

A special meeting of the East Amwell Township Committee came to order at 7:30 PM. Present were Mayor Dart Sageser, Deputy Mayor David Wang-Iverson, and Committee members Tim Mathews, Charles Van Horn, and Peter Miller. Township Administrator Timothy Matheny was also in attendance.

In compliance with the Open Public Meetings Act, a copy of notice of this meeting was filed in the Clerk's Office, posted on the bulletin board, and sent to the Hunterdon County Democrat, Times of Trenton, and Star Ledger on June 15, 2014, and published in the Hunterdon County Democrat on June 19, 2014. The purpose of this meeting is to discuss the 2014 budget introduced on June 12, 2014.

The public is invited to attend and comment at the public portion only. Action may or may not be taken.

The meeting opened with the Pledge of Allegiance.

**DISCUSSION ON 2014 BUDGET**

Mayor Sageser explained that the meeting will involve further discussion on the budget that was introduced on June 12<sup>th</sup>.

Tax Assessor Marianne Busher was present to discuss the tax appeal for The Ridge at Back Book.

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**RESOLUTION # 90-14**

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

WHEREAS, East Amwell Township Committee is of the opinion that circumstances presently exist; and

WHEREAS, the governing body of the Township of East Amwell wishes to discuss potential litigation; and

WHEREAS, minutes will be kept and once the matter involving the confidentiality of the above no longer requires that confidentiality, then minutes can be made public;

NOW, THEREFORE, BE IT RESOLVED that the public be excluded from this meeting.

By Order of the Township Committee,

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Dart Sageser, Mayor

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Motion by Mr. Van Horn, seconded by Mr. Mathews, and carried unanimously to approve the resolution.

Executive session began at 7:31 p.m.

The regular meeting resumed at 7:55 p.m., and Ms. Busher left the meeting at this time.

Mayor Sageser recognized CFO Chris Hart in the audience, asking if the capital budget needed to be completed with the budget; Mr. Hart said that it was just a plan and could be done separately.

The Mayor asked if there were any updates to the budget in terms of adjustments or shifts in numbers; Mr. Hart said that there was an error with an employee's name in the worksheets, but

the state does not review these sheets.. The correction was made. Mr. Hart said that the budget is in balance, that there is no tax levy increase, all department requests were reviewed and fully funded. He added that the tub grinder was included in the road budget in the amount of \$9,400. Additionally, in the finance line, the Edmunds software system is fully funded. Mr. Hart explained that he was referring to the worksheets previously distributed to the Township Committee at the June 5<sup>th</sup> meeting.

Mr. Mathews referred to the state budget document, page 3F, asking for an explanation of “structural imbalance offsets.” Mr. Hart explained that the Township is required to explain revenues that may be at risk and which cannot be relied upon in the following year. As an example, one could list the open space reserve money, with debt service increasing and potential reduction of funds. If an item impinges on the budget so that the municipality cannot fund other items, it should be noted, i.e., the states likes to see an outline of 3 – 5 years of what is happening and an explanation of why the budget cannot be balanced. On a comment from Mr. Mathews, Mr. Hart said that in some cases, some categories may hit 2 to 3 boxes (i.e., revenues at risk, non-recurring current appropriations, future year appropriation income, and structural imbalance offsets). Mr. Mathews asked if a note should be included in the current budget about the increased use of open space funds; Mr. Hart said that he would have to call the State to see if this would be considered an amendment to the budget.

Mayor Sageser commented on not being clear on what percentage of money is taken from open space and how much from the general tax revenue is used for debt. Mr. Hart explained that for several years open space reserve has been used for open space debt service, and the question is whether it is sustainable or not; he commented on going into next year’s budget and whether it will impinge on the Township’s ability to expend funds. Mr. Mathews concluded that a four cent tax is not sufficient, and this has been exacerbated by the revaluation. He believed that it would be important, for transparency to the public, to make this information known, as long as the state does not have a procedural issue. Mr. Hart will ask the State. Mayor Sageser did not want to jeopardize the adoption of the budget on July 10, suggesting that a note could be included at adoption; he would, however, be interested in hearing the State’s answer. Mr. Hart again agreed to ask the State and agreed that a briefing at the adoption may be appropriate. Deputy Mayor Wang-Iverson noted that the Township was not in immediate risk, stating that the use of the funds should be addressed in 2015 and perhaps use less money from that fund next year.

Mr. Hart noted another example of a structural imbalance would be the continued use of the Capital Improvement Fund, having \$100,000 in the fund but using some; he cautioned that use of the fund has been “tremendous,” stating that the fund may not be available in the next couple of years.

Mayor Sageser asked why the Township could not list the anticipated revenue from the West Amwell Police, explaining that the contract started during the year after a hiatus with another organization. Mr. Hart said that the Township might be able to ask the State to let the Township anticipate the revenue, but he did not believe that expediting the inclusion would help the budget. Mayor Sageser also noted that the amount for the West Amwell (not Raritan) Police on page 22 of the budget should have read \$11,250, not \$15,000 for the services started during the year. The excess amount in this line item will probably go to surplus.

Mayor Sageser asked about the salary and wage listed for the Board of Adjustment on page 15, asking if the legal line item was increased for a specific case. It was explained that the salary and wage in that line item pertained to the Board of Adjustment Administrator and the Zoning Officer, not the attorney.

Mr. Mathews was advised that two typos on the first page of the budget presented on June 12 (spelling of his last name and term for Mr. Miller) were corrected before they were sent to the State. Mr. Mathews was also told that on page 3A, under N.J.S. 40A:4-87 budget appropriation pertained to the \$1,500 ANJEC grant received after the 2013 budget was adopted.

Deputy Mayor Wang-Iverson asked if the auditor had reviewed the budget. Mr. Hart said that the auditor gave his okay to introduce the budget. Mr. Hart did his due diligence and reviewed the numbers in the budget and was confident with the numbers in the document. He further commented on having the funds carry the Township through the end of the year, and he said that they would be talking about the 2015 budget in only a few short months.

Mayor Sageser asked to discuss the process on how to go out for bonding for road projects, recognizing DPW Superintendent Jason Silverthorn in the audience.

Mr. Silverthorn said that he spoke with the Mayor and the Administrator, but the engineer was not asked to attend the meeting tonight in order to keep expenses down; he was looking for direction from the governing body on how much money they wanted to expend for repairs. Mayor Sageser asked Mr. Hart about surveys on road conditions and whether these surveys could be covered in the bond or BAN. Mr. Hart referred to Section 20 costs as soft costs associated with the bond, which could be rolled into the bond.

Mayor Sageser asked about approving projects in a time frame that they could go out for bid in 2015-16; Mr. Silverthorn spoke about doing the work over 2 – 3 years, and having the contractor doing a majority of the work the first year to get a better overall price. He spoke about the five year plan previously developed over the years and looked at work that could be done in 3 years. Mr. Mathews asked about the capital budget included in the state budget document; he was told that the capital budget sheet was a planning tool and Mr. Silverthorn was looking at a specific sheet prepared by the engineer.

Mayor Sageser asked Mr. Hart about advice on how to structure the work with the most cost advantage. Mr. Hart spoke about having a consensus from the governing body on what will be bonded and what will stay in the budget. Either a bond or a note would be sought; he spoke about running numbers with all scenarios. Mr. Mathews added that he would like to see the scenarios, including, for example, \$1.5 Million for three years of work, what the outlay would be, the bond impact and overlay with open space debt and revenues and an impact statement from appropriations.

Mayor Sageser said that the engineer gave information on a 3-4 year repair schedule for some of the roads; Mr. Silverthorn added that the roads would get worse as time goes on. He asked that the Township Committee provide a figure that they would be willing to commit to for the repairs. Mr. Mathews spoke about a drop-off of debt in 2017 or 2018, suggesting starting the work with BANS and going to bonding with new debt as the previous debt decreases. Mr. Hart agreed that this was a good plan of action. Deputy Mayor Wang-Iverson said that the oldest bond would be completed in 2021, but there would be a drop in payments in 2018. Mr. Mathews again said that acquiring a \$1.5 – 2 Million Dollar bond after the older bonds have been addressed would be a good option.

Mayor Sageser commented on getting the work done earlier, suggesting that the numbers given were not inappropriate, and he believed that the roads should be kept in reasonable shape. Mr. Silverthorn said that a chip-seal program would help with the cracks and water penetration, but this would have to be paid out of the operating budget (not a capital expense).

Mr. Mathews asked about the work on Losey Road; Mr. Silverthorn explained that the work was done by hand with black top. Some discussion took place on chip-sealing (stone and oil) techniques and the ability to get the work done through the Hunterdon County Cooperative program. The cost for a chip-sealed road is \$24,000 per mile. Mr. Silverthorn explained that once a road is completed with an overlay, it should be chip-sealed every five years to extend the life of the road five more years. Mr. Silverthorn gave specific examples where the chip-seal helped a road and where the chip-seal would have been helpful.

Mr. Miller asked about the work done on Van Lieus Road as an example of a road that could benefit from chip seal; Mr. Silverthorn agreed that it would benefit this particular road, noting that the chip-seal would extend the life of the road and noting specific problems where the new and old sections meet and are subject to water and freeze damage. Mr. Silverthorn spoke about the engineer's recommendation for chip-sealing every five years to save the asphalt for a road life of 15 years plus.

Mr. Matheny explained that the choice for road repair is either chip seal or overlay. The DPW will do the base repair. With an application of 2 – 3 inches of overlay, the cost would be \$92,000 per mile as opposed to the \$24,000 per mile for chip seal. The issue is that the chip seal is not a capital project and has to come from the operating budget. Adding money to the

operating budget for chip sealing is a problem with the 2% cap, even if there are some funds that have been banked.

Mr. Silverthorn explained that the roads used to be dirt, and they used to be chip-sealed every year; the Township hasn't done it for many years, adding that Runyon Mill Road could have been saved if it had been done. On a question from the Mayor, Mr. Silverthorn explained that the County Cooperative uses a private contractor, and the Township tells the County how many miles that they want treated.

Mr. Hart agreed that he would look into how the Township might be able to get chip seal funding, since it was not a capital item with a specified life expectancy. Further comments were exchanged by the governing body on chip sealing and patching roads; Mr. Silverthorn noted that specialized equipment was needed to chip-seal and the DPW could not do the work.

Mayor Sageser concluded that it would be good to see what the best model would be to get work done, including having engineering done this year with the intent to bid next spring.

#### OPEN TO THE PUBLIC

Motion by Mr. Van Horn, seconded by Mr. Miller, and carried to open to the public for comments.

Frances Gavigan, 123 Wertsville Road, asked about draft minutes on the bulletin board which showed a .191 cent tax levy while it was said that the levy did not increase since last year. [For the record, Ms. Gavigan was looking at a draft figure early in budget discussions, not a final figure.] She asked how the rate could keep down in light of various appeals and a total valuation going down, mentioning a "\$788" adjustment to the levy. Mr. Hart, sitting in the audience, read from some paperwork and said that the rate was \$.184 cents with a basically flat rate. He also added that the average house is assessed at \$382,000. Ms. Gavigan wanted to make sure that people reading the budget would have a clear picture and not be surprised when they received the tax bill, adding comments about "spreading the [tax] load," the reduction of ratable by parks and charitable organizations who come off of revenues and having the tax adjustments paid by others, etc.

Ms. Gavigan commented on previous budgets having a tax rate included; some discussion took place on whether the state forms had changed. Mr. Mathews noted that the budget message used to be where the tax rate was mentioned; he suggested that the same format be followed this year when the message is completed.

Ms. Gavigan asked that the Agricultural Advisory Budget be changed to \$800 salary and wage and \$200 OE since the Committee is anticipating a program in September, and \$100 in OE is insufficient. Ms. Gavigan also believed that the Township Committee should restore more funding to the senior citizen's group, as previously requested by Bob Rowe. She commented on discussions about the number of East Amwell residents in the club and the fact that the outside members are a good offset for the group. She again recommended a partial increase of the \$2,000 that the club requested, noting that many seniors are on a fixed income and do not take advantage of other things in the municipality, such as trails.

Hal Young, from West Amwell, said that he was a Vice President of South County Soccer. He was here since Jim Sutton could not attend. He was here to speak about the soccer fields. Mayor Sageser said that this must pertain to the email string from Recreation Committee Chair Pete Fick. Although the Committee was copied on the email string, they did not see any money request associated with the work.

Mr. Mathews spoke about parties using the fields finding them to be deficient; he noted that the Recreation Committee was directed to look at policies and best practices and the assignment of responsibility to the Township, the soccer league and other parties.

Mr. Young said that he is working with Mr. Sutton as coaches of a new travel soccer league, and the fields at the school must be in good shape for the teams. He said that South County was grateful to be able to use the fields, and as a club, would raise money for weeding, seeding, additional mowing as needed, and lining. Nets and posts belong to South County. He added that

the well maintained fields also benefit the East Amwell School students. Mr. Young spoke about hiring professional coaches for the league, and he asked if there was anything that the Township could do to contribute.

Deputy Mayor Wang-Iverson asked how much money was needed to improve the fields; Mr. Young did not know, although the emails showed that the fields were assessed. He also commented on collecting \$85 per child to join the League as the basis of funds collected. He mentioned changing tax status in order to be able to fund-raise.

Further comments were exchanged about the level of maintenance needed for the field, who would be responsible, etc; Mr. Young explained that Hewitt fields (in West Amwell) could not be used for travel soccer since they are on a slope.

Mr. Mathews commented on having a representative from South County on the Recreation Committee and the fact that they were working with Hunterdon County and others on developing land near the 4H fairgrounds. He commented on the Recreation Committee being charged to develop a plan for the fields and report back to the governing body. Mayor Sageser agreed that the Recreation Committee was “point,” that Mr. Fick is “doing a great job getting input and a rationale for balancing the use of the fields,” and he believed that the Recreation Committee was close to getting recommendations. Mr. Mathews recommended that the League coaches speak with the Recreation Committee for more information and resolution to the matter. Mr. Young and Mr. Silverthorn (still in the audience) discussed mowing of the field by school staff.

Mr. Young thanked the Township Committee for their comments.

Motion by Deputy Mayor Wang-Iverson, seconded by Mr. Van Horn, and carried unanimously to close to the public.

#### VOLLEYBALL AT CLAWSON PARK

Mr. Van Horn reminded the Mayor that there was an item that he believed should have been on the agenda tonight, i.e., a request from the Recreation Committee to have volley ball games scheduled at Clawson Park. Mayor Sageser said that there was a history on the property about organized games, but Mr. Van Horn said that this would involve pick-up games with the Recreation Committee putting up a net and purchasing some items with money in their budget. Mr. Van Horn believed that the Clawson Park Advisory Committee would support the activities. He also believed that the activities would be monitored and would not involve insurance implications, although it was important to make sure that the games were covered by insurance. He stated that addressing this at the July 10<sup>th</sup> meeting would be too late for the “bunch of 8<sup>th</sup> graders who want to play by July 14<sup>th</sup>.”

Committee members exchanged comments with the feeling that this did not reach the level of organized games, which are not permitted in the ordinance. Mr. Miller suggested calling it a pilot program and letting it go.

Motion by Mr. Mathews, seconded by Mr. Van Horn, and carried unanimously, if an allowable use, to have a pilot program of volleyball at Clawson Park.

#### REQUEST FOR TAX REFUND/DISABLED VETERAN

The request from a veteran for consideration of refund of taxes from May 31, 2013, will be added to the July 10, 2014, agenda.

There being no further business, motion by Mr. Van Horn, seconded by Mr. Mathews, and carried to adjourn the meeting at 9:00 p.m.

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Teresa R. Stahl, RMC/CMC  
Municipal Clerk

