

**VERNON TOWNSHIP COUNCIL
REGULAR MEETING
August 14, 2008**

The Regular Meeting of the Township Council of the Township of Vernon was convened at 7:08 p.m. on Thursday, July 24, 2008 in the Vernon Municipal Center, Church Street, Vernon, New Jersey. There were 35 interested persons in attendance.

STATEMENT OF COMPLIANCE

Adequate notice of this meeting has been provided to the public and the press on January 2, 2008, by delivering to the press and posting at the Municipal Building a copy of the "Annual Notice of Meetings" pursuant to the provisions of the Open Public Meetings Act.

SALUTE TO THE FLAG

The Mayor led the assemblage in the salute to the flag, and asked for a moment of silence in memory of Robert Walsh, the township police officer who passed away on July 31st.

ROLL CALL OF MEMBERS

The roll call of members was taken and Glenn McLaughlin, Valerie Seufert, and Austin Carew answered the call. Also present were Melinda Carlton, Township Manager, and Michael Witt, Township Attorney. Councilmember Neil Desmond arrived at 7:37 p.m.

Let it be noted that Councilmember Rich Carson will call in his votes, via speaker phone for the council and assemblage to hear, on Resolutions 08-147 and 08-163. Prior to this, Mr. Carson will listen via speaker phone to any discussion of these two resolutions that takes place in Executive Session.

ITEMS FOR DISCUSSION ONLY

A. Presentations and Special Items

1. Beautification Committee – Sam Lewin

Mr. Lewin named the members of the Committee and said they were at the disposal of the community at any time. He said the Committee's purpose was to focus on "improvements that could be made to enhance the beauty of Vernon Township through strategic landscaping signage and through property maintenance." Mr. Lewin said the projects currently underway will be completed at little or no additional cost to the township. The initial projects will focus on the gateways to the township, through Vernon and McAfee, as well as the township's own properties. Specifically, he mentioned a "Welcome to Vernon Town Center" sign on Route 515, as travelers come down the hill into the township. Mr. Lewin said the sign is ready and he is working with Melinda Carlton and Lou Kneip, the township engineer, to get county approval to place the sign. The Committee has also identified eight locations for beautification and will review and award the sites to local landscapers and garden centers, based on proposals on how they

would landscape and maintain the site—at no cost to the township. A sign at each site, which would be consistent in appearance, would acknowledge each individual landscaper or garden center. Mr. Lewin asked for the council's support and endorsement of the Committee's work, as well as their consideration of new or revised ordinances specific to beautification. The same would apply to coordination of the Committee's recommendations with applications before the Planning and Zoning boards. Mr. Lewin also asked for the council's support in enforcing maintenance agreements with the county; he mentioned the detention basin near the A&P in particular, the area around which he said is in desperate need of mowing.

Mr. Lewin also said it would be nice for the township to have control of and consistency in signage, along the lines of Hilton Head, SC or Park City, UT. In Vernon, the state, the county, and the township have placed signage without evidence of a master plan. Melinda Carlton commended Mr. Lewin and his Committee, adding that a community's image can be "very subtle" but it's a window into the community's level of self-esteem.

Mayor Carew polled the council to see if they would agree to have Mr. Lewin solicit local 11 landscapers and garden centers with regard to the township's gateways. All in favor. Mr. Lewin also announced that the Beautification Committee meets the first and third Monday of the month, in the courtroom of the Municipal Building.

PUBLIC COMMENTS

Jessi Paladini, 17 Hummingbird Trail, Highland Lakes. Ms. Paladini complimented the council for putting the sewer issue, as well as the combination of the land-use boards, out for referendum. Mr. Witt clarified that the resolutions on for tonight ask the council *whether* it would like to put those questions out for referendum, and that nothing has been decided yet. Ms. Paladini asked for the rationale regarding the land-use question, and Mayor Carew explained it to her.

Ms. Paladini requested that the council consider placing the approved minutes from Executive Sessions on the township website. Mr. Witt reminded her that because the Executive Session minutes are approved doesn't necessarily mean they can be released; certain personnel issues, say, may be protected.

Ms. Paladini said earlier in the week she called five different offices in the municipal center to try to get the "proposed, new tax rate." She said not one person could tell her. Melinda Carlton wound up getting the new rate for Ms. Paladini, which Ms. Paladini said reflects a 10.4 percent increase—"one of the biggest increases we've seen in maybe 15, 20 years." Moreover, Ms. Paladini discussed the tax levy increase of 11.8 percent that Tom McClachrie brought up at the previous Town Council meeting. She said this, too, was one of the largest increases the municipality has seen in many years.

Ms. Paladini asked about the possibility of the Town Center designation expiring and how this could affect the township's ability to complete the project. Mayor Carew said the township has to do a plan endorsement, which is in the process of being completed. Also with regard to the Town Center, Ms. Paladini

asked who authorized the cost overrun for the retaining stone walls. Mayor Carew said these were part of the change orders that were not brought before the council, but that the township manager at the time, Don Teolis, approved the changes. Ms. Paladini asked what happened to the old stone that was used before the change to a different color stone, and Mr. Carew stated he did not know.

Discussion followed to the speed limits on Main Street, with regard to enforcement. Mr. Witt said the “posted” speed limit cannot be enforced; the speed survey has been completed and the Department of Public Works is getting the data together for the township engineer to review. The information will be submitted to the Department of Transportation as soon as it’s ready. Mr. Witt also discussed issues that are being corrected with regard to the traffic light on Main Street.

Mr. Paladini said she was vehemently opposed to the one page of coverage of Mountain Creek and Hidden Valley that appeared in a recent township newsletter. She does not feel taxpayer dollars should be spent to advertise the ski areas. Mayor Carew said the council would look into this.

In response to a question from Ms. Paladini, Mayor Carew said there is no township funding for the Beautification Committee.

Ms. Paladini and the council also discussed the Senior Center and who has jurisdiction over it and whether township employees should be paid to run it. She asked the council and Ms. Carlton to look into this, as it was her opinion that the township should not be involved in the operation and scheduling of the Senior Center.

Ms. Paladini also talked about the possible designation of the Board of Education Building on Route 515 as a historic landmark. She said the Historic Preservation Commission nominated this building for such status to the Vernon Planning Board months ago, but that the Board did nothing, in violation of a township ordinance. It has not voted on it, she said, adding that the building could be a “great welcome center” for the township.

Eloise Ruskin, 33 East Shore Drive, Vernon. Ms. Ruskin spoke out against the Metairie redevelopment project, saying Vernon does not fit the requirements for a redevelopment zone, which she stated is to give developers incentives—including tax incentives—to sell in areas that are otherwise “blighted.” She said she objects to the number of vacation-style units that are included in the redevelopment ordinance and the lack of age restrictions, which she believes could open the door to families and school-age children as permanent residents, despite the classification of the units as vacation units. This would put a strain on the township’s infrastructure. Moreover, Ms. Ruskin said these new residents would receive better tax rates than the permanent residences, a situation she described as “disgusting.”

Ms. Ruskin also mentioned land being added to the original area specified under the ordinance, as well as the allowance for a 10-story hotel. She said Vernon could have as many as six more hotels. Moreover, she said the size of the hotels could be in violation of the normal ridgeline restrictions that are in the

township's zoning ordinances. Ms. Ruskin said there is a lot of concern among the residents about these issues. Mayor Carew thanked Ms. Ruskin for her comments.

At this time, Mr. Carew asked the public to try to keep their comments to about five minutes if they possibly could, due to the number of people in the audience and the size of the agenda for this evening.

Rachel McCullough, general manager, Mountain Creek Waterpark. Ms. McCullough reiterated her comments made at previous Town Council meetings, explaining that Mountain Creek has a "great relationship" with the current township health inspectors and the company is very pleased with the way the inspectors partner with Mountain Creek and conduct their business. She added that she would really hate to see the inspectors go to the county. Mayor Carew thanked Ms. McCullough for her comments.

Craig Williams, Glenwood. Mr. Williams said he spoke previously about the Health Department transfer to the county. Months ago, he said someone proposed that the township contract for an independent review of the pluses and minuses of transferring the township health department to the county. Mr. Williams asked if this review was done. Mayor Carew said it was not, but that the Manager's Office conducted a thorough review. Mr. Williams was disappointed by this and said the transfer is not likely to be of ultimate benefit to Vernon in terms of control and accessibility. "I think we're losers in this," he added.

Joe Edore, 521 Muscoda Road, Highland Lakes. Mr. Edore asked why there were layoffs in the Health Department and Animal Control, yet the budget contained the salary for an assistant manager. Mayor Carew said this salary was left in the budget but it did not mean the position would necessarily be filled. However, Mr. Carew said the money should remain in the budget to avoid another unfortunate situation where the township clerk had to step in and run the town after the previous manager resigned and was later prosecuted.

Mr. Edore also spoke to the number of stray cats in the township, including a problem with them near his home. He said he contacted the Health Department and no one responded to his phone call. Mayor Carew asked Mr. Edore to contact the Manager's Office, to discuss the situation.

Thomas McClachrie, Vernon Taxpayers Association. Mr. McClachrie asked about resolution 08-141, in reference to waiving fees for the place-to-place transfer of a liquor license. Mr. Witt said we are waiving the fees because most of the property is located in a different township. Vernon Township could choose to apportion the fees associated with this license, Mr. Witt explained, but in this particular case it would cost more administratively to apportion the license than the town would take in.

Mr. McClachrie asked what would be accomplished by entering into an agreement with Metairie; Mayor Carew said the council has not yet discussed

this resolution, but the short answer would be that the agreement would allow Metairie to go forward with its plans to rehabilitate the Legends Hotel.

Mayor Carew explained to Mr. McClachrie that no public money is associated with the signage described in resolution 08-148.

Mr. McClachrie stated that his organization is in opposition to the possible acquisition of the United Water system described in resolution 08-163. He said that any spending over \$500,000 should be put to the voters by referendum, so the people can decide whether they want the township to go any deeper into debt.

Mr. McClachrie also mentioned townships that are looking to contract for law-enforcement services. He feels there should be a county force instead of each township having its own force. There could be some cost savings in this and Mayor Carew agreed.

John Rushert, Lake Panorama. Mr. Rushert appreciated having the health department here in the township and he expressed disappointment that it is moving to the county.

Gary Martinsen, Vernon. Mr. Martinsen mentioned the ethics law several meetings ago, with respect to misrepresentation of costs to taxpayers. He said this may have happened with the health department transfer and he cautioned the council against letting it happen again.

Dan Boltz, 3 Basswood Drive, Vernon. Mr. Boltz spoke to the dedication of the Animal Control and Health Department employees and said they appear to be the “first target” whenever budget cuts need to be considered. He said he doesn’t want to see Vernon become a “town without a heart.” Mayor Carew said the decision to move the Health Department to the county has been considered for several years now, by previous managers and councils. He said there will be a cost savings, “no question.” He further complimented the fine work of all of the individuals in the department, but said the transfer was the right thing to do for the township, despite it being a “tough, tough decision.” Mr. Boltz said he hoped the county would treat the transferred employees the way they should be treated, and Mayor Carew said he expected nothing less.

Gary Martinsen, Vernon. Mr. Martinsen wanted to recognize Julie Kolakowski from Animal Control for her help in getting the Town Council meeting minutes up to date, adding that Ms. Kolakowski will be one of the people being laid off at the end of August.

Mr. Martinsen added that there is a lot of money available in terms of state grants, such as for the police, EMTs, and computers. Mayor Carew asked Mr. Martinsen to get any of this information to Ms. Carlton.

EXECUTIVE SESSION

At 8:12 p.m., Mayor Carew made a motion to suspend the regular order of business and close the meeting to the public, to enter Executive Session for reasons of attorney-client privilege, contract negotiations, and personnel matters. The motion was seconded by Councilmember McLaughlin, with all in favor.

RESOLUTION

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

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

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Vernon, County of Sussex, State of New Jersey, as follows:

1. The public shall be excluded from discussion of and action upon the hereinafter specified subject matters.
2. The general nature of the subject matter to be discussed is as follows: attorney-client privilege, contract negotiations, and personnel matters.
3. It is anticipated at this time that the above-stated subject matter will be made public when deemed appropriate.
4. This resolution shall take effect immediately.

The meeting was reopened to the public at 10:14 p.m.

ITEMS FOR DISCUSSION ONLY

Presentation and Special Items

1. Discussion of Town Center Time Line Diagram --- Lou Kneip

Mr. Kneip said the council, once it has reviewed the time line, could refer questions to Ms. Carlton, who will consult with Mr. Kneip, if necessary.

2. Discussion of Remaining Main Street Improvements --- Lou Kneip

In reference to the United Water sewer hookups, Mr. Kneip said he spoke with United Water personnel recently, to get a clarification on why the TWA (Treatment Works Approval) was being held up. He was told that if the township purchases the sewer system, the issues with the sewer lines will go away because all of the sewers will be within the Vernon Township franchise area. If the township doesn't buy it, United Water would require an expansion of the sewer system franchise for Main Street; this is very similar to the water situation, Mr. Kneip, which is now outside of United Water's sewer service area. The council asked what would happen if we didn't purchase the sewer and water

systems, and Mr. Kneip said the township would effectively become a customer of United Water. Until the ownership issues are resolved, the TWA will not be endorsed for Mountain Creek. However, the township may be able to get the DEP review process started in the absence of a clear owner, Mr. Kneip said.

MANAGER'S REPORT

Ms. Carlton distributed a copy of the capital budget to each of the council members and asked them to follow along with her as she discussed the capital projects that either have been purchased or are in the process of being purchased. She then discussed several items in particular, among various departments, that have either been put out to bid or for which quotes have been requested. A line in the new budget is for "planning and design," which will be for renovations to the municipal building. Ms. Carlton may recommend an environmental assessment first before any design work is commenced.

With regard to the intersection of Route 517 and Maple Grange Road, Ms. Carlton said some permitting has been done and a bit of design work. Some design work has also begun on the Appalachian Trail parking lot and the canoe launch pads. Discussion with the DCA has begun with regard to the community building at Maple Grange Park and if the grant could be extended for one more year (it expires in 2009).

Designs for the crosswalk improvements at Breakneck Road are underway; the township is looking to get a combined price break on this project and one in Highland Lakes. It is hoped that these projects will be completed by the end of September. Mayor Carew asked about the Old Homestead Road intersection and Ms. Carlton said that there is "a great deal of research to do on that." There are lots of legal issues involved, she added.

Ms. Carlton updated the council on several other projects, including the McDermott site improvements and computer technology for the township. Further discussion followed to software specific to various municipal departments. Ms. Carlton said she expects the computer items to have a shelf life of at least five years, as required for costs of those items to be placed in the capital budget.

Mayor Carew asked about possible shared services for the Tax Collector's office, and Ms. Carlton said we're between tax collectors now and that she's not in favor of moving forward with that at this time.

Ms. Carlton said the department heads are aware of the need to make their capital purchases by the end of this year or risk having them cancelled. They will not be carried over unless there's extenuating circumstances of some kind.

A report was prepared with regard to Bill Costabile's issues with the township and Ms. Carlton asked the council to please read it as soon as possible.

The sign ordinance committee has been formed and Mr. Kneip said they would possibly meet within the next week.

Township Clerk Dennis Murray is writing the RFP for the forensic audit; Ms. Carlton said this would likely be an expensive project, and the township may

have to transfer some monies within the budget, with the council's permission, to pay for it.

Mayor Carew asked on behalf of the Environmental Commission with regard to an audit of the Open Space funds. Ms. Carlton said she would discuss this with Mr. Carew.

Ms. Carlton asked if the council had any opinion on attendance at the NJ League of Municipalities conference; she said most of the department heads, especially if they belong to organizations that meet at the conference, have put monies in their budgets to attend. Ms. Carlton said she would not approve all attendances if the council had any objection, and would be willing to put together a report showing all of the costs. Mayor Carew said attendance should be viewed in the context of whether a particular employee's attendance will have a "direct benefit" to the taxpayers, in terms of securing grants or similar funding.

Ms. Carlton gave an update on progress toward a four-day workweek. If the township decides to go in this direction, the public will be given advance notice. The council and Ms. Carlton discussed keeping the municipal offices open late one evening and offered possible ways to do that. Councilmember McLaughlin asked how much the township would save by going to a shorter workweek and Ms. Carlton said approximately \$30,000 a year.

A statement from Councilmember Carson was read into the record by Ms. Carlton, with reference to two tragic deaths in the township in recent weeks.

ATTORNEY'S REPORT

Mr. Witt stated that he had nothing further to report beyond that which he delivered in Executive Session.

ITEMS FOR ACTION

Approval of Minutes by Vote

The following minutes were presented for approval: Regular Meeting of July 24, 2008, and Executive Session of July 24, 2008.

A motion was made by Councilmember Desmond to approve the above minutes, which was seconded by Councilmember McLaughlin.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, abstain (was on vacation on July 24th); Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Consent Agenda (all items voted on concurrently)

Resolution#R08-151

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH HIDDEN VALLEY PROPERTY OWNERS ASSOCIATION FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Hidden Valley Property Owners Association for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$18,668.51.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-152

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH LAKE COMMUNITY PROPERTY OWNERS ASSOCIATION FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Lake Community Property Owners Association for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$86,233.76.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-153

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH LAKE WALKILL COMMUNITY FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Lake Wallkill for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$41,240.44.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-154

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH SCENIC LAKES COMMUNITY ASSOCIATION FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Scenic Lakes Community Association for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$40,307.01.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-155

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH LAKE POCHUNG OUTING ASSOCIATION FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Lake Pochung Outing Association for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$8,342.50.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-156

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH VILLAGE OF LAKE GLENWOOD FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Village of Lake Glenwood for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$14,849.95.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-157

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH WHISPERING WOODS HOMEOWNERS ASSOCIATION FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Whispering Woods Homeowners Association for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$2,969.99.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-158

AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH HIGHLAND LAKES COUNTRY CLUB & COMMUNITY ASSOCIATION

**FOR THE YEAR 2007, A QUALIFIED PRIVATE COMMUNITY AS DEFINED
BY N.J.S.A. 40:67-23.2.**

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Highland Lakes Country Club & Community Association for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$266,280.87.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-159

**AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK
TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH
LAKE PANORAMA COMMUNITY ASSOCIATION FOR THE YEAR 2007, A
QUALIFIED PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.**

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Lake Panorama Community Association for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$39,882.73.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution#R08-160

**AUTHORIZING AND DIRECTING THE MAYOR AND TOWNSHIP CLERK
TO SIGN A REIMBURSEMENT AGREEMENT N.J.S.A. 10:67-23.5 WITH
BLACK CREEK SANCTUARY FOR THE YEAR 2007, A QUALIFIED
PRIVATE COMMUNITY AS DEFINED BY N.J.S.A. 40:67-23.2.**

WHEREAS, the Community is a qualified community pursuant to the definitions established in N.J.S.A. 40:67-23.2 (e), in which there exists private roads; and

WHEREAS, N.J.S.A. 40:67-23.3 requires the Township to provide for or reimburse the Community for certain services as the Township provides on public streets and roads; and

WHEREAS, said services include the removal of snow and ice, which service is the only service provided by the Township pursuant to N.J.S.A. 40:67-23.3; and

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and State of New Jersey that the Mayor and Clerk are hereby authorized to execute the Agreement between the Township of Vernon and Black Creek Sanctuary for the year 2007;

BE IT FURTHER RESOLVED that the Chief Financial Officer has certified the availability of funds of \$5,091.41.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon adoption according to law.

Resolution #R08-161

Resolution -Authorizing the Approval of Bills List

Be it resolved that the following bills lists are hereby approved:

Current	ck# 29523	to	ck# 29558
Current	ck# 29560	to	ck# 29606
Current	ck# 29607	to	ck# 29661
Current	ck# 29662	to	ck# 29702
Current	ck# 99	to	ck#(wire transfer)
Capital	ck# 999	to	ck#(wire transfer)
Capital	ck# 2530	to	ck#
Capital	ck# 2531	to	ck# 2534
Grant	ck# 29559	to	ck#
Planning & Zoning	ck# 3756	to	ck# 3757
Recreation Trust	ck# 789	to	ck# 804
Recreation Trust	ck# 805	to	ck# 812
Recreation Trust	ck# 813	to	ck# 823
Dog Trust	ck#	to	ck#
Other Trust	ck# 754	to	ck# 756
Senior Citizen Trust	ck# 1022	to	ck#
Outside Services	ck# 1463	to	ck#
Outside Services	ck# 1464	to	ck# 1466
Unemployment Trust	ck# 1116	to	ck#
Open Space Trust	ck#	to	ck#
PVL Dam Rehab Asm	ck#	to	ck#
PVL Dam Rehab Exp	ck#	to	ck#
COAH	ck#	to	ck#
Sewer Operating	ck# 120	to	ck#
Sewer Capital	ck# 1026	to	ck# 1027
Developer's Bonds	ck#	to	ck#
Road Assessment	ck#	to	ck#
Payroll Deduction	ck#	to	ck#
Payroll Checks	ck# 32543	thru	ck# 32597 (2nd pay in July)
Payroll Deduction	ck# 2972	thru	ck# 2985
Total Payroll	\$323,996.78		

Payroll Checks	ck#32598	thru	ck#32650 (1st pay in August)
Payroll Deduction	ck# 2986	thru	ck#2995
Total Payroll	\$328,905.12		

A motion was made by Councilmember Desmond to approve the consent agenda, which was seconded by Councilmember Seufert. Mr. Witt asked Mayor Carew to list the resolutions on the consent agenda for the public.

Mayor Carew said most of the resolutions on the consent agenda represent reimbursement for the lake communities, per the Kelly Bill. Mr. Carew asked if there was a way that the township could do this work, rather than pay the lake communities to do it, and realize some savings from it.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolutions for Discussion and Action

Resolution # 08-141

RENEWAL OF LIQUOR LICENSE FOR VERNON TOWNSHIP 2008-2009

WHEREAS, all licenses to dispose alcoholic beverages must be renewed and reissued no later than July 1, 2008 and

WHEREAS, pursuant to R.S. 33:1, the Police Chief has made the necessary inspections and reported same to the Township Council; and

WHEREAS, the tax clearance certificate for the following license was not issued by the New Jersey Division of Taxation, nor a copy received by the Township of Vernon prior to July 1.

WHEREAS, the applicant for the following license has now secured a tax clearance certificate and a copy has been transmitted to the township.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon that the following license shall be reissued effective as of August 14, 2008:

PLENARY RETAIL CONSUMPTION

Stonehill Recreation Corporation

1922-36-011-001

A motion was made by Councilmember Seufert to approve the above resolution, which was seconded by Councilmember Desmond.

Councilmember McLaughlin asked when the liquor license fees would be increased. Melinda Carlton asked if the fees were set by statute, and Mr. Murray said that the state portion of the fees is set but that the municipality portion varies from town to town. Ms. Carlton said a fee ordinance, updating the fees, is in the works, but it is a large project and will take some time to come up with recommendations to the council.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution #R08-145

AUTHORIZING PAYMENT TO CITY OF PASSAIC, NEW JERSEY, PURSUANT TO REGIONAL CONTRIBUTION AGREEMENT APPROVED BY THE NEW JERSEY COUNCIL ON AFFORDABLE HOUSING

WHEREAS, pursuant to Resolution #R04-173, the Council of the Township of Vernon authorized and executed a Regional Contribution Agreement (RCA) with the City of Passaic, New Jersey to satisfy in part Vernon's Second Round obligations under the New Jersey Fair Housing Act, as administered by the New Jersey Council on Affordable Housing (COAH); and

WHEREAS, the RCA was previously reviewed and approved by COAH as part of the Substantive Certification granted by COAH to Vernon in connection with Vernon's Second Round COAH obligations; and

WHEREAS, the RCA calls for a payment by Vernon to the City of Passaic in the amount of \$350,000 and the Township's Chief Financial Officer has certified that funds raised pursuant to Resolution #R04-173 for are available for this purpose.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Township of Vernon that the Township shall pay to the City of Passaic the sum of \$350,000 in accordance with the Regional Contribution Agreement between Vernon and Passaic, as approved by COAH in furtherance of the Substantive Certification granted by COAH to Vernon in connection with Vernon's Second Round COAH obligations.

A motion was made by Councilmember Desmond to approve the above resolution, which was seconded by Councilmember McLaughlin.

Mayor Carew said this resolution fulfills an obligation on the part of Vernon Township. Councilmember Seufert asked why it has taken so long to fulfill it and Mr. Kneip provided the background on this. There was some question of whether

the township would get credit for this RCA, so the township held off on payment until it received a clarification from COAH stating that the township will indeed receive credit. Mayor Carew stated that he was not on the council when this agreement was made and he finds it “upsetting” that the township is spending money to rehabilitate buildings in Passaic, considering the needs in Vernon. Councilmember Seufert agreed. From a historical perspective, Councilmember Desmond said that COAH “changed the rules” on the township, which prevented it from rehabilitating properties within its own borders.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution # 08-146

DESIGNATING METAIRIE CORPORATION AS REDEVELOPER FOR THE MCAFEE VILLAGE COMMERCIAL RESORT REDEVELOPMENT PROJECT

WHEREAS, on June 12, 2006 the Township Council of the Township of Vernon adopted resolution Number R06-106 establishing the McAfee Village area in need of redevelopment, which includes Block 231.01, Lot 1, the property commonly known as the Legends Resort, as part of an economic development plan as reviewed by the Township Council on March 26, 2006 and pursuant to the McAfee Village Redevelopment Plan Ordinance Number 08-03 adopted by the Township Council on May 8, 2008 so as to meet the public purpose of creating a McAfee Village Commercial Resort zoning district and to encourage employment and economic growth in the Township of Vernon, and

WHEREAS, the owner of the property lying in the Redevelopment Area, Metairie Corporation, desires to redevelop the Redevelopment Area consistent with the aforesaid Redevelopment Plan.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Township of Vernon, Sussex County, New Jersey, pursuant to the provisions of N.J.S.A. 40A:12A-1 et seq., that Metairie Corporation, or a successor corporation, including a renewal company organized for the purposes of carrying out the Redevelopment Project, is hereby designated as the Redeveloper of the McAfee Village Commercial Resort Redevelopment Project,

BE IT FURTHER RESOLVED, that pursuant to N.J.S.A. 40A:12A-8, that the Mayor is hereby authorized to execute on behalf of the Township of Vernon a Redevelopment Agreement between the Township of Vernon and the herein designated redeveloper, Metairie Corporation, or a successor corporation, a copy

of said agreement shall be placed on file in the office of the Township Clerk upon execution thereof.

Mayor Carew stated that the above resolution will be carried to the Town Council meeting of Sept. 11, 2008. A motion was made by Councilmember Desmond to carry the above resolution, which was seconded by Councilmember McLaughlin.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution #R08-147

RESOLUTION AUTHORIZING THE TRANSFER OF VERNON TOWNSHIP HEALTH DEPARTMENT SERVICES TO THE COUNTY OF SUSSEX PURSUANT TO N.J.S.A. 26:3A2-1 ET SEQ., THE "LOCAL HEALTH SERVICES ACT"

WHEREAS, the Township of Vernon is desirous of having the County of Sussex provide health services for the Township pursuant to N.J.S.A. 26:3A2-1 et seq., the "Local Health Services Act" for the time periods of: (1) October 1, 2008 through December 31, 2008; and (2) January 1, 2009 and thereafter; and

WHEREAS, the Sussex County Department of Environmental and Public Health Services will provide services as required under N.J.A.C. 8:52-1 et seq. "Public Health Practice Standards of Performance for Local Boards of Health in New Jersey," and for any additional services stipulated to and mutually agreed upon by both parties;

WHEREAS, the provision of health services by the County for the term of October 1, 2008 through December 31, 2008 shall be as outlined in the Contract and Indemnity Agreement which are attached hereto and made a part hereof; and

WHEREAS, the provision of health services by the County from January 1, 2009 forward shall be pursuant to N.J.S.A. 26:3A2-1 et seq., the "Local Health Services Act" and N.J.A.C. 8:52-1 et seq. "Public Health Practice Standards of Performance for Local Boards of Health in New Jersey," and for any additional services stipulated to and mutually agreed upon by both parties;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Township of Vernon that the provision of health services to Vernon residents shall be transferred to the County of Sussex as described in this Resolution and that the Mayor is hereby authorized to execute the Contract between the County of

Sussex and the Township of Vernon for the provision of health services and the Indemnification Agreement; and

BE IT FURTHER RESOLVED that certified copies of the Resolution and Contract be forwarded to Herbert Yardley, Administrator, Sussex County Department of Environmental and Public Health Services; John Eskilson, Sussex County Administrator; Dennis R. McConnell, Sussex County Counsel; Bernard A. Re, Sussex County Treasurer; and Patrick W. Bailey, Sussex County Office of Budget Management.

Let it be noted that Councilmember Richard Carson, who participated via speaker phone in the discussion of this resolution during this evening's Executive Session, listened to the pre-vote discussion in the Public Session via speaker phone.

A motion was made by Councilmember McLaughlin to approve the above resolution, which was seconded by Councilmember Carson.

Councilmember Desmond said it was important for the public to know that this resolution is essentially a formality, that the transfer of the health department was decided on when the council adopted the 2008 budget. Mr. Desmond also added that he referred back to his notes regarding potential savings from the transfer and found that they ranged from \$290,298 to \$546,460. The most recent estimate was \$427,617. "So I don't know how much money we're saving." Mr. Desmond stated that he would be voting No on this resolution.

Mr. Witt said that the resolution currently reads that there will be a contract and indemnity agreement to complete the transfer process. There will only be an indemnity agreement, he clarified. He asked the council to vote on this resolution striking out any references to a contract, which he added is not necessary. The transfer will still take place in accordance with law.

Mr. Murray asked Councilmember Carson if he heard what Mr. Witt said and was given clarification on it. Mr. Witt reiterated that Mr. Carson participated in all discussion with regard to this resolution via speaker phone.

A roll call vote was taken. Rich Carson, yes; Neil Desmond, no; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution # 08-148

RESOLUTION AUTHORIZING A "DEDICATION BY RIDER" TO THE BUDGET OF THE TOWNSHIP OF VERNON FOR STREAM CLEANING SIGNS PURSUANT TO 40:A4-39

WHEREAS, N.J.S. 40A:4-39 provides for the insertion of a "Dedication by Rider" in the budget of any local unit which dedicates revenues anticipated during the fiscal year from Donation revenue, subject to written prior consent of the

Director of the Division of Local Government Services, when the revenue is not subject to reasonably accurate estimate in advance; and

WHEREAS, such dedicated revenues shall be appropriated for the purpose to which said revenue is dedicated by statute or other legal requirements.

NOW, THEREFORE, BE IT RESOLVED, by Township Council of the Township of Vernon, County of Sussex, New Jersey, that all stream cleaning sign donation revenue received by the Township of Vernon, be placed in a specific trust fund and such trust fund shall be considered a "Dedication by Rider" to the budget of the local unit, pursuant to N.J.S. 40A:4-39, for the sole purpose stated above. The municipal clerk of the Township of Vernon is hereby directed to forward two certified copies of this Resolution to the Director of the Division of Local Government Services.

A motion was made by Councilmember Seufert to approve the above resolution, which was seconded by Councilmember Desmond.

Mayor Carew stated that these signs were donated, so there are no public monies involved.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution #08-149

AUTHORIZING CHANGE ORDER #2 (FINAL) IN THE AMOUNT OF A COST DECREASE OF \$421.25 TO BOB VIERSMA AND SONS FOR THE CONSTRUCTION OF MAPLE GRANGE COMMUNITY PARK - PHASE II

WHEREAS, the Township of Vernon entered into a contract with Bob Viersma and Sons for the construction of Maple Grange Community Park - Phase II, pursuant to Resolution #07-163, which contract provided for an expenditure of \$1,816,842.50; and

WHEREAS, the contract provides for unit prices and estimated construction quantities for each item; and

WHEREAS, the Township Engineer, Louis Kneip, has been made aware that to date quantities of several items have exceeded the estimated bid quantities, while other quantities are under the contract amount; and

WHEREAS, Consulting Engineer, Cory Stoner of Harold Pellow and Associates, has summarized the final quantities of each item, and determined that the net sum of the change orders has resulted in a contract reduction of \$421.25; and

WHEREAS, Township Engineer has reviewed this change order and recommends that this change order be approved; and

WHEREAS, the current value of the contract, which includes all previous change orders, is \$1,826,292.50, and will now reflect a cost decrease of \$421.25 for a net final value of \$1,816,421.25, per the summary below

Original Contract Amount (Res. #07-163)	\$1,816,842.50
Change order # 1 (Additional rock excavation, Res. #07-222)	\$ 9,450.00
Change Order # 2 (Final quantities, (Res. #08-149)	(\$ 9,871.25)
Increase/Decrease to date	(\$ 421.25)
Final Contract Amount:	\$1,816,421.25

NOW THEREFORE BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and the State of New Jersey, as follows:

1. A change order is hereby authorized in the total amount of a cost decrease of \$421.25, to be applied to the total contract.
2. This Resolution shall take effect immediately upon adoption according to law.

A motion was made by Councilmember Desmond to approve the above resolution, which was seconded by Councilmember Seufert.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution #08-150

AUTHORIZING CHANGE ORDER # 6 (FINAL) FOR A COST DECREASE IN THE AMOUNT OF \$ 221,979.18 TO PACT CONSTRUCTION FOR VARIOUS CONSTRUCTION ITEMS RELATED TO THE CONSTRUCTION OF VERNON TOWN SEWERS, CONTRACT #3

WHEREAS, the Township of Vernon entered into a contract with Pact Construction for the construction of Sanitary Sewers, Contract #3 pursuant to

Resolution # R07-131, which contract provided for an expenditure of \$1,314,280.00; and

WHEREAS, the contract provides for unit prices and estimated construction quantities for each item; and

WHEREAS, the Township Engineer has been made aware that to date quantities of several items has exceeded the estimated bid quantities, while other quantities are under the contract amount; and

WHEREAS, Consulting Engineer, Cerenzio and Panaro, has summarized the final quantities of each item, and determined the net sum of the change orders has resulted in contract reduction of \$221,979.18; and

WHEREAS, The Township Engineer has reviewed this change order and recommends that it be approved; and

WHEREAS, the current value of the contract, which includes all previous change orders, is in the amount of \$1,267,888.30 will have a cost decrease of \$221,979.18 for a new net current value of \$ 1,045,909.12 per the summary below; and

Original Contract Amount (Res.# R07-131)	\$ 1,314,280.00
Change Order #1 (Directional Drilling Sub.)(Res#R07-202)	(\$ 58,125.00)
Change Order #2 (Additional Service Lines)(Res#R07-203)	\$ 1,250.00
Change Order #3 (Excavation 8-12 ft. Depth)(Res#R07-253)	\$ 1,249.50
Change Order #4 (Bank Run) (Res. #R07-254)	\$ 6,156.00
Change Order # 5 (Various) (Res. #R08-36)	\$ 3,077.80
Change Order # 6 (Various) (Res. 08-150)	(\$ 221,979.18)
Adjusted Final Contract Amount	\$ 1,045,909.12

NOW THEREFORE BE IT RESOLVED by the Township Council of the Township of Vernon, County of Sussex and the State of New Jersey as follows:

1. A change order is hereby authorized in the total amount of a cost decrease of \$ 221,979.18 to be applied to the total contract.
2. This Resolution shall take effect immediately upon adoption according to law.

A motion was made by Councilmember McLaughlin to approve the above resolution, which was seconded by Councilmember Desmond.

A roll call vote was taken. Neil Desmond, yes; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution #R08-162

RESOLUTION TO SUBMIT FOR VOTER REFERENDUM QUESTION OF TRANSFER TO VERNON TOWNSHIP PLANNING POWERS AND DUTIES OF VERNON TOWNSHIP ZONING BOARD OF ADJUSTMENT

WHEREAS, the Township of Vernon currently has a separate Planning Board and a separate Zoning Board of Adjustment; and

WHEREAS, in an effort to reduce the costs of local government to taxpayers, and pursuant to N.J.S.A. 40-55D-29(c), the Township wishes to combine the functions of both boards and have the Planning Board exercise those powers and duties currently exercised by the Zoning Board of Adjustment; and

WHEREAS, the deadline to submit questions for referendum to be included on the ballot for the 2008 general election to the County of Sussex Clerk's Office is August 22, 2008;

WHEREAS, the Council desires that the Acting Township Clerk submit the necessary documents to the County of Sussex Clerk's Office have this matter placed on the ballot for referendum for the 2008 general election, subject to passage of an ordinance by the Township Council regarding the same.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Township of Vernon that the Acting Township Clerk shall submit the necessary documents to the County of Sussex Clerk's Office to have the following question placed on the ballot for referendum for the 2008 general election:

"Shall the Township of Vernon transfer to the Vernon Township Planning Board all powers and duties currently exercised by the Vernon Township Zoning Board of Adjustment and thereby eliminate the need for a separate zoning board of adjustment?"

A motion was made by Councilmember McLaughlin to approve the above resolution, which was seconded by Mayor Carew.

Councilmember Seufert was under the original impression that a combined Planning and Zoning Board would have a combined membership, but Mr. Witt clarified that the Zoning Board would cease to exist and everything would go before the Planning Board. Mayor Carew suggested that it's possible that a former Zoning Board member could fill a vacancy on the Planning Board,

because they have similar training. Councilmember Seufert mentioned that a combined board could take away some of the member continuity that the separate boards enjoyed, but the combined board could indeed save some money for the township. Mayor Carew commented further on this, in terms of both cost savings and continuity of professionals.

Councilmember Desmond stated that this action must go to referendum, per state statute. Moreover, Mr. Witt added that an ordinance would need to be passed on the transfer of the zoning powers to the Planning Board, and that this ordinance would be open to public comment.

A roll call vote was taken. Neil Desmond, no; Valerie Seufert, yes; Glenn McLaughlin, yes; Austin Carew, yes. Motion carried.

Resolution #R08-163

RESOLUTION AUTHORIZING MAYOR TO EXECUTE DEVELOPER'S AGREEMENT TO EXPAND UNITED WATER NEW JERSEY, INC., FRANCHISE SERVICE AREA TO INCLUDE TOWN CENTER REDEVELOPMENT AREA

WHEREAS, United Water New Jersey, Inc. ("United Water") is the owner and operator of a water system located in Vernon Township, Sussex County, New Jersey; and

WHEREAS, United Water currently holds a franchise to provide water service to certain parts of Vernon Township pursuant to a franchise granted by Vernon Township and approved by the New Jersey Board of Public Utilities; and

WHEREAS, Vernon Township is the owner of certain tracts of land and improvements thereon, commonly referred to as the "Town Center Project," located in Vernon Township outside United Water's current franchise area which the Township intends to develop for mixed use commercial purposes, which development requires up to an estimated 116,000 gallons per day ("g.p.d.") of water service for use and which Vernon Township desires should be provided by United Water pursuant to the terms of a Developer's Agreement, a copy of which is attached to this Resolution; and

WHEREAS, United Water and Vernon Township agree that both the franchise area and certain parts of United Water's water system require expansion in accordance with Developer's Agreement in order for United Water to provide water service to the anticipated expansion area; and

WHEREAS, the anticipated costs to the Township for the expansion project will be \$1,956,000, which costs may be recovered pursuant to the terms of the Developer's Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Township of Vernon that the Mayor is hereby authorized to enter into the Developer's Agreement attached to this Resolution for the provision of water service to the Vernon Township Town Center Project.

Mayor Carew recused himself from this vote, because he owns property in the Town Center.

Let it be noted that Councilmember Richard Carson, who participated via speaker phone in the discussion of this resolution during this evening's Executive Session, listened to the pre-vote discussion in the Public Session via speaker phone.

A motion was made by Councilmember Desmond to approve the above resolution, which was seconded by Councilmember Seufert.

Redevelopment consultant Robert Benecke described the financing mechanisms for this debt. Whether it goes to referendum or not, Mr. Benecke said it is the intention of the agreement to have the properties in the Town Center that benefit from the improvements pay for them, rather than the taxpayers of Vernon. It is a well-known, proven debt mechanism called "special-assessment debt financing," he explained. (He added that since this is a redevelopment area, at this time there are no payments in lieu of taxes (PILOTS) or tax abatements being considered.) Mr. Benecke said a special assessment committee, pursuant to law, would decide how the debt is apportioned among the properties benefitting from the water hookups. The agreement with United Water would also guarantee the township a connection fee or "tapping fee" to each property in the Town Center, which would be used to draw down the debt. Any remaining debt would not be borne by the taxpayers, but, again, by those businesses that benefit from the system.

Councilmember McLaughlin asked what the chances are of the township building the Town Center if the developer's agreement is not executed. Mr. Benecke said if water is not provided, and individual business owners had to fend for themselves, it would "retard the cycle" and the township would probably not have much response, if any, to the current Request for Proposal/Solicitation of Interest circulating for the Town Center. Further research would have to be done with regard to an alternate water plan, to attract development to the Town Center, which may add another six months to the process, Mr. Benecke said.

Councilmember Seufert asked whether United Water would simply expand the franchise themselves without the assurances of the township assisting them with the water connections, and Mr. Benecke said it could not and would not. Further discussion followed to the benefits of purchasing the United Water system in terms of quality water service and adequate pressure for fire suppression. Mr. Kneip added that a great deal of the cost of the system would

be used to upgrade United Water's existing pumping system, to provide that extra pressure.

Further discussion centered on whether the issuance of the debt and payment of it could be delayed, and Mr. Benecke said it was possible under certain circumstances, which he explained in detail. Councilmember Seufert asked if the vote on the above resolution could be delayed until the RFQ deadline passes on Sept. 5 and the township is better able to gauge interest in the Town Center. Mr. Benecke said a delay would cause developers to act cautiously if no water is available. Moreover, he added that a delay may make certain types of businesses much more difficult to finance. "We have a short window," he said.

Councilmember Desmond asked Mr. Benecke to reiterate that the debt is not going "on the backs of 26,000 residents," and Mr. Benecke said that is correct. Mr. Witt asked what the township's remedy would be if a benefiting property owner defaulted; Mr. Benecke said the township could place a lien on the property and possibly foreclosure on it and resell it.

A roll call vote was taken. Rich Carson, no; Neil Desmond, yes; Valerie Seufert, no; Glenn McLaughlin, yes. The resolution does not carry.

Resolution #R08-164

RESOLUTION TO SUBMIT FOR VOTER REFERENDUM QUESTION OF PURCHASE OF UNITED WATER SEWER SYSTEM IN VERNON TOWNSHIP

WHEREAS, United Water New Jersey, Inc. ("United Water") is the owner and operator of a waste water sewerage system located in Vernon Township, Sussex County, New Jersey; and

WHEREAS, United Water currently holds a franchise to provide sewerage service to certain parts of Vernon Township pursuant to a franchise granted by Vernon Township and approved by the New Jersey Board of Public Utilities; and

WHEREAS, United Water has offered to sell the entirety of its waste water sewerage system to the Township of Vernon for the \$3,775,000, which system would then be owned and operated through the Township's Municipal Utilities Authority; and

WHEREAS, the Township would require financing of up to \$4,000,000 to cover the purchase price plus contingencies and the cost of financing in order to complete the acquisition of the United Water sewerage system, which amount the Township would finance through the issuance of self-liquidating notes,

ultimately resulting in payment for the acquisition by the sewer rate payers, not by tax payers in general; and

WHEREAS, the Township's consulting engineers, Cerenzio & Panaro, P.C., have projected and stated that the Township's ownership and operation of the sewer system would be financially self-sufficient; and

WHEREAS, the Township Council wishes to submit the question whether to acquire the United Water sewer system to the public for approval or disapproval by referendum vote in the November 2008 General Election; and

WHEREAS, the deadline to submit questions for referendum to be included on the ballot for the 2008 general election to the County of Sussex Clerk's Office is August 22, 2008;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Township of Vernon that the Acting Township Clerk shall submit the necessary documents to the County of Sussex Clerk's Office to have the following question placed on the ballot for referendum for the 2008 general election:

"Shall the Township of Vernon, through its Municipal Utilities Authority, acquire at no cost to the Vernon taxpayer that portion of the Vernon Township municipal sewer system currently owned and operated by United Water New Jersey, Inc., with financing for the acquisition to be secured by self-liquidating debt in an amount of up to \$4,000,000 for the cost of purchase, plus contingencies and cost of financing?"

Mayor Carew announced that this resolution provides for the purchase of the United Water sewer system. Councilmember Seufert announced that she requested that this purchase go out for referendum. "I believe the purchase of a sewer system is something that the town residents have a voice in," she said. Mr. Benecke asked if this was for the purchase of the Stonehill system and Mr. Carew said Yes.

A motion was made by Councilmember Seufert to approve the above resolution, which was seconded by Councilmember McLaughlin.

Councilmember Desmond asked if the council has considered how it should convey accurate information to the public on this purchase, so that the residents know what they're voting on and can make an informed decision. Mr. Desmond said everyone doesn't have the "same level of knowledge" as the people on the council. Mayor Carew said the ballot would contain an interpretive statement, much as the Open Space questions did. Mr. Desmond expressed concern as to what precedent will be set as to what goes to a public vote and what does not. Councilmember Seufert said prior councils have spent a lot of money without sending the question of the particular purchase out for

referendum. Further discussion and debate followed to financing mechanisms for the sewer system.