

**MINUTES
TOWNSHIP COMMITTEE
SPECIAL MEETING
APRIL 9, 2020**

Mayor Kelly called the Special Meeting of the Township Committee of the Township of Chatham to order at 5:30 P.M.

Adequate Notice of this meeting of the Township Committee was given as required by the Open Public Meetings Act as follows: Notice was given to both *The Chatham Courier* and the *Morris County Daily Record* on April 3, 2020; notice was posted on the bulletin board in the main hallway and on the front door of the Municipal Building on April 3, 2020; and notice was filed with the Township Clerk on April 3, 2020. Notice was also posted on the Township website and sent to *The Alternative Press*.

Pursuant to Executive Orders Nos. 102, 103, 104 and 107 and to ensure the safety of all, during a state of emergency declared by New Jersey Governor, Phil Murphy, on March 9, 2020 to “contain the spread of COVID-19”, the Township of Chatham limited the public from physically attending the Township Committee meeting to be held on Thursday, April 9, 2020.

Mayor Kelly led the Flag Salute.

Roll Call

Answering present to the roll call were Committeewoman Ewald, Committeewoman Fondaco, Committeewoman Swartz, Deputy Mayor Ness and Mayor Kelly. Committeewoman Ewald and Committeewoman Fondaco participated by Conference Call.

Mayor Kelly noted the use of Zoom for the meeting, and said that Committeewoman Ewald, Committeewoman Fondaco and Attorney Cruz are all participating remotely. He also stated that the information for the public to participate via Zoom is available on the meeting’s Agenda and OPMA notice both of which are posted on the Township website. Mayor Kelly further stated that the Agenda does not include any action regarding Affordable Housing, and Ordinance 2020-04 will be carried to the April 23, 2020 Township Committee meeting. He further noted that the Courts have granted a two-week extension on the schedule for Affordable Housing compliance, and a case management hearing has been scheduled for April 23rd at which time the Judge will assess the pandemic’s impact on court proceedings.

Mayor Kelly reported that there have been reported 11 new cases of Coronavirus in Chatham Township, 10 of which are at a long-term care facility. He also noted that Juniper Village has reported that 24 residents and 18 staff members have tested positive. Mayor Kelly asked residents to follow the CDC’s recommendations for hand washing and social distancing, and to stay home except for essential trips.

Approval of Agenda

Deputy Mayor Ness moved to approve the Agenda. Committeewoman Swartz seconded the motion, which carried unanimously.

Reports

Deputy Mayor Ness thanked the community for the volunteers who are supporting local businesses, providing meals to medical professionals and sewing masks. iPads and phones are also being collected for people who are hospitalized. Deputy Mayor Ness said that it remains the Township’s intention for Colony Pool to have a 2020 season, and it is currently unknown when registration will begin or when the pool will be able to be opened. She also encouraged residents to sign up for website updates and ACT Now! alerts, and also to follow the Township’s Facebook page. Deputy Mayor Ness also said that the potential for greater use of the Township’s cable channel is being investigated.

Committeewoman Swartz reported that DPW has been working on a split squad. She also reported that the Compost facility is currently closed so as to protect the DPW staff.

Committeewoman Swartz also commented on the Coronavirus pandemic, and said that it is difficult to compile numbers on how many people have recovered from the virus. However, she did stress that many patients are recovering and many also have mild cases. Committeewoman Swartz also reported that seniors who are in need of assistance can reach out to the staff at the Senior Center.

Committeewoman Ewald reported that the Senior Center has requested volunteers to do grocery shopping for Seniors. She also commented on community initiatives to address the mental health effects of the Coronavirus pandemic, and noted that there are several online resources related to mental health on the School District of the Chathams website. Committeewoman Ewald also reported on endeavors to support local businesses, and said that there is a website called www.shopchathamnj.com where people can get information on local businesses and a Facebook group call Keep Chatham Thriving. She also discussed resources available to small businesses that have been adversely affected by the Coronavirus pandemic.

Committeewoman Fondaco reported that the Environmental Commission is promoting a two-week event in celebration of Earth Day, and residents are encouraged to clean up litter around their neighborhoods. Information is available on the CTEC Facebook page, and on the CTEC page on the Chatham Township website.

Administrator Hoffmann reported that there was a Bond Anticipation Note Sale on April 9th, and the Township was able to negotiate with TD Bank for a rollover for an additional 12 months with an interest rate of 2.25% (See Attached Determination & Award Certificate). The Principal Amount is \$10,000,000 with a maturity date of April 9, 2021. Administrator Hoffmann commented that the funds from the Bond Anticipation Note Sale will be used to pay down debt from bond ordinances associated with paving of roads, purchase of fire department equipment, and the purchase of two open space properties. He also said that Bond Anticipation Notes are limited to a ten-year period before they must become permanent debt. Administrator Hoffmann also said that Resolution 2020-103 is related to the Bond Anticipation Note Sale, and allows a tax exemption. Committeewoman Swartz asked if the interest rate is a competitive rate. Administrator Hoffmann said that it is hard to tell if it is competitive, but it is a good rate. He noted that the pandemic has prevented the normal course of bond anticipation note sales.

Administrator Hoffmann further reported that a blood drive was held in the gym at the Municipal Building, and he thanked the residents who spearheaded the event. He noted that all 51 available appointments were filled. Administrator Hoffmann further noted an upcoming blood drive at the Masonic Lodge in Madison on Saturday. The Township Clerk provided additional details of the blood drive in Madison, and said that anyone interested in more detail can reach out to him.

Administrator Hoffmann reported that Governor Murphy signed Executive Order 122 which takes effect on April 10th, and stores will be required to limit access to 50% of building capacity. Customers will also be required to wear masks or facial covering. Non-essential construction projects are also ordered to cease, and Administrator Hoffmann noted the exemptions allowed for essential construction. Administrator Hoffmann also said that the Township's inspectors will assist with the second phase of Operation Organization. He said that the Township has many house plans in the Construction Office files, and the Township is only required to keep the plans for 10 years. Administrator Hoffmann said that those plans which the Township is not required to keep will be made available to the owners of the respective properties.

Administrator Hoffmann further thanked OEM Coordinator Kevin Sullivan, Police Chief Tom Miller and the Fire Departments for all of the behind the scenes work during the current pandemic.

Committeewoman Swartz asked if the Executive Order regarding construction work prohibits outdoor construction. Administrator Hoffmann said that he will research the question, and said that there is a provision that the crew must be 5 people or less.

Mayor Kelly recognized the efforts of First Responders during the current pandemic. He also recognized all the routine business that still needs to be conducted behind the scenes. Mayor Kelly also reported that the Chatham Township Historical Society is working on a grant application for the restoration of the Red Brick Schoolhouse, and noted that a grant was received last year for a study on the work that needs to be performed. The Library of the Chathams is also

working on a capital project for interior renovations, and a grant was received from Investors Bank toward that project.

Public Hearing/Final Adoption of Ordinances

Ordinance 2020-04

Mayor Kelly announced that the public hearing on Ordinance 2020-04 is being deferred to the April 23, 2020 meeting.

Ordinance 2020-05

ORDINANCE 2020-05
AN ORDINANCE OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE PROVISIONS FOR THE FUNDING OF OPEN SPACE ACQUISITION

WHEREAS, the Township Committee of the Township of Chatham wishes to reduce the tax levy for the contribution to the Open Space Reserve as set forth at Chapter 2, Article VIII, Section 2-75, Open Space Trust Fund for the tax year 2020;

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, that the Revised General Ordinances of the Township of Chatham, are amended to provide for modifications to Chapter II, Subsection 2-75.2, Funding of the Reserve for Open Space Acquisition, as follows:

1. 2-75.2 Funding of the Reserve for Open Space Acquisition.

The Reserve for Open Space Acquisition shall be funded through the dedication to the fund of an amount of one (\$.01) cent per one hundred (\$100.00) dollars of assessed valuation for the tax levy for the year 2020. The Reserve shall also be permitted to accept donations and testamentary bequests. The funds accumulated within the Reserve may be utilized for the acquisition of land, easements, or development rights in land within the Township, including use for active and passive recreation, the development and maintenance of municipal properties to be used for active and passive recreation, or as a down payment for the issuance of bonds for the same purposes at the discretion of the Township Committee. Any and all interest accruing on said funds shall be placed into the Reserve for Open Space Acquisition. Unless the Township Committee takes further action, the annual tax levy for the Reserve for Open Space Acquisition shall return to two (\$.02) cents per hundred (\$100.00) dollars of assessed valuation commencing with the tax levy for the year 2021.

2. All other provisions of Chapter II, Article VIII, Section 2-75, shall remain unchanged.
3. This ordinance shall take effect as provided by law.

Administrator Hoffmann said that an Open Space Tax of \$0.02 per \$100 assessed value was approved by voters, and Ordinance 2020-05 will lower the tax to \$0.01 per \$100 assessed value for the calendar year of 2020. On January 1st the Open Space Tax will revert to \$0.02 per \$100 assessed value unless further action is taken by the Township Committee.

Mayor Kelly opened the Public Hearing on Ordinance 2020-05. Seeing no public comment, Mayor Kelly closed the Public Hearing.

Committeewoman Ewald noted that the Open Space Tax has been lowered over the past several years. She asked if lowering the Open Space Tax to \$0.01 per \$100 assessed value was the lowest rate to which it could be lowered because of the Township's need to pay down the existing debt. Administrator Hoffmann confirmed that the funds generated \$0.01 per \$100 assessed value is the lowest amount at which the tax could be set to generate the funds needed to make the payment due on the Township's existing debt for previous open space purchases, and there will not be enough money left over to save toward future open space properties or to use for maintenance of existing facilities.

Committeewoman Swartz noted that the Open Space Tax reverts to \$0.02 per \$100 assessed value, and she advocated against building up a fund for future purchases.

Deputy Mayor Ness noted that the \$0.02 per \$100 assessed value Open Space Tax was approved by voters, and she hopes that the Township will be able to pay down the existing debt to the point at which a fund will be able to be amassed for future purchases.

Committeewoman Swartz moved to adopt Ordinance 2020-05. Deputy Mayor Ness seconded the motion.

Roll call: Committeewoman Ewald, Aye; Committeewoman Fondaco, Aye; Committeewoman Swartz, Aye; Deputy Mayor Ness, Aye; Mayor Kelly, Aye.

Consent Agenda

RESOLUTION 2020-099

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM AUTHORIZING PAYMENT OF BILLS, PAYROLLS, SCHOOL TAXES AND COUNTY TAXES

BE IT RESOLVED that bills in the total amount of \$2,402,253.56 and the prior month's payroll of \$413,159.60 Current Fund, \$45,477.83 Sewer No. 1, \$9,838.80 Sewer No. 2, and \$12,167.65 Police Private Employment be paid.

BE IT FURTHER RESOLVED that taxes due to the School District of the Chathams, for the month of April 2020, in the amount of \$3,200,207.00 be paid.

RESOLUTION 2020-100

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM APPROVING MINUTES OF MEETINGS

BE IT RESOLVED that the Township Committee of the Township of Chatham acknowledges receipt of and approves the minutes of the Township Committee meeting held on March 26, 2020.

RESOLUTION 2020-102

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, REFUNDING OVERPAYMENT OF TAXES

WHEREAS, an overpayment of property taxes has been made for the following properties; and **WHEREAS**, the Tax Collector has recommended the refund of such overpayment, **NOW, THEREFORE, BE IT RESOLVED** by the Township Committee of the Township of Chatham that the following refunds be made:

<u>BLOCK</u>	<u>LOT</u>	<u>NAME & ADDRESS</u>	<u>AMOUNT</u>
139	16	McKirdy, Riskin, Olson, & DellaPelle, P.C. 201 Littleton Road. Morris Plains, NJ 07950 Property Address- 11 Loantaka Lane South Property Owner- Patel, Mitul J.	\$1,787.00 (2017) State Tax Court Judgment

RESOLUTION 2020-103

RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF CHATHAM, IN THE COUNTY OF MORRIS, NEW JERSEY, COVENANTING TO COMPLY WITH THE PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, APPLICABLE TO THE EXCLUSION FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES OF INTEREST ON OBLIGATIONS ISSUED BY THE TOWNSHIP OF CHATHAM AND AUTHORIZING THE MAYOR, TOWNSHIP CLERK, CHIEF FINANCIAL OFFICER AND OTHER TOWNSHIP OFFICIALS TO TAKE SUCH ACTION AS THEY MAY DEEM NECESSARY OR ADVISABLE TO EFFECT SUCH COMPLIANCE AND DESIGNATING A \$10,000,000 BOND ANTICIPATION NOTE, DATED APRIL 9, 2020, PAYABLE APRIL 9, 2021, AS A "QUALIFIED TAX-EXEMPT OBLIGATION" PURSUANT TO SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

WHEREAS, the Township of Chatham, in the County of Morris, New Jersey (the "Township") from time to time issues bonds, notes and other obligations the interest on which is excluded from gross

income for Federal income tax purposes and desires to take such action as may be necessary or advisable to establish and maintain such exclusion; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), contains provisions with respect to the exclusion from gross income for Federal income tax purposes of interest on obligations, including provisions, among others, which require issuers of tax-exempt obligations, such as the Township to account for and rebate certain arbitrage earnings to the United States Treasury and to take other action to establish and maintain such Federal tax exclusion; and

WHEREAS, the Township intends to issue a \$10,000,000 bond anticipation note, dated April 9, 2020 and payable April 9, 2021 (the "Note"); and

WHEREAS, the Township desires to designate the Note as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code;

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Chatham, in the County of Morris, New Jersey, as follows:

SECTION 1. The Township Committee hereby covenants on behalf of the Township, to the extent permitted by the Constitution and the laws of the State of New Jersey, to do and perform all acts and things permitted by law and necessary to assure that interest paid on bonds, notes or other obligations of the Township (including the Note) be and remain excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code.

SECTION 2. The Mayor, Township Clerk, Chief Financial Officer and other officials of the Township are hereby authorized and directed to take such action, make such representations and give such assurances as they may deem necessary or advisable to effect compliance with the Code.

SECTION 3. The Note is hereby designated as a "qualified tax-exempt obligation" for the purpose of Section 265(b)(3) of the Code.

SECTION 4. It is hereby determined and stated that (1) the Note is not a "private activity bond" as defined in the Code and (2) the Township and its subordinate entities, if any, do not reasonably anticipate issuing in excess of \$10 million of new money tax-exempt obligations (other than private activity bonds) during the calendar year 2020.

SECTION 5. It is further determined and stated that the Township has not, as of the date hereof, issued any tax-exempt obligations (other than the Note) during the calendar year 2020.

SECTION 6. The Township will, to the best of its ability, attempt to comply with respect to the limitations on issuance of tax-exempt obligations pursuant to Section 265(b)(3) of the Code; however, said Township does not covenant to do so, and hereby expressly states that a covenant is not made hereby.

SECTION 7. The issuing officers of the Township are hereby authorized to deliver a certified copy of this resolution to the original purchaser of the Note and to further provide such original purchaser with a certificate of obligations issued during the calendar year 2020 dated as of the date of delivery of the Note.

SECTION 8. This resolution shall take effect immediately upon its adoption.

RESOLUTION 2020-104

RESOLUTION OF THE TOWNSHIP OF CHATHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY FIXING THE TOTAL AMOUNT OF PRINCIPAL AND INTEREST DUE FOR REAL ESTATE TAXES AND SEWER CHARGES FOR BLOCK 128, LOT 2 AT \$426,806.11 AS OF MARCH 25, 2020 PROVIDED PAYMENT OF THE TOTAL AMOUNT DUE IS MADE BY MAY 29, 2020

WHEREAS, Kronos Holdings, LLC ("Owner") is the owner of Block 128, Lot 2 as shown on the Tax Map of the Township of Chatham ("Property"); and

WHEREAS, real estate taxes and sewer charges are past due and as of March 25, 2020, with the total principal and interest due was \$426,806.11; and

WHEREAS, the Owner of the Property obtained a loan to pay the full amount, which loan was to close by March 25, 2020; and

WHEREAS, as a result of the COVID-19 State of Emergency the Owner's lender temporarily suspended closing on loans; and

WHEREAS, because the loan closing was delayed through no fault of the Owner, the Township of Chatham Township Committee desires to fix the amount of principal and interest as of March 25, 2020 in the sum of \$426,806.11 provided that the real estate taxes and sewer charges are paid when due and provided that the amount due is fixed until May 29, 2020 to allow for the loan closing to occur and the Township paid in full; and

WHEREAS, in the event that the total due is not paid in full by May 29, 2020, principal and interest will then begin to accrue as of March 25, 2020 until paid in full.

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Chatham, County of Morris, State of New Jersey, as follows:

1. The principal and interest in real estate taxes and sewer charges as of March 25, 2020 is fixed at \$426,806.11.
2. This amount shall be fixed until May 29, 2020 provided that the real estate taxes and sewer charges are paid when due.

3. This amount shall be fixed until May 29, 2020 at which time if the fixed amount is not paid in full, then the principal and interest will begin to accrue as of March 25, 2020 until paid in full.
4. This Resolution shall take effect immediately.

Committeewoman Swartz asked that Resolution 2020-101 be pulled from the Consent Agenda for a separate vote, as she will need to abstain.

Committeewoman Swartz moved to approve the Consent Agenda. Deputy Mayor Ness seconded the motion.

Roll call: Committeewoman Ewald, Aye; Committeewoman Fondaco, Aye; Committeewoman Swartz, Aye; Deputy Mayor Ness, Aye; Mayor Kelly, Aye.

**RESOLUTION 2020-101
RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF
CHATHAM APPROVING EXECUTIVE SESSION MINUTES OF MEETINGS**

BE IT RESOLVED that the Township Committee of the Township of Chatham acknowledges receipt of and approves Executive Session minutes of the Township Committee meeting held on March 26, 2020.

Deputy Mayor Ness moved to adopt Resolution 2020-101. Committeewoman Ewald seconded the motion.

Roll call: Committeewoman Ewald, Aye; Committeewoman Fondaco, Aye; Committeewoman Swartz, Abstain; Deputy Mayor Ness, Aye; Mayor Kelly, Aye.

Hearing of Citizens

Mayor Kelly announced that members of the public wishing to participate in the Hearing of Citizens were able to be heard by utilizing the Raise Hand feature on the Zoom platform. He also noted that people can also call in.

Mayor Kelly opened the Hearing of Citizens.

1. Thomas Tether, 115 Huron Drive, asked about Ordinance 2020-04 and why the ordinance is moving forward despite a lawsuit regarding a separate site on River Road. Mr. Tether asked if the ordinance would tie the Township's hands for additional development on the Skate Park site if the proposed development at the River Road site cannot happen as planned. Attorney Cruz said that the two sites are unrelated, and Ordinance 2020-04 amends the Redevelopment Plan for the Skate Park. He also explained that the original Redevelopment Plan subdivides slightly more than 3 acres from the existing parcel for the development of 24 units. The amendment results in the Township retaining an additional portion of the property.
2. Tom Evans, 21 Birch Hill Drive, said that during the introduction of the Municipal Budget at the last Township Committee meeting, he did not hear anything about budgeting for upgrades to Municipal Building. Administrator Hoffmann said that will be addressed at the April 23rd Township Committee meeting. He also said that the Township has applied for a grant from PSE&G. Administrator Hoffmann said that if the Township is awarded the grant, then PSE&G would pay for 70% of the cost of the upgrades and repairs performed. He also noted that items that would potentially be covered by the grant. Administrator Hoffmann said that grants were submitted for both the Municipal Building and the Police Department. Mr. Evans thanked Administrator Hoffmann for the information, and said he looks forward to hearing more at the next meeting.
3. A third, unidentified prank caller made an offensive comment.

Seeing no further comment, Mayor Kelly closed the Hearing of Citizens.

Committeewoman Swartz moved to adjourn at 6:40 PM. Deputy Mayor Ness seconded the motion, which carried unanimously.

Gregory J. LaConte
Municipal Clerk