

August 26, 2020

Note: This meeting was held by teleconference.

Minutes of the Special public meeting of the Mayor and Council of the Borough of Dunellen held on August 26, 2020.

Mayor Jason F. Cilento called the meeting to order at 7:00 p.m. and he led the Pledge of Allegiance.

Municipal Clerk William Robins read the Sunshine Statement and called the Roll.

Present: Jason Cilento, April Burke, Jessica Dunne, Stacy Narvesen, Trina Rios and Daniel Sigmon

Mr. Bayer was delayed and arrived at 7:11 pm.

At this point, Mayor Cilento appointed Robert Krause as an Alternate Member of the Dunellen Planning Board, term to expire August 27, 2022.

On the motion of Mrs. Narvesen and seconded by Dr. Dunne it was moved to accept the following:

ORDINANCE 2020-10

The following ORDINANCE was Introduced for first reading on August 3, 2020. It is now being further considered for public hearing and adoption on August 26, 2020, at 7:00 p.m. in the Dunellen Borough Municipal Building, 355 North Avenue, Dunellen, New Jersey. Copies of this ordinance have been posted on the Municipal Bulletin Board, and have been available at the Office of the Borough Clerk for any interested members of the public.

THIS ORDINANCE SECURES OBLIGATIONS IN ACCORDANCE WITH THE PROVISIONS OF THE “REDEVELOPMENT AREA BOND FINANCING LAW” AND THE LIEN HEREOF IS A MUNICIPAL LIEN SUPERIOR TO ALL OTHER NON-MUNICIPAL LIENS IN ACCORDANCE WITH THE SPECIAL ASSESSMENT AGREEMENT HEREBY AUTHORIZED

AN ORDINANCE AMENDING AND SUPPLEMENTING ORDINANCE NO. 2017-06 OF THE BOROUGH OF DUNELLEN, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY, PROVIDING FOR THE SPECIAL ASSESSMENT OF THE COST OF CERTAIN WASTEWATER, STORMWATER, UTILITY AND OTHER INFRASTRUCTURE IMPROVEMENTS ON BLOCK 85, LOTS 1 & 2 AND BLOCK 83, LOT 1, ESTABLISHING A MECHANISM FOR PAYMENT OF A PORTION OF THE COST THEREOF, AND AUTHORIZING AN AMENDMENT TO SPECIAL ASSESSMENT AGREEMENT IN CONNECTION THEREWITH

WHEREAS, the Borough Council (the "*Borough Council*") of the Borough of Dunellen had previously created the Borough of Dunellen Redevelopment Agency (the "*Agency*") pursuant to §§68-1 through 68-4 of the Borough Code and thereafter adopted Ordinance 04-12, which repealed the creation of the Agency and appointed the Borough Council as the municipal entity responsible for implementing the redevelopment plans and carrying out the redevelopment projects pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the "*Redevelopment Law*"); and

WHEREAS, on May 5, 2003, the Borough Council adopted a resolution designating certain properties within the Borough, including Site #3 of the Redevelopment Plan, consisting of property located at South Washington Avenue between the rail line and Columbia Street, identified as Block 85, Lots 1 and 2, in the Borough as an area in need of redevelopment in accordance with the Redevelopment Law (the "*Initial Area*"); and

WHEREAS, on August 9, 2004, the Borough Council adopted an ordinance approving and adopting the Dunellen Downtown Redevelopment Plan Phase I (as thereafter amended, the "*Redevelopment Plan*"), in accordance with the Redevelopment Law; and

WHEREAS, on August 9, 2004, by Ordinance #04-12, the Borough Council appointed itself to be the appropriate authority, *i.e.*, the redevelopment entity, to implement redevelopment plans pursuant to N.J.S.A. 40A:12A-8; and

WHEREAS, on April 3, 2017, the Borough Council adopted resolutions (i) designating the Brudner Redevelopment Partners Urban Renewal, LLC as the redeveloper (the "*Redeveloper*") for the Initial Area and (ii) authorizing the execution and delivery of the Redevelopment Agreement (as hereinafter defined); and

WHEREAS, the Redevelopment Plan contemplates the issuance by the Borough of redevelopment area bonds to finance the redevelopment project; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-6, the Borough Council authorized the Planning Board to undertake an investigation to determine whether Block 83, Lot 1, in the Borough, more commonly known as 105 South Washington Avenue, should be designated as a non-condemnation area in need of redevelopment; and

WHEREAS, the Planning Board, after public hearing and consideration of information gathered and reported in the Preliminary Investigation report prepared by CME Associates, dated July 13, 2017, recommended that Block 83, Lot 1, in the Borough, more commonly known as 105 South Washington Avenue, be designated as a non-condemnation area in need of redevelopment; and

WHEREAS, by Resolution 10-02-2017:#1, dated October 2, 2017, the Borough Council declared Block 83, Lot 1, to be a non-condemnation area in need of redevelopment (the "*Additional Lot*", and together with the Initial Area, the "*Redevelopment Area*" or the "*Property*"); and

WHEREAS, by Ordinance 2017-10, adopted November 6, 2017, the Borough Council adopted an amended Redevelopment Plan that includes the Additional Lot; and

WHEREAS, the Borough and the Redeveloper entered into that certain Redevelopment Agreement, dated as of July 13, 2017 (the “*2017 Redevelopment Agreement*”), as amended by the First Amendment to Redevelopment Agreement dated as of August 5, 2019 to, among other things, include Block 83, Lot 1, (the “*First Amendment to Redevelopment Agreement*”, together with the 2017 Redevelopment Agreement, as the same may be amended, modified or supplemented from time to time the “*Redevelopment Agreement*”) in order to effectuate the Redevelopment Plan; and

WHEREAS, on June 5, 2017, the Borough adopted Ordinance 2017-06 entitled “**AN ORDINANCE OF THE BOROUGH OF DUNELLEN, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY, PROVIDING FOR THE SPECIAL ASSESSMENT OF THE COST OF CERTAIN WASTEWATER, STORMWATER, UTILITY AND OTHER INFRASTRUCTURE IMPROVEMENTS ON BLOCK 85, LOTS 1 & 2 AND ESTABLISHING A MECHANISM FOR PAYMENT OF THE COST THEREOF**” (the “*Initial Ordinance*”), which in part authorized the execution of a Special Assessment Agreement dated July 13, 2017 (the “*Initial Agreement*”); and

WHEREAS, the Borough and the Redeveloper wish to include the Additional Lot as part of the Property that is subject to the special assessment, and to authorize an amendment to the Initial Agreement (the “*First Amendment*”, and together with the Initial Agreement, the “*Special Assessment Agreement*”) in order to include Block 83, Lot 1 as part of the Property governed thereby, and to make certain other changes to the Initial Agreement in connection therewith,

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND BOROUGH COUNCIL OF THE BOROUGH OF DUNELLEN, IN THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY, AS FOLLOWS:

Section 1. The defined terms set forth in the recitals contained in this ordinance are incorporated by reference as if set forth at length herein, and all capitalized terms not defined herein shall be ascribed the meaning given to such terms in the Initial Ordinance.

Section 2. All references to the “*Property*” contained in the Initial Ordinance are hereby amended to mean Block 85, Lots 1 and 2, and Block 83, Lot 1. Notice is hereby given to the owners of the Property that the Borough intends to make and levy special assessments against all such Property in the amount and at the time set forth in the Special Assessment Agreement. The estimated aggregate cost of such Infrastructure Improvements for the Property subject to this ordinance is \$3,147,000 (subject to the actual costs of such Infrastructure Improvements at the time of installation as certified to the Borough Engineer), provided that the special assessments for any Property affected by this ordinance shall be made and levied in the manner provided by law and shall be as nearly as possible in proportion to and not in excess of the peculiar benefit, advantage or increase in value that the Property shall be deemed to receive by reason of the Infrastructure Improvements.

Section 3. The Mayor is hereby authorized and directed to execute the First Amendment in substantially the form attached hereto as Exhibit A, together with such changes, modifications

or revisions as may be necessary or appropriate in consultation with the Borough's redevelopment counsel. The Borough Clerk is hereby authorized and directed to attest to the signature of the Mayor and to affix the corporate seal of the Borough upon the First Amendment.

Section 4. Except as expressly modified herein, the Initial Ordinance and the Initial Agreement remain in full force and effect and binding in accordance with their terms.

Section 5. If any one or more of the provisions herein contained shall be held to be illegal or invalid in a final proceeding, then such provisions shall be null and void and shall be deemed separable from the remaining provisions of this ordinance and shall in no way affect the validity of any of the other provisions hereof.

Section 6. This ordinance shall take effect as provided by law.

Mr. Bruder advised that per instructions from Bond Counsel, on the record should be stated that the new lot being added was formerly known as Block 83, Lot 1, now constituting a portion of Block 85, Lot 1.01.

At this point, Mayor Cilento opened the meeting for public comment on the ordinance. No one from the public spoke. This portion was closed.

Yes: Burke, Dunne, Narvesen, Rios and Sigmon

On the motion of Mrs. Burke and seconded by Mrs. Rios it was moved to accept the following:

08-26-2020: #1

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, there exists a need for improvements to Grove Street Roadway Improvements; and

Whereas, the Local Public Contracts Law (NJSA 40A:11-1 et. seq.) requires that the resolution authorizing the award of the contract for Professional Services without competitive bidding must be publicly advertised.

Now therefore be it resolved by the Governing Body of the Borough of Dunellen as follows:

The cost of said services for the Construction Phase is not to exceed \$32,500.00.

The Mayor and Council are authorized to enter into an agreement with CME Associates, 3141 Bordentown Road, Parlin, NJ 08859 to provide the Construction phase of the Grove Street Roadway Improvement project at a cost not to exceed \$32,500.00

This contract is awarded without competitive bidding as a Professional Service under the provisions of the Local Public Contract Law because the services rendered are professional services of a recognized profession whose practice is regulated by law.

A copy of this resolution shall be published in The Courier as required by law within ten days of its passage.

Yes: Burke, Dunne, Narvesen, Rios and Sigmon

On the motion of Mrs. Narvesen and seconded by Mr. Sigmon it was moved to accept the following:

08-26-2020: #2

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

Whereas, in accordance with provisions of NJSA 40A:11 any expenditure of public funds in excess of \$17,500 requires the advertisement for proposals for delivery of said services or goods, and

Whereas, a need has been determined for improvements to Grove Street; and

Whereas, the following bid was solicited and opened on Thursday, August 6, 2020:

Jads Construction Company	
PO Box 513, South River, NJ 08882	\$297,468.05

This was the low bid among seven bids received.

Whereas, funding is limited and a Deletion Item was included in the Bid Documents to allow for the deletion of the roadway improvements west of Prospect Avenue should the bids received exceed the available funding for the project; and

Whereas, the total Deletion Item "A" for Jads Construction is \$84,071.15, which when removed from the base bid amount results in a bid in the amount of \$213,396.90; and

Whereas, it is the recommendation of the Borough Engineer that the bid of Jads Construction be accepted with the aforementioned Deletion Item and a contract be awarded; and

Whereas, funds for said contract have been certified as available from the Chief Financial Officer. This award is subject to New Jersey Department of Transportation approval, as well as the approval of the Department of Community Affairs, Division of Local Government Services.

Now therefore be it resolved that the Mayor and Municipal Clerk are hereby authorized to execute the necessary agreement with Jads Construction for improvements to Grove Street at a cost not to exceed \$213,396.90.

Mayor Cilento stated that the grant funds we received from the State cover roadway improvements from New Market Road to Prospect Avenue. The Borough is looking into entering into an interlocal agreement with Middlesex County for a "mill and pave program." He thanked Council President Ken Bayer for working with him in contacting the County. We are waiting to hear from the County. This program will help to lower or even remove some of the engineering costs for roadway improvement. We are looking for creative ways to lower the cost of paving our streets.

Yes: Burke, Dunne, Narvesen, Rios and Sigmon

PUBLIC PORTION

Tremayne Reid, 721 Walnut Street: asked about the start time for the South Madison Avenue project. Mayor Cilento responded that though we hoped to begin both Grove Street and South Madison in August, COVID-19 has delayed the South Madison project. South Madison is under review by the New Jersey Department of Transportation. Once we receive word to proceed from NJDOT the process will be the same as the Grove Street project.

Janine McNair, 219 Gertrude Terrace: 1) asked for an explanation of Ordinance 2020-10. Dr. Robins stated that a Special Assessment is the mechanism for guaranteeing payment of the equivalent to the property taxes (which had been approximately \$248,000 annually) paid by Art Color before the buildings were taken down. This ordinance (which is an amended special assessment) is necessary because after the first special assessment a parcel was brought into the development and this makes the coverage complete.

2) asked for an update on the Culvert projects. Mayor Cilento responded that we are working with the property owner to obtain an easement. A recent change in ownership of this property has caused a delay. Mr. Bruder stated that the only thing holding us up is obtaining this easement. We have retained an appraiser to value the easement and we will make an offer to the owner. If this offer is not accepted, we would have to proceed with a legal action. Mayor Cilento added that the other two culvert projects, South Madison Avenue and Pulaski Street, are County projects and the timetable for South Madison is still the end of 2020 and Pulaski in 2021.

3) she asked about rainwater and possibly dredging the brooks, to alleviate flooding. Mayor Cilento responded that he and Dr. Robins have met with the NJ Department of Environmental Protection and there are guidelines we can follow that do not violate NJ DEP regulations. The DPW Committee will be looking into this.

Julian Toro, 380 Whittier Avenue: asked about the reassessment the Borough is undertaking. He noted that there is uncertainty due to the COVID-19 situation. Why not hold off on the

assessment? Mayor Cilento responded that under the program we are following, we must begin the reassessments within two years of the last, full reassessment. Mr. Toro noted that some towns, such as Paterson, have been granted extensions. And, he asked how we can ascertain the accuracy of the appraisals from the company doing the appraisals? He referenced collateral underwriting and bidding wars that raise the prices of properties. Dawn Guttschall, Dunellen Tax Assessor, responded that some of the towns that have not started their revaluations are putting off the revaluation due to COVID-19 because revaluations require interior inspections. Though our annual revaluation also requires interior inspections, the State is allowing us to do only exterior inspections. So, we are going to do mostly exteriors this year and try to make up the interiors next year, if possible. On a five-year cycle, it keeps the data and property record cards as accurate as it can be but all the values for the entire town will be reviewed, not just the houses being inspected. If the assessments in the town are going up this year because the sales are strong, then the assessments will probably go up, based on the market. Next year, the values might fall. But it doesn't mean that if your assessment goes up, you will pay an equivalent more in taxes because of the higher value. If everyone in the town is appreciating at the same rate, they will all pay about the same amount of taxes. The people who will be paying a different amount in their taxes are people who have improved their homes, and that is why it is going up. And, the reassessment helps to find those homes that have been improved and that they are paying an equitable amount of taxes. So, everyone is paying their fair share. Dawn also stated that she is the person who makes the assessment on a property, not the company which does the inspections. She reviews the sales based on the market and then does the assessments. You are not being penalized by making improvements to your home, but your home is now more valuable, and you are adding equity to it. And no one in any town and any revaluation is running it through an underwriting. We are licensed by the State to do assessments and that is what we are doing. It is not like a mortgage company mortgaging one house and running the whole file through an underwriting process. Every year, you can file an appeal and challenge your assessment. Or you can call me up and talk about it and we can look at it. The goal is to get correct assessments for everyone in the town.

John Malupis, 808 Madison Avenue: he asked about the letter he received from AECOM regarding the Green Brook Flood Control. Dr. Dunne responded that this is part of the U.S. Army Corp of Engineers' work on the Green Brook Flood Control. This is an effort to control the flood waters from the Bound Brook and the Green Brook. The ongoing construction that you see, currently in Middlesex Borough, will come to Dunellen in the next five years. They are now trying to get ahead to properly manage the waters. The number one hindrance is real estate. They are now contacting residents who might be impacted. She offered to meet with any resident who received a letter.

Reports:

Mrs. Rios: 1) Municipal Alliance will be having their Overdose Awareness Ceremony on August 31st at 7:00 pm in Washington Memorial Park; 2) there will be a Farmers' Market in the Dunellen Library parking lot from 11 to 2 on August 30th; 3) the Dunellen Library is hoping to open in early September with limited access.

Mrs. Burke: 1) Chief Daniel Smith informs her that the battery-operated mobile radar units are now available. Their power source lasts about one week. The units collect data which will allow the police to decide whether to put officers at that location for radar patrol.

Mr. Bayer: after speaking with Scott Olsen, he can inform the Council that we are near the same collections as we were last year. This includes permit fees from the Construction Office.

Mayor Cilento: noted that there has been some inaccurate posting on social media regarding the borough's financial situation. We are at an almost 93% intake of taxes. He has a letter from our Auditors stating that we are in good financial standing:

HODULIK & MORRISON, P.A.

August 26, 2020

Honorable Mayor Jason Cilento
 Borough of Dunellen
 355 North Avenue
 Dunellen, New Jersey 08812

Dear Mayor Cilento,

You asked that we provide you with correspondence providing certain financial year-end and interim information relative to the Borough of Dunellen (the "Borough").

As requested, the following is certain Borough financial data abstracted from Borough financial reports and other related information. This data and information has not been audited nor have any form of assurances been performed by us with respect to the information provided.

One very important financial account that readers of a governmental entity's financial statement will focus upon is the entity's year-end fund balance. The following table sets forth the Borough's year-end Current Fund - Fund Balances (or which sometimes is referred to as "Net Position") for the years 2019; 2018; 2017; and 2016.

Current Fund – Fund Balance:

31-Dec 2019	31-Dec 2018	31-Dec 2017	31-Dec 2016
\$ 452,246.16	\$ 429,323.36	\$ 518,617.44	\$ 404,607.19

As the above table indicates, the Borough's Current Fund year-end financial position has remained relatively stable over the years identified and as indicated, there has been no deterioration of the fund balance reported over the course or the last several years.

As for more up-to-date information, similar to other local units, the Borough does not issue interim financial reports. However, data with respect to the Borough's cash position at certain dates, in comparison to previous years, has been made available by the Borough's Chief Financial Officer, as follows:

Cash Position:

31 July 2020	31 July 2019	31 July 2018
\$2,884,449.67	\$2,532,060.28	\$2,884,825.85

24 August 2020	24 August 2019	24 August 2018
\$4,743,288.29	\$3,633,505.08	\$3,819,286.00

Once again, and similar to the table depicting fund balance(s), the Borough's cash position at the dates provided above indicate a stable and similar cash position in the current 2020 year, as compared to the two years' previous.

As has been reported, the World Health Organization declared a global pandemic on March 11, 2020, due to the spread of the Coronavirus disease 19 ("Covid-19"). As a result, no doubt there are concerns that exist with respect to the impact of Covid-2019 upon the Borough, as like all governmental entities. Given the uncertainty around the extent and timing of the potential future spread or mitigation of Covid-19, no reasonable estimate of the impact upon the Borough is feasible at this time. However, it is reasonable for those charged with governance to conclude the Borough is not isolated in this position and it is also reasonable to presume the new coronavirus resulting impacts will, at the very least, occur on a large regional basis.

As indicated above, we have not audited the information provided in this correspondence nor do we provide any form of assurance. This information is provided solely as a means to provide certain tables of information requested by the Borough. This information is intended solely for the use of those charged with governance and management of the Borough and is not intended to be and should not be used by anyone other than these specified parties.

Andrew G. Hodulik
HODULIK & MORRISON, P.A.
A division of PKF O'Connor Davies
Certified Public Accountants
Registered Municipal Accountants

Mayor Cilento: as you can see from this letter, entered into the record with Council consent, we are in good financial standing.

Dr. Dunne: 1) thanked Ron Safar and Alex Miller and the entire DPW who have been doing fantastic work this past month; 2) there was a Solidarity Hour a couple weeks ago. We are working on the idea of a diversity inclusion committee. She was approached privately. Mayor Cilento asked Dr. Dunne if she was looking at this as a sub-committee of the Council. She responded affirmatively. It is still in the discussion stage.

Mr. Sigmon: the drive-in movie is having some technical difficulties as the parking lot lights are too bright. A possible alternate location is at the tennis courts. The fence at the courts could be the place to hang the screen. Social distancing guidelines would be followed. Mayor Cilento thanked Mr. Sigmon for the flower boxes in the park.

Mrs. Narvesen: 1) the Board of Education has announced that all school will be virtual; 2) Soccer will begin October 3rd, grades 3 through 8, Monday nights 5:30 to 6:30; 3) Tennis will begin September 14th; 4) the Annual Senior Picnic will be Friday, September 18th at the American Legion at 11:00 am; 5) asked about the cleanup of branches from the last storm? Ron Safar replied that he started the South side last Monday. The North side is completely picked up.

Mayor Cilento:

COVID-19 Update:

As of today, we have currently a cumulative total of 216 for Dunellen, with 9 deaths.

New Jersey COVID-19 Information Hub at: www.covid19.nj.gov.

If you are in need of assistance due to a mental health crisis or domestic violence, here are contact numbers for you: the crisis text line by texting “NJ” to 741741; call the family helpline at 1-800-843-5437; the domestic violence hotline at 1-800-572-7233; or the mental health line at 1-866-202-4357. We encourage you to utilize these resources during this challenging time. You matter, and we want you to be safe.

COVID-19 Pop-Up Food Drive: Starting back up next week to assist families in need during this time, please look for further information.

2020 Census: 73% response rate, please respond if you haven't. He commends Julie Grof, our project manager.

Redevelopment – Art Color:

There are a lot of moving parts right now with the project. Sewer infrastructure is being planned. Water provisions for the redevelopment for proper piping and hook ups are underway, finishing plans for the North Washington Avenue pump station, an ordinance is being drafted for police enforcement for the premises and traffic safety rules on redevelopment roads, so as you can see there are still a lot of moving parts that should be coming to conclusion in the near future, but I thought it best to keep everyone updated.

DMR Architects/Planners: Preparing a Memo for how Borough can begin hosting Community Vision planning sessions for downtown Dunellen. The sessions will include business owners, property owners and residents. The planning will ultimately be implemented into our redevelopment plan.

DACC: Concert in the Park, Sept 3rd at 6:30pm. So far it has been a great success and thank you to the Dunellen Arts and Culture Commission.

Health Insurance: Sending letter to state informing them we will be looking at Healthcare costs and savings in the market through our JIF.

QUESTION FOR COUNCIL: BOROUGH HALL OPENING. Would like to propose to Council that the offices be open beginning August 31st, with a one-person capacity. He would also like to propose that the September 8th Council Meeting be open to the public.

Dr. Dunne agrees, and that if we open it be restricted to one-two persons. She asked how we can manage distancing in the Council Chambers? Mayor Cilento responded that the desks can be moved, and some Councilmembers might sit in the audience seats. We would continue with live-streaming and Ronnie Haynes our IT with the School District and Cole Sigmon are assisting in the

arrangements. There were no other Council questions or comments and Mayor Cilento is taking this as a consent to his proposals.

Homer Mosley: speaking for Office of Emergency Management – OEM is alive and well, continuing their training sessions and we are awaiting word from the County on our reimbursement submission. Also, the All-County Hazard Plan is being addressed. He thanked April Burke who is assisting with the Operating Manual preparation.

Adelia Vigilante, 823 Second Street, asked about the meter situation, whether with the shortage of coins, there will be an alteration in the parking meters. Mayor Cilento replied that this is a Parking Authority matter and a source of income for them. You can address your inquiries to Dr. Robins, and he will forward them to the Parking Authority. Dr. Dunne said she would investigate this with the Parking Authority.

On the motion of Mrs. Burke and seconded by Mrs. Narvesen it was moved to accept the following:

08-26-2020: #3

BE IT RESOLVED BY THE GOVERNING BODY OF THE BOROUGH OF DUNELLEN, NEW JERSEY, THAT:

The Special Dunellen Borough Council Meeting of August 26, 2020 is adjourned.

Yes: Bayer, Burke, Dunne, Narvesen, Rios and Sigmon