

BOROUGH OF FAR HILLS
Borough Council Regular Meeting
MINUTES
January 24, 2022
Via Remote Meeting Access Only

CALL TO ORDER

Mayor Vallone called the remote meeting to order at 7:01 p.m. and read the open public meetings statement in accordance with the law.

PLEDGE OF ALLEGIANCE

Mayor Vallone led the Pledge of Allegiance.

ROLL CALL

Present: Councilman Joseph Carty, Councilwoman Mary Chimenti, Councilman Ted McLean, Councilwoman Sheila Tweedie, Councilman Kevin Welsh, Mayor Paul J. Vallone, MD
Absent, as Excused: Council President David Karner
Absent:
Also Present: Borough Clerk Dorothy S. Hicks, Borough Attorney Joseph Sordillo, Chief of Police Michael DeCarolis

REPORTS

Councilman Welsh – Fire, Water, Light, Buildings & Grounds

Councilman Welsh stated he would provide his report in conjunction with the introduction of Ordinance 2022-03 later in the meeting.

Councilwoman Tweedie – Health/Sanitation

Councilwoman Tweedie stated she would provide her report during Executive Session.

Councilman McLean – Roads

No report.

Councilman Carty – Finance/Insurance

No report.

Councilwoman Chimenti – Laws, Ordinances & Elections

Councilwoman Chimenti reported the Court receipts for the month of November 2021 totaled \$1,987.40.

Chief DeCarolis – Police

Chief DeCarolis stated the December 2021 Police Report has been filed with Council President Karner and Councilman Carty. He noted that the two recently hired officers have been doing an exemplary job.

Mayor Vallone

Mayor Vallone expressed his appreciation to the members of the Borough Council, Planning Board and Board of Health for their dedication to the Borough of Far Hills.

He stated he would be meeting with Ms. Stern, Borough CFO next week to review the 2022 Budget.

With respect to Covid-19 and the increased exposures as a result the Omicron variant, Mayor Vallone indicated that the Borough continues to work with the state and county health departments to ensure compliance with the latest guidance and regulations to safeguard our staff and residents.

REGULAR AGENDA

APPROVAL OF MINUTES

01/03/22 Reorganization Meeting Minutes

Motion by Councilman McLean, seconded by Councilman Welsh, was unanimously carried that these minutes be approved for content and release.

01/03/22 Regular Meeting Minutes

Motion by Councilman McLean, seconded by Councilwoman Chimenti, was unanimously carried that these minutes be approved for content and release.

01/03/22 Executive Session Minutes

Motion by Councilwoman Chimenti, seconded by Councilman McLean, was unanimously carried that these minutes be approved for content only.

UNFINISHED BUSINESS

ORDINANCES – PUBLIC HEARING AND ADOPTION

ORDINANCE 2022-01 – AN ORDINANCE APPROPRIATING \$40,000.00 FOR PENNBROOK RD IMPROVEMENTS – ENGINEERING

Motion by Councilman Carty, seconded by Councilwoman Tweedie to open the public hearing.

George Mellendick, 260 Lake Road, Far Hills inquired as to the scope of the improvements to Pennbrook Road.

Mayor Vallone responded that due to water runoff along Pennbrook Road and onto Lake Road, improvements to the drainage system were planned.

There were no further comments from the public.

Ms. Hicks advised that the notice of the public hearing was published in the newspaper of record, and that no communication, either written or verbal was received regarding the Ordinance.

Motion by Councilman Carty, seconded by Councilman Welsh to close the public hearing.

Motion by Councilman Welsh, seconded by Councilman McLean that Ordinance 2022-01 be adopted.

Roll Call:

Aye: Carty, Chimenti, McLean, Tweedie, Welsh

Nay:

Abstain:

Motion Carried.

ORDINANCE 2022-02 – AN ORDINANCE OF THE BOROUGH OF FAR HILLS APPROPRIATING \$75,000.00 FROM THE CAPITAL IMPROVEMENT FUND TO THE BOROUGH’S AFFORDABLE HOUSING TRUST FUND FOR THE DEVELOPMENT OF AFFORDABLE HOUSING UNITS.

Mr. Sordillo provided a brief overview of the Ordinance.

Motion by Councilman Carty, seconded by Councilman Welsh to open the public hearing.

There were no comments from the public.

Ms. Hicks advised that the notice of the public hearing was published in the newspaper of record, and that no communication, either written or verbal was received regarding the Ordinance.

Motion by Councilman Carty, seconded by Councilwoman Chimenti to close the public hearing.

Motion by Councilman McLean, seconded by Councilwoman Chimenti that Ordinance 2022-02 be adopted.

Roll Call:

Aye: Carty, Chimenti, McLean, Tweedie, Welsh

Nay:

Abstain:

Motion Carried.

**NEW BUSINESS
INTRODUCTION**

ORDINANCE 2022-03 – AN ORDINANCE APPROPRIATING \$40,000.00 FOR CAPITAL IMPROVEMENTS AT THE J. MALCOLM BELCHER FAIRGROUNDS

Mayor Vallone and Councilman Welsh provided an overview of the restoration projects at the J. Malcolm Belcher fairgrounds which included carpentry, painting, and roof repairs for four of the six buildings. Mayor Vallone stated the goal was to have these projects completed by Memorial Day 2022 in time for our residents to enjoy following the annual parade.

Mr. Sordillo added the Ordinance only authorizes the funds to be allocated from the Capital Budget and there would be separate contracts authorized for the specific work to be completed.

Mayor Vallone clarified that these monies would be coming from the Borough’s budget and not from outside contributions as was incorrectly stated in a recent news article.

Motion by Councilwoman Tweedie, seconded by Councilwoman Chimenti that Ordinance 2022-03 be introduced.

Roll Call:

Aye: Carty, Chimenti, McLean, Tweedie, Welsh

Nay:

Abstain:

Motion Carried.

CONSENT AGENDA

The items listed within the Consent Agenda portion of the meeting have been referred to the Borough Council for reading and study; a copy placed on the table in the meeting room and is considered routine and will be enacted with one motion the Borough Council with no separate discussion. If separate discussion is required, the item may be removed from the Agenda by Borough Council action and placed on the Regular Agenda under New Business.

RESOLUTIONS

1. Resolution 22-044 – Authorizing Shared Services Agreement – Recycling – County of Somerset
2. Resolution 22-045 – Payment of Bill List

Motion by Councilwoman Tweedie, seconded by Councilman Carty that Resolutions 22-044 through 22-045 be approved.

Roll Call:

Aye: Carty, Chimenti, McLean, Tweedie, Welsh

Nay:

Abstain:

Motion Carried.

DISCUSSION

Raritan Valley Development Corporation (RVDC) – Mr. Larry Cohen, Esq., and Mr. William Hotz

Mr. Sordillo introduced Mr. Larry Cohen, the attorney representing Raritan Valley Development Corporation for the affordable housing properties at 8, 10 and 46 Peapack Road. Regarding the closing of the property located at 46 Peapack Road, which the Borough of Far Hills would be donating, Mr. Cohen requested modification to the Deed Restriction document. He indicated that the underwriters for the mortgage financing of the construction project have expressed an objection to one of the conditions in the Deed and was requesting from the Borough Council to have this section of the document removed or revised.

Mr. Cohen reviewed the Deed Restriction document and specifically noted Article 4, Section B, as follows: “Upon the occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent and the Municipality shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance.”

Mr. Sordillo stated it was his understanding that there was a concern pertaining only to the Reverter Clause in the Affordable Housing Agreement and not with the Deed Restriction document as was just presented by Mr. Cohen this evening. Mr. Sordillo noted that the Deed Restriction document was a standard form established via the Uniform Housing Affordability Controls (UHAC) and any revisions would need to be discussed with the Mayor and Council as well as the Borough’s Special Counsel and possibly the Court Master.

Mr. Hotz added that there was still a concern regarding the Reverter Clause in the Affordable Housing Agreement as the bank could not establish clear title and would not approve the financing for the

project. Mr. Sordillo responded that other affordable housing agreements contained a similar Reverter Clause and there were no known issues from the financial institutions.

A brief discussion ensued resulting in Mayor Vallone indicating the matter would be further discussed during Executive Session this evening.

Mr. Hotz also provided a brief update on the project at 46 Peapack Road. He indicated that due to changes in the FEMA floodplain delineations additional studies were required prior to receiving the final permit approval from the NJDEP. He indicated he would be submitting plans in compliance with the Planning Board's conditions of approval and anticipated construction to commence in Spring 2022.

Messrs. Cohen and Hotz left the meeting at this time.

Matheny School and Hospital Event – J. Malcolm Belcher Fairgrounds

Ms. Iveth Mosquera, Director Marketing, Development and Fund Raising provided an overview of the 75th Anniversary event proposed to occur on June 4, 2022 at the J. Malcolm Belcher Fairgrounds. The event would include a 5K race, wheelchair walk and food vendors and would begin around 7:00 a.m. and end at Noon. A brief discussion ensued regarding the closure of Peapack Road to accommodate the 5K race for approximately one hour.

Lastly, Ms. Mosquera asked for consideration by the Borough Council for a waiver of the large event permit application fee of \$500.00. Mayor Vallone responded the possibility of a waiver would be reviewed and Ms. Hicks would be in contact regarding the Borough's decision.

Ms. Mosquera left the meeting at this time.

PUBLIC COMMENT – *The Mayor and Council welcome comments from any member of the public. To help facilitate an orderly meeting and to permit the opportunity for anyone who wishes to be heard, speakers shall limit their comments to 5 minutes.*

Motion by Councilman Welsh, seconded by Councilman McLean to open the meeting to public comment.

Charles Schwester, 410 Lake Road, Far Hills commented upon the presentation by Messrs. Cohen and Hotz and expressed that the Borough should not take on the burden for the financing of these affordable housing projects. He also inquired as to cost expenditures for the maintenance of the fairgrounds.

Mayor Vallone responded that the amount of money expended for the maintenance of the fairgrounds was covered by the permitting fees and lease agreements.

George Mellendick, 260 Lake Road, Far Hills expressed that he was not in favor of providing additional allowances to Mr. Hotz as they had not been afforded to Matheny and found it offensive that Messrs. Hotz and Cohen left prior to the public comment portion of the meeting. Dr. Mellendick questioned if the statements made by Mr. Cohen would be included verbatim in the minutes as he had indicated that they should be read into the record. Dr. Mellendick also inquired when a decision would be made regarding the allowances requested by Messrs. Cohen and Hotz. Lastly, he questioned the applicability of the donation to be made by Melillo Equities for improvements to the fairgrounds.

Ms. Hicks and Mr. Sordillo responded that the minutes provide an overview of the key points and actions taken during the meeting and have never been in a verbatim format.

Mr. Sordillo responded that the Hotz matter was planned to be discussed this evening during Executive Session and noted that any changes to the agreements would need to be authorized via a resolution by the Borough Council. He also provided details on the utilization of the donation provided in the agreement with Melillo Equities.

Charles Schwester, 410 Lake Road, Far Hills inquired as to the items to be discussed during Executive Session.

Mr. Sordillo responded that that sanitary sewer pertained only to the existing sewer system and the affordable housing litigation pertained to the conditional Judgement of Repose issues by the Court.

George Mellendick, 260 Lake Road, Far Hills also inquired about the status of the inquiry regarding the development in Mendham which experienced a failed sewer treatment facility several years ago.

Mayor Vallone responded that he personally reached out to the Mayor of Mendham Township and discussed the incident which occurred nearly thirty years ago. Mayor Vallone indicated that this issue was also reviewed by the professionals and discussed extensively at a prior Planning Board meeting.

There were no further comments from the public.

Motion by Councilwoman Chimenti, seconded by Councilwoman Tweedie to close the meeting to public comment.

EXECUTIVE SESSION

Resolution 22-046

- Attorney Client Privilege - Contract Negotiation – Sanitary Sewer Transmission System
- Attorney Client Privilege – Litigation - Affordable Housing

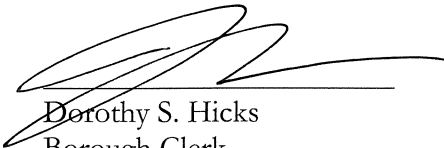
Motion by Councilwoman Tweedie, seconded by Councilman Carty, was unanimously carried to approve Resolution 22-046.

Mr. Sordillo indicated that the Borough Council would not be taking any action upon return from Executive Session other than to adjourn the meeting.

RETURN TO OPEN SESSION AND ADJOURNMENT

Motion by Councilman Carty, seconded by Councilwoman Tweedie was unanimously carried to adjourn the meeting at 8:33 p.m.

Respectfully submitted,



Dorothy S. Hicks
Borough Clerk

APPROVED – 02/24/22