMENT TO ENTER INTO AN ACCESS
AGREEMENT WITH RING, LLC TO OBTAIN ACCESS TO
THEIR NEIGHBORS PORTAL**

WHEREAS, the Stanhope Police Department desires to enter into an Access Agreement with Ring, LLC, in order to access the Neighbors Portal on Ring; and

WHEREAS, the Neighbors Portal is to be used by the Stanhope Police Department to share real-time crime and safety alerts for public safety; and

WHEREAS, the Borough approves the \$30.00 per year cost associated with the Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Borough of Stanhope authorizes the Stanhope Police Department to enter into the Access Agreement with Ring, LLC.

Resolution 053-20

**RESOLUTION AUTHORIZING THE TRANSFER OF
OWNERSHIP OF A 1980 GMC BRUSH TRUCK FROM
THE BOROUGH OF STANHOPE TO STANHOPE HOSE
COMPANY #1**

WHEREAS, A 1980 GMC Brush Truck was originally purchased by the Stanhope Hose Company #1 after raising funds for the purchase and then was donated to the Borough of Stanhope for the Borough’s use; and

WHEREAS, the Stanhope Hose Company #1 is a non-profit corporation that provides first response and ambulance services to the residents of the Borough of Stanhope; and

WHEREAS, N.J.S.A. 40:5-2 authorizes the Borough to make annual contributions to Stanhope Hose Company #1 and the Borough desires to donate this vehicle for an estimated value of \$7,500.00; and

WHEREAS, the Borough now wishes to transfer ownership of the 1980 GMC Brush Truck (ID# TKM33 AB513 342) to the Stanhope Hose Company #1; and

WHEREAS, Stanhope Hose Company has agreed that they will be responsible for all costs associated with the maintenance, insurance, and upkeep of the vehicle; and

WHEREAS, Stanhope Hose Company will set no restrictions as to the use of the vehicle and will determine the future of the vehicle as it sees fit; and

WHEREAS, the parties agree it is in the best interest of all concerned for Stanhope Hose Company #1 to take ownership of the vehicle and maintain insurance on it.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Stanhope that title to the 1980 GMC Brush Truck shall be transferred from the Borough to Stanhope Hose Company #1; and

BE IT FURTHER RESOLVED that the Mayor and Council of the Borough of Stanhope hereby agrees to the transfer of title to the aforementioned vehicle identified in this resolution, subject to the understanding that in the event that Stanhope Hose Company #1 ever dissolves for any reason, the vehicle, or the monetary value of same, shall be returned to the municipality; and

BE IT FURTHER RESOLVED that the Mayor, Administrator and Clerk are authorized to sign the documents necessary to transfer title to the vehicles to Stanhope Hose Company #1.

Resolution 054-20

**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. 2019-007, representing 2018 property taxes and/or utility charges on Block 11303, Lot 7, known as 15 New St, assessed to Ianetti, Valentino A G Jr, and;

WHEREAS, the redemption of the lien was made prior to the issuance of the Tax Sale Certificate, and therefore requires no Search or Recording fees, 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:	Pro Cap 8, LLC. US Bank Cust for Pro Cap 8 2500 McClellan Ave, Suite 200 Pennsauken, NJ 08109
Redemption Amount:	Tax Title Lien #2019-007 and Interest to Date of Meeting \$ 3,170.36 Premium Paid by Lienholder <u>200.00</u>
Total From Current Fund:	\$ 3,170.36
Total From Tax Premium Account	200.00

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.

Resolution 055-20

RESOLUTION AUTHORIZING REFUND FOR OVERPAYMENT OF TAXES

WHEREAS, the property was sold in October 2019, and both the former homeowner’s bank and the new homeowner’s bank made payment of the 4th Quarter 2019 property taxes, creating an overpayment of taxes on this property; and

WHEREAS, the title agency for the current homeowners has requested a refund of the overpaid taxes for proper credit of the overpayment.

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

Refund Address Information:

Allied Title LLC
Attn: Rachel Klippel
360 Route 24
Chester, New Jersey 07930

Homeowner Information:

Block	Lot	Qual	Name & Address	Tax Year	Amount
11603	5		Evelyn Velez & Aldony Fernandez 9 James Street Stanhope, New Jersey 07874	2019	\$2,707.54

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

Roll Call:

Councilman Cipollini – yes	Councilman Romano - yes
Councilwoman Kuncken – yes	Councilman Thornton – yes
Councilman Riccardi – yes	Councilman Wronko - yes

Mayor’s Appointments

Resolution 056-20

MAYOR’S APPOINTMENTS TO COUNCIL COMMITTEES WITH COUNCIL CONCURRENCE

BE IT RESOLVED by the Council that they do hereby concur with the Mayor's appointments to fill the vacancies in the following Council Committees for the year 2020:

Community Development Chair:	Eugene Wronko
Infrastructure Member:	Eugene Wronko

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Stanhope, County of Sussex, State of New Jersey that they do hereby concur with the Mayor’s appointments above noted for the year 2020.

On motion by Councilman Wronko, seconded by Councilman Thornton and unanimously carried by voice vote, the foregoing resolution was duly adopted.

Resolution 057-20

MAYOR’S APPOINTMENT OF DPW LABORER KYLE BOYLAN WITH COUNCIL CONCURRENCE

BE IT RESOLVED by the Council of the Borough of Stanhope that they do hereby concur with the Mayor’s appointment of Kyle Boylan as DPW Laborer effective February 11th, 2020 with a start date of February 27th, 2020 at the annual salary of \$44,646 to be pro-rated in CY2020, and in accordance with the provisions of the current DPW Collective Bargaining Unit’s contract.

BE IT FURTHER RESOLVED that said appointment and offer of employment shall be subject to the candidate passing a pre-employment physical examination, drug testing, criminal background check and licensing verification, where appropriate.

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

PAYMENT OF BILLS

Resolution 058-20

RESOLUTION OF THE MAYOR AND COUNCIL OF THE BOROUGH OF STANHOPE AUTHORIZING PAYMENT OF BILLS

WHEREAS, the Chief Finance Officer has certified that funds are available in the proper account; and

WHEREAS, the Chief Finance Officer has approved payment upon certification from the Borough Department Heads that the goods and/or services have been rendered to the Borough;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Stanhope that the current bills list, dated February 11, 2020 and on file and available for public inspection in the Office of the Chief Finance Officer and approved by the Chief Finance Officer for payment, be paid.

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

Roll Call:

Councilman Cipollini – yes	Councilman Romano - yes
Councilwoman Kuncken – yes	Councilman Thornton – yes
Councilman Riccardi – yes	Councilman Wronko - yes

AGENDA ITEMS

All items listed on the Agenda for February 25, 2020 were approved.

CITIZEN’S TO BE HEARD

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

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

ADJOURNMENT

On motion by Councilman Romano, seconded by Councilman Riccardi, and unanimously carried by voice vote the meeting was adjourned at 8:35 P.M.

Approved:

Linda Chirip
Deputy Clerk for
Ellen Horak, RMC
Borough Clerk