

SPECIAL TOWNSHIP COMMITTEE BUDGET MEETING  
February 17, 2009

The regular meeting of the Township Committee of the Township of Cranbury was held at 7:00 p.m. in the Town Hall Meeting Room. Answering present to the roll call were: Township Committee members: Winthrop Cody, David J. Stout and Mayor Pari Stave. Messrs. Panconi and Stannard were absent. Also present were: Christine Smeltzer, Administrator and Kathleen R. Cunningham, Clerk. Mayor Stave led in the salute to the flag and Ms. Cunningham gave the following Open Public Meetings Act statement:

In accordance with Section 5 of the Open Public Meetings Act, it is hereby announced and shall be entered into the minutes of this meeting that adequate notice of this meeting has been provided:

- (1) Posted on February 13, 2009 on the Bulletin Board of the Municipal Office at 23-A North Main Street, Cranbury, New Jersey and remains posted at that location.
- (2) Communicated to the Cranbury Press, Home News Tribune and Trenton Times on February 13, 2009.
- (3) Was filed on February 13, 2009 at the Cranbury Municipal Office, 23-A North Main Street, Cranbury, New Jersey, posted on the Township's web site and remains on file for public inspection, and
- (4) Sent to those individuals who have requested personal notice.

Ms. Cunningham, Township Clerk, announced the Township Committee will consider first the discussion of a request by Joseph Stasi to allow the installation of a water line in the Liberty Way Right-of-Way between the Holland House and Station Road before the 2009 Budget Discussions.

Mayor Stave reported she, Ms. Waterbury, Township Attorney and Township Committeeman Cody had a conference call late Friday regarding Mr. Stasi's issue with installing a water line. Mayor Stave read the Township Attorney's recommendations: "In anticipation of the discussion tonight regarding the Stasi's water line, here is some background information and recommendations:

1. The Stasis do not own The Holland House anymore; they have sold it to a Mr. Shah. There is currently no public water line in Liberty Way and no well on The Holland House property. In order to get water to the Holland House, the alternatives are:
  - a). Dig a well;
  - b). Have New Jersey American Water install a water main in Liberty Way or;
  - c). Have the Shahs run a private service line akin to a lateral out to Station Road.

The Shahs do not want well water and New Jersey American Water will charge the Shahs \$46,000 to run a main in Liberty Way. No other properties will be served by the line which is why the water company will not install the main at its own cost. The Shahs therefore want permission to install a private lateral in the Liberty Way Right of Way. We were told that Joe Stasi was required to post \$50,000 in an escrow account that he will forfeit to the Shahs if Township Committee does not agree in concept by February 23d to allow the Shahs to run a private line in the Liberty Way Right of Way. Therefore, Township Committee needs to decide tonight whether or not it is at least in concept to allow this. The Township Committee does not need to take formal action tonight, nor should it, however it should reach a consensus that we can convey to Frank Brennan, Esquire tomorrow. Formal action will need to be taken at a later date once all the proper documentation is in place.

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### The Holland House Water Line Issue (Continued)

Township Committee should not grant the Shahs an easement or other property interest. Instead the permission should be in the form of an encroachment agreement similar to what the Township entered into to allow a pool and a fence to encroach in one of its drainage easements.

Any agreement should be conditioned at a minimum upon the following:

- a). The property owner, the Shahs, must pay all of the Township's legal costs associated with the negotiation and review of the necessary documents.
  - b). Property owner will agree to pay all of the Township's engineering costs associated with reviewing the plans and documents.
  - c). The property owner must provide an inspection escrow in an amount to be determined by the Township Engineer sufficient to cover engineering inspections.
  - d). The property owner must provide a restoration bond to be determined by the Township Engineer.
  - e). The property owner must provide insurance and agree to indemnify the Township.
  - f). All documents, agreements, bonds, etc. are to be reviewed and approved by the Township Attorney.
7. The formal encroachment agreement will have to be approved by Township Committee by formal resolution.
  8. The Shahs are not asking the Township to pay for the installation of the line itself.

I would recommend that any conceptual approval be contingent on the conditions outlined above, such that if the Shahs or Stasi do not agree to one or more of the conditions, we would have to come back to discuss it".

Mayor Stave added, she and Mr. Cody had left it that they were disposed in helping out in this instance because the alternatives are onerous on Mr. Stasi. Since the Township is in the budgeting process and concerned about additional expenses and since Mr. Stasi, in his initial discussions, had agreed to pay for the legal expenses, the Township is looking this evening for a consensus in the form of a straw vote from Township Committee to proceed under the terms outlined in the Township Attorney's e-mail to the Mayor. Mr. Stout raised his concern that the Township has no ownership in any of the utilities that get laid down at the site and stated he was curious about the indemnity, i.e. what it will cover. Mr. Stout agreed to support the Township helping Mr. Stasi with his problem. All of the Township Committee members were in agreement in concept approving all of the conditions as outlined. Mayor Stave explained the Township Committee will formally approve everything at its next meeting in March.

### 2009 Budget Discussion

Ms. Marabello led the discussion on the proposed 2009 Budget stating that the Township's tax rate increase is zero (0) for this year's Budget. Ms. Marabello reported Chief Kahler had requested the Township increase his overtime back to \$160,000 from the \$150,000 that she had decreased it to. His explanation is that the D.A.R.E.

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## 2009 Budget Discussion (Continued)

Program has not run in over one (1) year and if the Police Department runs the Program (as they have had many requests to do so), he will need an additional \$10,000 to do so.

Mayor Stave reported she had attended the Library Board of Trustees meeting last Thursday, February 12, 2009. She went to speak on behalf of the entire Township Committee by saying that it is the sentiment of the Township Committee that it would like the Board to return to the Township coffers any monies they possibly could from their surplus. Mayor Stave stated as the legislation was just passed last August (the second part of it) this is all new so they directed their attorney to give them a report on some census of how the money that can be returned to a municipality can be calculated, specifically if it is all from the previous year, how much has to remain in surplus and what purpose can it be used for, etc. Ms. Thomsson, a Board of Trustee member, thought, in the best-case scenario, if it turns out that the amount equals one-third of the taxpayer's money (and that sum works out to be about \$100 per household), she thought the residents may decide the Library should just keep it. Mayor Stave also added the Library is worried in the future the School could oust them from their space and the School does have the right to ask them to leave. The Board sees the surplus as a way of saving for that eventuality. She stated she had made it very clear that at the present time there is very little political support now or in the near future to build a new library. Mayor Stave offered to work with the Library to publicize it should they decide to give back any monies to the Township. She said the Township should not expect to hear anything back for a number of weeks. Ms. Smeltzer stated that Ms. Mullen had called earlier in the day and indicated that she was going to look at both giving money back to the Township and also helping the Township out monetarily with various programs.

Ms. Marabello asked if anyone had any comments concerning overtime. Mr. Cody stated he had some comments on the Budget: "The Township is increasing spending considerably even though the tax rate is not being increased (because monies are being used from the Township's surplus)". Mr. Cody referenced the Administrative Salary and Wages Budget going up 23% from 2008's Budget. He also mentioned the Police Department salaries and wages were up 12% from the year before. Ms. Smeltzer explained the reason for such a large increase is a "vacation payout" to the former Chief of Police this year who retired last year. Professionals and boards were up 49% from the year before and also mentioned other items going up considerably. Mr. Cody stated he is concerned with the Township using too much of its surplus and possibly running out of surplus within three (3) years or so "if the Township keeps going down this path". He recommended decreasing the overtime in the Administrative and Executive Salaries and Wages Budget. He stated he wants to look at all of the overtime in the Budget. Mr. Stout asked if the overtime is from working at night time meetings. Ms. Smeltzer responded Ms. Kratz's overtime would be for both the Planning and Zoning Boards. Ms. Marabello responded the overtime for those meetings is only \$3,000. Mr. Cody suggested instead of paying her overtime, adjust her hours during the day. He referenced the Township is spending 23% in the proposed 2009 Budget. Ms. Smeltzer reminded everyone a lot of that figure (54% of the 23%) is the judgment amount of \$60,000 for litigation that was settled. Mr. Cody recommended that the Township not replace a person without first taking a look at whether or not the Township really needs to replace that person. Mr. Cody also questioned why there was so much money funded for the Master Plan in the Professionals Budget. Mr. Stout explained that is because of State unfunded mandates the Township has to comply with storm water regulations and the Township Planner and Engineer will have to work on it this year. Mr. Cody asked for confirmation

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2009 Budget Discussion  
(Continued)

on budgetary items he had reviewed. The Township Committee members discussed with him the various line items he had questions about. The Township Committee discussed again with Chief Kahler his request for new police vehicles. Mr. Cody suggested using summer help to conduct the State-required dog census. Mayor Stave stated if that is allowed it will save the Township money. The Township Committee members discussed with Chief Kahler his request for overtime in his budget for the D.A.R.E. Program and decided to defer a decision on his request to a later date.

Ms. Marabello stated she needs to be sure that everyone is now ok with the proposed 2009 Budget as it is scheduled to be introduced on March 2, 2009's Township Committee meeting. If it is not introduced then, it cannot be adopted on March 30<sup>th</sup> and the Township will run out of money to run the town. All Township Committee members agreed on the proposed 2009 Budget.

The Township Committee members discussed possibly having "flex time" for employees. Mayor Stave reported Ms. Smeltzer, Township Administrator, is going to put a report together if it would save the taxpayers money to do so.

Public Comment

The Mayor opened the meeting to public questions and comments. Mr. Dietrich Wahlers, 33 Hagerty Lane, asked if Ms. Marabello was going to put together this year an analysis on the Budget and the Township's surplus as she had in the past. Ms. Marabello responded she would be. Mr. Wahlers also asked who owns the barn that is being stored. Mayor Stave responded the Township has ownership. Mr. Wahlers urged the Township not to not pay for the storage of the barn as to not lose the value of it. Mr. Stout asked if the Township is the proper custodian for the barn and suggested asking the Historical Society if they would take ownership. Mayor Stave responded at the present time there are discussions going on.

Mr. Dan Mulligan, Old Cranbury Road, asked Ms. Marabello how the Township arrives at surplus. Ms. Marabello explained most of the Township's surplus comes from the prior year's budget as well as any added assessments to the Township's taxes. Mr. Mulligan then asked what the surplus is presently. Ms. Marabello responded by the end of 2008 it was \$4.9 million.

Mr. Dave Mauger, 26 Griggs Road, asked if the Township should come up short with the revenue from its affordable housing, does the Township have to make up the difference and on the flip side, if there is surplus does the Township get those monies. Mr. Stout responded the monies go into an affordable housing trust fund. Ms. Marabello added those monies have to be used on affordable housing and are not permitted to be used for any other items. There being no further comments, the Mayor closed the public part of the meeting.

On motion by Mr. Stout, seconded by Mr. Cody and unanimously carried, the meeting adjourned at 8:35 p.m.

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Kathleen R. Cunningham, Clerk