

BOROUGH OF BERNARDSVILLE
Mayor & Borough Council Meeting Minutes
June 5, 2019

Mayor Canose called this meeting to order at 7:00 p.m. Present were Council Members John Donahue, Diane Greenfield, Jeff Hammond, Thomas O'Dea, Jr., and Christine Zamarra. Also present were John Pidgeon, Borough Attorney, Ralph A. Maresca, Jr., Administrator/CMFO, and Anthony Suriano, Borough Clerk. Chris Schmidt was absent.

STATEMENT OF PRESIDING OFFICER

Notice of this meeting was provided to the Bernardsville News, Courier News and the Star Ledger, filed with the Municipal Clerk and posted on the Municipal Bulletin Board on May 15, 2019.

PLEDGE OF ALLEGIANCE

OPEN SESSION & Open Space Trust Fund Referendum

Mayor Canose talked about the history of the open space tax. She said borough open space properties are in the Recreation and Open Space Inventory (ROSI). She said the ultimate goal is to get a plan in place in the best way that it will get passed. She read the following options regarding a referendum.

1. 100% of Open Space Tax revenue may be used for either acquisition or improvements.
2. 20% of Open Space Tax revenue will be only for acquisition; 80% may be used for either acquisition or improvements.
3. Transfer (from the acquisition only portion of the Open Space Fund to the portion available for either acquisition or improvements) of \$2 million from Open Space Trust Fund for improvements; maintain current formula of 20% for improvements/80% for acquisition.
4. Transfer (from the acquisition only portion of the Open Space Fund to the portion available for either acquisition or improvements) of \$1 million for improvements; 20% for acquisition/80% for either acquisition or improvements, with a sunset date after a specified period of years when revenue will go back to 20% improvements/80% acquisition.
5. Do not have a referendum question to change the Ordinance, but instead use bonding for improvements.
6. Add a sunset after 4 years to any change made by referendum.

Mr. O'Dea said doing a one-time transfer would mean a greater portion could fund another project and explained the sunset option.

Ms. Zamarra discussed option number one.

Mayor Canose assigned each member of the audience to one of six groups to coincide with the six referendum options and asked each group to discuss that option and write down three pros and three cons.

Mayor Canose read a resolution from 2010 that explained how the purchasing procedure is decided, which includes review by various committees (Open Space, Recreation, Shade Tree, HPAC, and Environmental).

Kerry Haselton, Mine Brook Road, asked about bonding and Mr. Pidgeon said bonding always requires an ordinance.

Sherry Frawley, Carriage House Road, spoke on behalf of Group One which discussed, "100% of Open Space Tax revenue may be used for either acquisition or improvements." Pros: Maximum flexibility. Cons: No sunset, competition for resources, council is in charge of decisions.

Paul Sedlak, Charlotte Hill Drive, spoke on behalf of Group Two which discussed, "20% of Open Space Tax revenue will be only for acquisition; 80% may be used for either acquisition or improvements." Pros: Council accountable, maximum flexibility, things get done faster. Cons: council accountable, long term risk and long term needs, similar to a blank check with no priorities.

Michael Long, Crest Drive, spoke on behalf of Group Three which discussed, "Transfer (from the acquisition only portion of the Open Space Fund to the portion available for either acquisition or improvements) of \$2 million from Open Space Trust Fund for improvements; maintain current formula of 20% for improvements/80% for acquisition." Pros: immediate funds for high, built in sunset. Cons: there is no plan, it is a tough sell politically.

Cliff Sebastian, Stone Fence Road, spoke on behalf of Group Four which discussed, "Transfer (from the acquisition only portion of the Open Space Fund to the portion available for either acquisition or improvements) of \$1 million for improvements; 20% for acquisition/80% for either acquisition or improvements, with a sunset date after a specified period of years when revenue will go back to 20% improvements/80% acquisition." Pros: immediate funds, built in sunset pilot program, it is a different plan which may be better. Cons: wording is confusing, no natural plan for withdrawing money, sunset.

Brian Glenn, Laurel Lane, spoke on behalf of Group Five which discussed, “Do not have a referendum question to change the Ordinance, but instead use bonding for improvements.” Pros: it is quick and effective where money can be spent right away, extremely cost effective capital, a referendum could be done in two to three years to pay off the debt, no referendum is risky. Cons: more debt means paying more in taxes, voter pushback by raising debt, spending before you have the money.

Kerry Haselton, Mine Brook Road, spoke on behalf of Group Six which discussed, “Add a sunset after 4 years to any change made by referendum.” She said this only applies to options one, two, and four. Pros: defined period of change for fiscal discipline, forces council to prioritize which encourages public to get involved. Cons: buying toward the end of the period may be detrimental, there are winners and losers, decisions may be rushed, unforeseen circumstances.

Rosalie Ballantine, Pheasant Hill Drive, said bonding is the most fiscally responsible choice. She said she did not know and was surprised to find out that facilities were in need of repair. Mayor Canose said we have a tight budget and do not get many donations the way we used to. She gave examples of the land that the pool is on and firetrucks being donated to the borough in the past.

Dave DePodwin, Old Colony Road, said he read the ERI and asked how it will be used as an overlay so that we do not put the cart before the horse. Mayor Canose said we need to prioritize and the procedure to have Recreation, Open Space, HPAC, and Environmental Commission review and prioritize each project must be followed.

Wanda Knapik, Tysley Street, asked what happens if the referendum gets voted down. Mr. Donahue said that is why it is important to build a consensus. Mr. O’Dea said we need to strike a balance. Mayor Canose said we would like it to be something for everyone. Mr. Hammond said things would stay as they are if the referendum was voted down. Ms. Knapik said she is in favor of the bonding method. Ms. Greenfield said bonding would raise taxes. Mr. O’Dea said we need to prioritize. Ms. Zamarra said bond ordinances are specific and require a public hearing, so people would have the opportunity to come and voice their opinions. Mr. Pidgeon said bond ordinances require a two-thirds vote of council to be adopted and residents could file a petition to protest. Mr. O’Dea said we need a prioritization process that is universal to all options. Ms. Zamarra talked about information from other towns. She said Randolph has a recreation plan and we could discuss a potential recreation plan at a future meeting. She said she could share Randolph’s plan if desired.

Steve Reynolds, Stevens Street, said we would be diluting 20% each time we acquire land.

Paul Sedlak, Charlotte Hill Drive, said bonding is going to raise taxes but he is alright with that as it is like investing in the town. He said he feels bonds are the best way to get things done.

Kristi MacDonald, Environmental Commission, read a statement and said the commission prefers option five, which is bonding.

Kerry Haselton, Mine Brook Road, asked if there is a way to know if those responding to the online survey with the referendum options are residents. It was stated that the responders address is required.

Brian Glenn, Laurel Lane, said while he does not want taxes going up, he would rather earn his money at 4% to 6%, take some of that and you will still score a profit, and pay higher taxes down the road. He said you may have a higher home value as a result. He said this is cost of capital at the household level versus cost of capital at the municipality level of 2% to 2.5%.

Heather Eich, Stone Fence Road, asked how many members of council would vote for bonding for active and passive recreation. No answers were given. Mayor Canose said we would like to get more feedback from the online survey. Ms. Eich said she did not think we have done any bonding since 2012 in the area of active and passive recreation. Mr. Maresca responded and discussed bond anticipation notes of \$1.6m of which over \$700,000 was for recreation, with \$300,000 being for the playground.

Michael Long, Crest Drive, said bonding is a good idea but it is hard to accomplish. He said you have to fight for it if you support it.

Mr. Hammond said we will see what others say online. He said we should not do a straw poll because we are still collection information.

It was decided to close the online survey on June 20th which is the Thursday before the June 24th meeting.

James Hartnett, Anderson Hill Road, said this should not be characterized as attacking funds and suggested letting the voters vote on this topic again.

Chad McQueen, Sycamore Hill Road, said this has been a revenue problems for years. He said this is not attacking the open space fund, it is taking money that is collected for open space purposes and using it differently. He said sometimes it can be used to acquire properties if we need to and sometimes it can be used to improve properties if we need to. He said option one allows council to prioritize and gives flexibility.

Mr. Pidgeon said money can only be moved via referendum.

Kerry Haselton, Mine Brook Road, said in option one, everyone will want their project to be the first one and this could cause conflict.

ADJOURNMENT

The meeting was adjourned at 9:00pm.
