

**WORKSHOP MEETING
OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF LITTLE FALLS WAS
HELD THIS EVENING IN THE MUNICIPAL BUILDING**

Monday, March 11, 2019

Council President Anthony Sgobba called the meeting to order at 7:00 p.m. with the following members present: Maria Cordonnier, Albert Kahwaty, Tanya Seber, and Chris Vancheri. Also present were Mayor James Damiano, Township Attorney Joe Wenzel, Township Administrator Charles Cuccia, Municipal Clerk Cynthia Kraus, and Township Auditor Steve Wielkotz.

Absent: Township Engineer.

Township Employees present: Police Chief Steve Post, DPW Superintendent Phillip Simone, Fire Chief Jack Sweezy.

SALUTE TO THE FLAG – Following the Salute to the Flag, Council President SGOBBA requested a moment of silence to pay respect to the passing of Township Engineer Woodney Christophe.

STATEMENT OF PUBLIC NOTICE: Take notice that adequate notice of this meeting has been provided in accordance with N.J.S.A. 10:4-10 as follows: A notice of the meeting was prominently posted on the bulletin board at the Municipal Building, located at 225 Main Street, Little Falls, N.J. on January 2, 2019. A copy of the notice was faxed to the North Jersey Herald and News and The Record on the same date. Additionally, a copy of the notice was filed in the office of the Township Clerk on said date.

SUNSHINE WEEK PROCLAMATION – At this time, Mayor Damiano read the Sunshine Week Proclamation.

NATIONAL NUTRITION MONTH PROCLAMATION – Mayor Damiano then read the Proclamation recognizing the month of March in Little Falls as National Nutrition Month and presented the Proclamation to representatives from Little Falls Shoprite.

PUBLIC HEARING – NJDEP GRANT APPLICATION FOR GREEN ACRES LAND ACQUISITION & PARK DEVELOPMENT PROGRAM – DUVA FIELD IMPROVEMENTS – Mayor Damiano explained the Township is eligible for up to \$500,000 to offset the cost of adding turf to Duva field.

It was moved by Councilmember Kahwaty, seconded by Councilmember Seber to open the public hearing with regard to the NJDEP grant application.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
 Nays: None

The Council President declared the motion passed.

Patricia Toomey, 139 Wilmore Road, questioned whether a similar grant could be pursued for the Peckman Preserve. Councilmember CORDONNIER agreed with Ms. Toomey that the reserve is valuable space, stated she will work to find a resolution, and noted she has discussed methods to improve the area with the County. Mr. Simone explained the sediment from the Peckman has to de-water and be tested before it is disposed of and that he is currently waiting for a testing company to come in.

It was moved by Councilmember Kahwaty, seconded by Councilmember Vancheri, that the public hearing be closed.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
 Nays: None

The Council President declared the motion passed.

2019 BUDGET PRESENTATION

Mr. Cuccia described the budget process, providing details and definitions of the cap on appropriations and levy, revenue and appropriations, transfers, emergency funds, audits, the tax rate and statutory requirements.

Mayor Damiano then provided an overview of the 2019 Municipal Budget which included highlights of the revenues, appropriations, debts and the tax rates. Mayor Damiano then opened the floor for questions on the 2019 Budget.

Renea Shapiro, 48 Walnut Street, questioned whether the capital budget would include air conditioning at the Recreation Center, improvements at the Civic Center, and repairs for the Morris Canal. Mayor Damiano stated air conditioning is included in the Recreation Center budget, repairs for the Morris Canal fall under the DPW, and ADA improvements are planned for the Civic Center.

Council President SGOBBA commented on the good news that the Township's debt service will be reduced.

It was moved by Councilmember Cordonnier, seconded by Councilmember Kahwaty to approve the following:

Meeting of March 11, 2019

Increase in Deferred School Taxes

**TOWNSHIP OF LITTLE FALLS
RESOLUTION [A] 19-03-11 – #1
AUTHORIZING INCREASE IN DEFERRED SCHOOL TAXES FOR LOCAL AND SCHOOL
AND REGIONAL HIGH SCHOOL TAXES**

WHEREAS, the Division of Local Government Services requires that the Governing Body of any municipality which has Deferred School Taxes must authorize any increase in the deferral of any amounts; and

WHEREAS, the Governing Body has decided that an increase in Deferred School Taxes is in the best interest of the Township of Little Falls at this time;

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body that the following Deferred School Taxes be hereby increased for the year ended December 31, 2018 as follows:

	<u>Deferred Regional High School Taxes</u>
Amount Deferred 12/31/17	\$3,766,497.00
Amount Deferred 12/31/18	<u>\$3,606,047.48</u>

BE IT FURTHER RESOLVED, by the Governing Body that a certified copy of this resolution be filed with the Director of the Division of Local Government Services.

2019 Municipal Budget

**TOWNSHIP OF LITTLE FALLS
PASSAIC COUNTY, NEW JERSEY
RESOLUTION [B] 19-03-11 - #2**

Re: Introduction of 2019 Budget

BE IT RESOLVED, that the following statements of revenues and appropriations attached hereto constitute the local Budget of the Township of Little Falls, Passaic County, New Jersey for the year 2019.

BE IT FURTHER RESOLVED, that the said budget be published in the Herald News in the issue of March 18, 2019, and that a hearing on the Budget will be held at the Municipal Building on April 22, 2019 at 7:00 o'clock (P.M.) or as soon thereafter as the matter may be reached.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
Nays: None

The Council President declared the motion passed.

NEW BUSINESS

Ordinance No. 1348-It was moved by Councilmember Kahwaty, seconded by Councilmember Seber, that there be introduced and the meeting of April 22, 2019 set as the date for the public hearing of the following:

**ORDINANCE NO. 1348
TOWNSHIP OF LITTLE FALLS
CALENDAR YEAR 2019
ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK
(N.J.S.A. 40A-4-45.14)**

WHEREAS, the Local Government Cap Law, N.J.S. 40A:4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget to 2.5% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and,

WHEREAS, N.J.S.A. 40A:4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and,

WHEREAS, the Township Council of the Township of Little Falls in the County of Passaic finds its advisable and necessary to increase its CY 2019 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,

WHEREAS, the Township Council hereby determines that a 1.0% increase in the budget for said year, amounting to \$128,052 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

WHEREAS, the Township Council hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.

NOW, THEREFORE BE IT ORDAINED, by the Township Council of the Township of Little Falls, in the County of Passaic, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2019 budget year, the final appropriations of the Township of Little Falls shall, in accordance with this ordinance and N.J.S.A. 40A:4-45.14, be increased by 3.5%, amounting to \$448,181 and that the CY 2019 municipal budget for the Township of Little Falls be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER ORDAINED, that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
Nays: None

The Council President declared the motion passed.

PUBLIC COMMENT – GENERAL MATTERS

It was moved by Councilmember Cordonnier, seconded by Councilmember Vancheri, that the meeting be and it was opened to the public.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
Nays: None

The Council President declared the motion passed.

Meeting of March 11, 2019

Bonnie Nolan, 31 Prospect Street, invited everyone to attend the Library's Family Fun Night on March 15, 2019 sponsored by the Library and Little Falls Biz. In response to Council President SGOBBA, Ms. Nolan stated the library doors have been functioning well, allowing those requiring mobility assistance easy egress.

Maryann Baggot, 78 Franklin Road, Denville, thanked the Council regarding her concern expressed at the December 10, 2018 Meeting regarding the restriping of Main Street and commented on the proposal to remove parking spots. Councilmember VANCHERI responded that it has been put on hold pending review and further discussion.

Andrew Baggot, 78 Franklin Road, Denville, requested access to the measurements in reference to Ordinance No. 1341. Council President SGOBBA stated the Ordinance would be reviewed by the Transportation Committee, and access to all information going forward will be made available. Mr. Wenzel reviewed the OPRA process to obtain the information requested.

Luis Fernandez, 54 Harrison Street, requested clarification on the reduction of Township debt. Council President SGOBBA explained the aim is to reduce the debt, however, a specific amount of reduction cannot be given at this time. Councilmember CORDONNIER discussed the accumulation of debt over the years, the depleted reserve fund, and the decision of the Mayor and Council to be conservative to build the reserve.

No one further having come forward to be heard, it was moved by Councilmember Vancheri, seconded by Councilmember Cordonnier, that the meeting be and it was closed to the public.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
 Nays: None

The Council President declared the motion passed.

ITEMS TO BE DISCUSSED:

MAYOR/ADMINISTRATOR:

1. TAX REFUND RESOLUTIONS – Mayor Damiano explained this item is a standard item on the Agenda. As properties are bought out through FEMA, taxes are refunded or cancelled.
2. PILOT PRESENTATION- in response to questions and concerns regarding PILOTs, the Mayor prepared a presentation on payment in lieu of taxes by reviewing in detail, N.J.S.A. 40A20-1. The Mayor provided an estimate of the Township and County's share of the payment, and emphasized that the schools receive 100% of the tax levy which will not change due to the PILOT program.

Luis Fernandez, 54 Harrison Street, requested clarification on the developer's decrease in taxes, to which Mayor Damiano stated it would be approximately \$150,000 a year. Mr. Fernandez also queried the amount each townhome and apartment would pay as well as the amount the average home in the Township would pay in taxes, to which the Mayor responded.

Andrew Baggot, Denville, expressed concerns over the PILOT program. Mayor Damiano responded with regard to how the PILOT program works and provides benefits to the property owner, developer and Township.

Bonnie Nolan, 31 Prospect Street, questioned how the Library's budget will be affected. The Mayor stated it will not have a negative impact on the Library and provided an explanation of equalized assessed value of the State and County.

Patricia Toomey, 139 Wilmore Road, stated she is in favor of the PILOT program. She questioned if it is a 10% PILOT and what the expected profit was to the developer. Mayor Damiano explained that it starts at 10% and increases about 1% over each year. The builder's profit largely depends on what price the townhomes are sold for, however, the estimated figures for the return on investment with the PILOT are between 7% and 8%.

Tom Kazmark, 100 Long Hill Road, queried how the taxes generated by the development would compensate for the lost taxes the Township experienced through FEMA buyouts, acquisition of route 46 properties, acquisition of properties by MSU, and the loss of Ward trucking. Mayor Damiano acknowledged the Township's ratable base dropped dramatically over the years, and noted that the redevelopment will get the Township back on track with about \$1.2 to \$1.3 million in additional revenues.

Stan Gulak, 71 Walnut Street, questioned whether inflation has been considered. Mayor Damiano explained how PILOTs work in relation to a return on investment figure. He elaborated as there is inflation and rents increase, the municipality receives a portion of that increase.

Renea Shapiro, 48 Walnut Street, questioned how many nontaxable properties exist in the Township, how many homes were lost, and how many were developed. The Mayor was not able to provide information on the number of nontaxable properties. He responded that 130 homes were lost to FEMA, and the number of homes that were developed were lower than the total number of homes that were lost. The total amount of property and value lost was \$35,750,000 to the municipality due to FEMA buyouts. If the townhomes are all sold for about \$500,000 each it will bring the Township over the \$50 million mark on those properties.

Councilmember VANCHERI questioned whether the Mayor's presentation could be put on the website so that the public can access the information. Mayor Damiano confirmed the presentation would be made available.

Council President SGOBBA discussed the impact in taxes that occurred due to the loss of the 130 homes and that redevelopment is important. Councilmember CORDONNIER questioned what amount of ratables were lost to Ward trucking, to which the Mayor did not have a figure available. The Mayor added that the PILOT the Township received was a different PILOT than the one currently presented.

Meeting of March 11, 2019

Renea Shapiro, referred to a study conducted on Ward trucking and MSU area that outlined the loss to the Township.

3. BIDS FOR THIRD PARTY BILLING SERVICES FOR EMS – Mayor Damiano stated the current contract for third party billing services is expiring, therefore the Township is required to go out to bid.

Councilmember KAHWATY addressed Ms. Shapiro’s query about properties that do not pay taxes, and requested that the type of properties that do not pay taxes be listed. Mr. Wenzel stated, generally, the types of property that are able to claim tax exemptions are religious institutions, civic organizations, public entities, schools, and county property within in the Township.

MUNICIPAL CLERK:

1. LIQUOR LICENSE RENEWAL – Mrs. Kraus explained that as the liquor license was inactive for several years, the licensee was required to apply for relief from the Director of Alcoholic Beverage Control in order to renew the license. The Township received approval from the State to move forward with the renewal, which will be presented on the March 25, 2019 Agenda.

ACTION ITEMS:

RESOLUTIONS

It was moved by Councilmember Cordonnier, seconded by Councilmember Vancheri, that the following be approved:

Bill List

RESOLUTION [A] 19-03-11 - #1

BE IT RESOLVED by the Township Council of the Township of Little Falls the Council having received the Treasurer’s certification of the availability of funds for payment of all bills presented, that payment of all bills approved by the Finance Committee be and is hereby authorized, subject to the availability of funds and subject to the appropriate and available appropriation in the line item.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
Nays: None

The Council President declared the motion passed.

COUNCIL TOPICS FOR DISCUSSION

Councilmember KAHWATY discussed the many events the Library holds, including the Green Fair, which will be held at the Civic Center on March 30, 2019 from 12:00 pm until 4:00 pm. The Prevention of Domestic Violence Committee convened last week and is planning a vigil later in the year.

Councilmember VANCHERI reported the Parade Committee is planning a free event in Memorial Park on May 24, 2019, which will feature the Passaic Valley High School band and an acapella group. The Transportation Committee will convene next week.

Councilmember CORDONNIER announced that instead of convening in March, the Open Space Committee plans to visit two Essex County parks to brainstorm ideas for playground equipment for Memorial Park. She recently met with the new Library Director and was impressed with the variety and amount of activities developed. Councilmember CORDONNIER encouraged everyone to attend the upcoming Green Fair.

Councilmember SEBER announced the Library Board will meet this week and the Municipal Alliance is scheduled to convene next Thursday.

Council President SGOBBA announced that prior to the meeting the Council, Mayor, Mr. Cuccia and Mrs. Kraus met with the insurance representative to review regulations on compliance.

PUBLIC COMMENT – AGENDA ITEMS ONLY

It was moved by Councilmember Vancheri, seconded by Councilmember Seber, that the meeting be and it was opened to the public.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
Nays: None

The Council President declared the motion passed.

Luis Fernandez, 54 Harrison Street, commented on the temperature of the room.

No one further having come forward to be heard, it was moved by Councilmember Seber, seconded by Councilmember Vancheri, that the meeting be and it was closed to the public.

Poll: Ayes: Cordonnier, Kahwaty, Seber, Vancheri, and Council President Sgobba
Nays: None

The Council President declared the motion passed.

Meeting of March 11, 2019

There being no further business to come before the meeting, it was moved by Councilmember Kahwaty, seconded by Councilmember Vancheri, that the meeting be and it was adjourned at 8:36 p.m.

Cynthia Kraus
Municipal Clerk