

**MINUTES
OF THE MAYOR AND COUNCIL SPECIAL MEETING,
BOROUGH OF HOPATCONG,
HELD AT THE MUNICIPAL BUILDING, 111 RIVER STYX ROAD
HOPATCONG, NEW JERSEY
APRIL 11, 2018
OPEN PUBLIC MEETING 7:30 PM**

CALL TO ORDER: Announce Quorum

OPEN PUBLIC MEETINGS ACT STATEMENT: Mayor Francis stated "This meeting is held in accordance with the 1975 Open Public Meetings Act, NJSA 10:4-6 et seq., annual notice having been forwarded to the New Jersey Herald/New Jersey Sunday Herald, and posted on the bulletin board maintained in the Municipal Building for public announcements." (Mayor noted fire exits)

ROLL CALL: The Clerk called the roll and the following members were present: Councilman Bunce, Councilman Hoferkamp, Councilman Padula, Councilman Schindelar, Councilman Young and Mayor Francis.

Absent: Councilwoman Galate

MOMENT OF SILENT REFLECTION AND PLEDGE OF ALLEGIANCE: Mayor Francis invited all present to salute the flag and to remain standing for a moment of silence.

SALE OF MUNICIPAL PROPERTY:

1. 30 Jefferson Trail, Block 40217, Lot 16 (Non-Conforming, Min. Bid \$3,250.00)

Councilman Young made a motion to accept the bid of \$3,250 for the purchase of 30 Jefferson Trail. Seconded by Councilman Schindelar.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

2. 302 Santa Fe Trail, Block 30102, Lot 12 (Non-Conforming, Min Bid \$3,700.00)

Councilman Young made a motion to accept the bid of \$3,700 for the purchase of 302 Santa Fe. Seconded by Councilman Schindelar.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

At this time, Councilman Padula made a motion to take a ten minute recess. Seconded by Councilman Young. All were in favor.

ADOPTION OF 2018 MUNICIPAL BUDGET

Public Hearing on 2018 Budget

At this time, Paul Lerch, Borough Auditor, presented the 2018 budget to the Council. A copy of the presentation is attached.

At this time Mayor Francis opened the meeting to the public for any questions or concerns that they may have regarding the 2018 Budget.

David Harris asked about the anticipated surplus of 5.6 million dollars.

Mara Modes asked about the emergency appropriation and the CFO, Lorraine Rossetti, responded that it was for the phone system that wasn't installed yet. We had to put more money into the budget to cover the cost that we had anticipated saving by having the new system installed.

Councilman Padula thanked Lorraine Rossetti and Paul Lerch for all of their hard work on the budget. He stated that in 2010 the Borough had 1 million in surplus and now we have 5.6 million. He stated that he would like to formulate a plan so that surplus doesn't get away from us. There needs to be a discussion on how to handle surplus in the future and fiscal responsibility. He stated that if the trend continues, we will at some point have too much cash on hand. He also stated that it wouldn't be wise to use all of our surplus and be caught without any money in case of an emergency. He would like to get started on formulating a plan for the 2019 budget.

Councilman Bunce stated that he would like to ask Paul Lerch for guidance on how other towns handle their surplus.

Paul Lerch stated that he will present the Council with 5 or 6 plans.

Councilman Hoferkamp stated that there should be a cap on taking loans.

Councilman Padula stated that paying down debt is another possibility for the surplus. He also stated that we should have a cash plan where we look at not only the collection side but the spending side.

Paul Lerch stated that the plan could be fluid and it can be changed with the circumstances.

Mayor Francis said that we can set a range, perhaps a percentage, rather than dollar amount.

Councilman Young stated that we should make some projections and formulate a plan in case things happen.

Mayor Francis stated that he feels that it is a very conservative, well thought out budget.

Adoption Ordinance #05-2018 – Establishing a Cap Bank

Councilman Padula made a motion to adopt an ordinance entitled "AN ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK FOR THE CALENDAR YEAR 2018". Seconded by Councilman Young.

Before final roll call, Mayor Francis opened the meeting to the public for any questions or concerns that they may have regarding Ordinance #05 -2018.

There being no one from the public who wished to address the Governing Body regarding Ordinance #05-2018, Councilman Young made a motion to close the meeting to the public and return to the regular order of business. Seconded by Councilman Schindelar. All were in favor.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

Resolution #2018-76 - Waiver of Reading in Full

Councilman Padula made a motion to adopt a resolution permitting the Borough to waive the reading in full of the Municipal Budget for the year ending December 31, 2018. Seconded by Councilman Young.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

Resolution #2018-78 Adoption of 2018 Municipal Budget

Councilman Padula made a motion to adopt a resolution adopting the 2018 Budget for the Borough of Hopatcong. Seconded by Councilman Young

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

Resolution #2018-79 – Self-Examination of 2018 Budget

Councilman Padula made a motion to adopt a resolution allowing for Self-Examination of the 2018 Budget. Seconded by Councilman Young.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

PUBLIC COMMENT: Councilman Padula made a motion to open to the meeting to the public for any questions or comments concerning items on the agenda for which no public discussion is provided. (Comments limited to 5 minutes). Seconded by Councilman Young. All were in favor.

After giving all persons present an opportunity to address the Governing Body, Councilman Young made a motion to close the meeting to the public and return to the regular order of business. Seconded by Councilman Padula. All were in favor.

INTRODUCTION OF ORDINANCES:

Introduction Ordinance #09-2018 – Various 2018 Capital Improvements

Councilman Young made a motion to introduce an ordinance entitled “AN ORDINANCE PROVIDING FOR VARIOUS 2018 CAPITAL IMPROVEMENTS, BY AND IN THE BOROUGH OF HOPATCONG, IN THE COUNTY OF SUSSEX, STATE OF NEW JERSEY (THE “BOROUGH”); APPROPRIATING \$650,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$495,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COSTS THEREOF”. Seconded by Councilman Padula.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

FINAL READING: MAY 2, 2018

Introduction Ordinance #10-2018 – Capital Ordinance

Councilman Young made a motion to introduce an ordinance entitled “A CAPITAL ORDINANCE PROVIDING FOR VARIOUS EQUIPMENT AND IMPROVEMENTS FOR VARIOUS BOROUGH DEPARTMENTS AND FACILITIES BY AND IN THE BOROUGH OF HOPATCONG, IN THE COUNTY OF SUSSEX, STATE OF NEW JERSEY; APPROPRIATING \$545,000 THEREFOR (\$355,000 FROM THE CAPITAL IMPROVEMENT FUND, \$40,000 FROM THE WATER CAPITAL FUND, AND \$150,000 FROM THE SEWER CAPITAL FUND) TO PAY FOR THE COST THEREOF.” Seconded by Councilman Padula.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

FINAL READING: MAY 2, 2018

ADOPTION OF ORDINANCES:

RESOLUTIONS:

Resolution #2018-77 – Payment of Bills

Councilman Young made a motion to adopt a resolution authorizing the payment of bills for the meeting of April 11, 2018. Seconded by Councilman Padula

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

Resolution #2018-80 – Authorizing Application for NJEIT Loan

Councilman Young made a motion to adopt a resolution authorizing application for a loan from the New Jersey Environmental Infrastructure Trust for the Small System Asset Management Loan. Seconded by Councilman Schindelar.

Councilman Padula stated that these are applications only and that we are not obligated to take the money if we were to be approved. He stated that the Borough has to have a delicate balance of borrowing and using surplus.

Mayor Francis stated that if your town has less than 10,000 people that 50% of the loan is forgiven, 25% of the loan is at 0% and the other 25% is at less than 1%.

Councilman Bunce stated that it is a strong program and that we should stay in the queue in case we want to move ahead with the projects.

Mayor Francis stated that it would be a very economical way to finance and modernize the system.

Councilman Padula stated that this could be beneficial to the Borough considering the redevelopment going on in the Borough.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

Resolution #2018-81 – Authorizing Application for NJEIT Loan

Councilman Young made a motion to adopt a resolution authorizing application for a loan from the New Jersey Environmental Infrastructure Trust for the Hudson Avenue Water Main Installation. Seconded by Councilman Schindelar.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

Resolution #2018-82 – Developing a Preliminary Hydraulic Model of the Water System

Councilman Young made a motion to adopt a resolution authorizing the Borough Engineer to develop a preliminary hydraulic model of the Municipal Water System. Seconded by Councilman Schindelar.

Upon roll call vote:

Ayes: Bunce, Hoferkamp, Padula, Schindelar, Young

Nays: None Absent: Galate Abstentions: None

OLD BUSINESS:

NEW BUSINESS:

PUBLIC COMMENT:

Councilman Young made a motion to open the meeting to the public for any questions or comments concerning the good and welfare of the Borough. (Comments limited to 5 minutes). Seconded by Councilman Padula. All were in favor.

After giving all persons present an opportunity to address the Governing Body, Councilman Young made a motion to close the meeting to the public and return to the regular order of business. Seconded by Councilman Padula. All were in favor.

ADJOURNMENT:

Councilman Bunce made a motion to adjourn the meeting of April 11, 2018. Seconded by Councilman Padula. All were in favor.