

## Florence Township Council Regular Session 10/16/19

Florence, New Jersey  
October 16, 2019

The Florence Township Council held a regular meeting on the above date at the Municipal Complex, 711 Broad Street, Florence, New Jersey.

The meeting was called to order by Council President Sandusky at 8:00 p.m. followed by the salute to the flag.

The opening statement was read by the Township Clerk: This meeting is being held in accordance with the provisions of the Open Public Meetings Act. Adequate notice was posted on the municipal bulletin board on January 3, 2019; published in the Burlington County Times on January 6, 2019; placed on the Township website, and given to the Trenton Times for information on January 3, 2019.

### **ROLL CALL OF MEMBERS**

Upon roll call the following were found to be present:

Present: Frank Baldorossi, Paul Ostrander, Jerry Sandusky

Also Present: Mayor Craig H. Wilkie; Richard A. Brook, Township Administrator, Thomas A. Sahol, Assistant Township Administrator; Thomas J. Hastie, Jr., Township Solicitor; Nancy L. Erlston, Township Clerk

Absent: David Woolston

Council President Jerry Sandusky explained that they will be going out of order of the agenda and they are going to discuss Regular Correspondence at this time.

### **REGULAR CORRESPONDENCE**

Township Clerk Nancy Erlston read into the record the following letter of resignation from Council Member Ted Lovenduski:

“To: Nancy Erlston:

Since 2012 I have had the pleasure of serving the residents of Florence Township as Councilman at Large. While I have enjoyed my time serving the community in this capacity, I feel it is time for me to step down. I would like to thank the Mayor and Council as well as the residents for providing me the opportunity to work for them. Effective immediately I am resigning from the position of Councilman at Large.

Thank you,  
Theodore Lovenduski”

Motion of Ostrander, seconded by Baldorossi to accept the letter of resignation.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Ostrander, Sandusky

NOES: None

ABSENT: Woolston

Unanimous vote – Motion carried

## Florence Township Council Regular Session 10/16/19

Township Clerk Nancy Erlston read the following letter from the Florence Township Republican County Committee recommending three possible candidates to fill the vacant Council seat:

“Dear Ms. Erlston

The Florence Township Republican County Committee has been made aware of the resignation of Theodore “Ted” Lovenduski in the position of Council-at-Large and hereby would like to make the following recommendations for his replacement at your Wednesday, October 16<sup>th</sup> Council meeting:

1. Bruce D. Garganio, 630 East 6<sup>th</sup> Street, Florence, NJ
2. Carl Mattson, 710 Cooper Street, Florence, NJ
3. John J. Pagano, 25 Brookside Drive, Bordentown, NJ

Thank you in advance for your consideration in this matter.

Sincerely,  
Patricia Benedetti”

Motion by Ostrander, seconded by Baldorossi to select Bruce D. Garganio as the new Council Member at Large.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Ostrander, Sandusky

NOES: None

ABSENT: Woolston

Unanimous vote – Motion carried

Mr. Garganio was sworn in by Municipal Clerk Nancy Erlston as the new Council Member at Large.

### APPROVAL OF MINUTES

- Regular Session of October 2, 2019

Motion of Ostrander, seconded by Baldorossi to approve the minutes as submitted. Voice vote – all ayes.

### FINANCIAL CORRESPONDENCE

Motion of Ostrander seconded by Baldorossi to receive and file the following reports. Voice vote – all ayes.

- Township Clerk’s Monthly Report for September 2019
- Court Administrator’s Monthly Report for September 2019
- CFO’s Cash Reports and Budget Reports for September 2019
- Tax Collector’s Tax Monthly Report and Water and Sewer Monthly Report for September 2019

Motion of Ostrander seconded by Baldorossi to approve the **Treasurer’s Bill List**.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky

NOES: None

ABSENT: Woolston

Unanimous vote – Motion carried

**Florence Township Council Regular Session 10/16/19**

**APPLICATIONS**

- A. Florence Township Middle School PTO, Purse Bingo, On-Premise Merchandise Raffle and On-Premise 50/50 on November 16, 2019 from 4:30 p.m. to 10:00 p.m. located at Riverfront School, 500 East Front Street, Florence.
- B. Florence Township H.S. Parent Teacher Organization, On-Premise Merchandise Raffle and On-Premise 50/50 on December 8, 2019 from 8:00 a.m. to 12:00 p.m. located at Florence Township Community Center, 69 Main Street, Roebbling.

Motion by Garganio seconded by Baldorossi to approve the applications.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky

NOES: None

ABSENT: Woolston

Unanimous vote – Motion carried

**PUBLIC COMMENTS**

Council President Sandusky opened the meeting to the public at this time.

Seeing no one wishing to be heard, a motion was made by Ostrander, seconded by Baldorossi to close Public Comment. Voice vote – all ayes.

**RESOLUTIONS**

**RESOLUTION 2019-175**

**Authorize Purchase of Two Chevrolet Tahoes for Police Department**

**RESOLUTION 2019-176**

**Authorize Payment No. 2 for 2019 Road Program to Barrett Paving Company, Inc.**

**RESOLUTION 2019-177**

**Authorize Payment No. 3 for 2019 Road Program to Barrett Paving Company, Inc.**

**RESOLUTION 2019-178**

**Authorize Payment No. 1 for 2019 Park Improvements to Barrett Paving Co., Inc.**

**RESOLUTION 2019-179**

**Authorize Refunds of Certain Tax Overpayments**

**RESOLUTION 2019-180**

**Cancel Taxes on Property Owned by a Totally Disabled Veteran-Andrews**

**RESOLUTION 2019-181**

**Cancel Taxes on Property Owned by a Totally Disabled Veteran-Maloney**

**RESOLUTION 2019-182**

**Cancel Lien, 494 West Fifth Street**

Motion of Baldorossi, seconded by Ostrander to approve Resolutions 2019-175 through 2019-182 with the exception of Resolution 2019-176.

## Florence Township Council Regular Session 10/16/19

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky  
NOES: None  
ABSENT: Woolston Unanimous approval – Motion carried

Administrator Richard Brook spoke about Resolution 2019-176. He stated that when Council originally approved the award of the contract in May of 2019, the CFO certified that the funds were all coming out of bond ordinance 2019-10. There was a minor error with this, some of the work done under this program involves the water and sewer department, specifically the sewer treatment plant and also one of the pumping stations. When that resolution was approved, technically it should have had a portion of that money broken out into that resolution 2019-103. Resolution 2019-176 approves the second payment to Barrett for work that they did under the 2019 Road Program. Part of that work was actually done in the water and sewer department and payment for that work was placed in cash in the 2019 water and sewer budget. The resolution shows that out of the bond ordinance 2019-10, \$515,689.55 is coming from the ordinance being charged to the water and sewer budget on a cash basis is \$31,123.30. When approving Resolution 2019-176 tonight, we are just going to make note for the record that at the November 6 meeting we will come back and adjust that prior resolution 2019-103 to reflect that a percentage of the money is being paid toward the road program and a small percentage are coming from the water and sewer department.

Motion by Baldorossi, seconded by Ostrander to approve Resolution 2019-176.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky  
NOES: None  
ABSENT: Woolston Unanimous approval – Motion carried

### **ORDINANCES**

#### **ORDINANCE 2019-22 Authorizing Acquisition of Block 15, Lot 4.01 for Affordable Housing Purposes (2<sup>nd</sup> Read, Public Hearing & Adoption)**

Motion of Ostrander, seconded by Baldorossi to open public hearing on Ordinance 2019-22.

Mayor Wilkie explained that this piece of property is not in the best of conditions in the area of the community where we have acquired a number of other properties and the goal is to remove it and in time develop that area for the residents.

Don Kamienski, 1 McCay Drive, asked where the property is located and Mayor Wilkie answered that it was located at 209 Iron Street.

Motion of Ostrander, seconded by Garganio to close public hearing. Voice vote – all ayes.

Motion of Ostrander, seconded by Baldorossi to approve Ordinance No. 2019-22.

## Florence Township Council Regular Session 10/16/19

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky  
NOES: None  
ABSENT: Woolston Unanimous approval – Motion carried

### **ORDINANCE 2019-23**

#### **Rescind Redevelopment Plan for Parcels in Roebing Steel Plant Redevelopment Area (Intro. & 1<sup>st</sup> Read) (2<sup>nd</sup> Read, Public Hearing & Adoption 11/6/19)**

Mayor Wilkie explained that we were planning to move forward with Kampack to develop a portion of the steel plant close to the railroad tracks. About a month ago they notified us that the majority owner had sold his interest to an international company and that company no longer has a desire to move forward.

Motion of Baldorossi, seconded by Garganio to approve Ordinance No. 2019-23.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky  
NOES: None  
ABSENT: Woolston Unanimous approval – Motion carried

### **REPORTS OF COMMITTEES, BOARDS AND OFFICERS**

Nothing at this time.

### **REPORTS: ADMINISTRATION**

#### **Mayor**

The Mayor welcomed Councilman Bruce Garganio to the Governing Body.

He spoke about the dedication of the football field in memory of Henry Cleveland and Joe Pasqueline. He said it was well attended. Mrs. Cleveland was in attendance with her children and Mr. Pasqueline's son was also there with his daughter. Back in the mid-50s the recreation committee had created a "Citizen of the Year Award" in which they honored one individual who had given a lot to the community. Mr. Pasqueline was the first person to receive that award. And in 1973 Mr. Cleveland received that same award. These were two gentlemen who had given a lot to the community, not just football. Mr. Pasqueline started the girls' softball program in 1959 and he created the field known today as Muchowski Field. Mr. Cleveland coached baseball and other programs. They were dedicated individuals in the community so it was very appropriate that football recognize them.

Last Friday, October 11<sup>th</sup> the Fire Department had their Open House at the Firehouse. It was part of Fire Prevention Week and it was a very well attended event.

The next Council meeting will be Wednesday, November 6, 2019.

Mayor Wilkie stated that there is now a vacancy on the Planning Board with the swearing in of Mr. Garganio. He is appointing John Pagano, who is currently the first alternate, to the unexpired term of Planning Board Member Class 4. Carl Mattson, who is currently the second alternate, will be moved up to the first alternate position replacing Mr. Pagano. Ted Lovenduski's resignation creates a need for a Council representative on the Planning Board and he asked Council to name his replacement.

## Florence Township Council Regular Session 10/16/19

Mayor Wilkie said that about four years ago the township opted to leave the State Health Benefits Program and entered into a self-funded health plan. This move has worked out well and helped to control costs while still allowing the township to offer excellent health care options to the employees. This year the township changed the provider network to better improve the service offered to the employees. In January there will be a small increase in the total package. Most employees will not have an increase in their premiums, only one of the plans offered will see an increase of 1% to the premium.

Mayor Wilkie said that in the mid-2000's, the state stopped giving aid to the municipalities due to the downturn in the economy. The township was forced to raise taxes at that time. One of the things we have done to avoid the need for additional tax increases was to offer PILOT programs to developers. He stated that most residents don't understand how a PILOT works so we are developing a PowerPoint presentation to help inform the public. This is a rough draft of that presentation for Council to review and discuss more fully in November.

Mayor Wilkie stated that the PILOT money is roughly 15 – 20% of our annual revenue. That comes out to just under 20% of our \$12 million budget. Florence Township offers two types of incentives to developers. The 5-year tax abatement and the Payment in Lieu of Taxes (PILOT).

The 5-year tax abatement law only permits this incentive program to be offered on new construction or if an addition of more than 30% is added. In the 5-year Tax Abatement, the property owner pays full land tax every year and the tax on the building is phased in over 5 years. The first year there is \$0 tax on the building. The second year 20% of the building tax is paid, then 40%, 60%, 80% and by year 6 100% of taxes on building improvements are paid. This incentive was given to Wawa, Christmas Tree Shoppes, International Paper, and a second Whitesell building. More recently it was given to Harkins Lane Plaza, where Dunkin Donuts and Nook's are located, and the new building at 10<sup>th</sup> Avenue and Hornberger Avenue in Roebing.

What is a PILOT? It is a payment in lieu of taxes. The financial incentive that applies to building values only and it stabilizes taxes. A PILOT can run from 10 years to a maximum of 30 years under the law. Under a long-term PILOT a company continues to pay their full land taxes during and after the end of the PILOT. Just like the 5-year abatement, they are still paying on the land taxes and the financial advantage that applies to the PILOT is on the taxes related to new building improvements.

In 2019 these businesses, who have PILOTs, paid Florence Township over \$2 million. These companies include Burlington Coat Factory (\$468,000), Subaru (\$366,000), Express Scripts (\$127,000), Destination Maternity (\$173,000), QPSI (\$186,000), Amazon (\$352,000) and B&H Photo (\$338,000) for a total of over \$2 million. These companies have been paying for quite a while and when that information becomes available, we will share it so that people can see how much they have been paying.

Of these businesses, we have estimated how much money we will receive from them out to the year 2033. If the property values go up, they pay more. And, if the property values go down, they still have to pay the same amount. They don't have the ability to reduce the amount of the PILOT payment and that is one of the main advantages of this. If they were paying taxes, they would be able to appeal, much like residents can appeal their taxes. And over the years you will see where different communities have gotten hurt financially, for example in Moorestown recently. The Moorestown Mall appealed the property tax and won the appeal so the township of Moorestown has to pay back thousands of dollars that were collected for taxes on the Moorestown Mall.

Mayor Wilkie explained that by state law 5% of the money has to go to the county. The township receives the rest of the money and can use that money as they see fit. Florence Township has invested in the infrastructure with the road programs and with added services to our community, the schools and the fire district. The funds will be used to help stabilize taxes. He pointed out that if you go to the Department of

## Florence Township Council Regular Session 10/16/19

Community Affairs website and hit local taxes, you will see that out of 40 municipalities within the state, there are only 8 communities in 2018 that paid less in taxes than residents of Florence Township and the tax rate has been the same since August 2012.

What have the businesses done that was not part of the PILOT? The developer of Amazon voluntarily did major work at the fire district. The municipality maintains the fueling facility not only for the township but also the school and fire district. The fuel tanks need to be replaced and cost for this project will be covered completely by the township. There is no shared cost going back to the fire district or the school district which happens in a lot of municipalities.

The township has partnered with the school district and last year implemented the school resource officer program. The township and the school district shared the cost for the officer. This year, we added a second officer. We pay for one officer and the school district pays for the other.

Why does Florence Township get to decide where the money goes? In New Jersey the townships are required to collect the taxes for all of the other taxing entities, whether it's the county, the school, the fire district, etc. The township is required to pay the tax levies to the county, school and fire district first. This ensures that these entities receive 100% of their tax levy's. Then the township gets the remaining tax monies. If some tax payers don't pay then the township loses out. In 2019, we had to put \$560,000 in our budget in case someone didn't pay their taxes. So that's one of the reasons why the town has the ability to make these decisions.

Some of the businesses got incentives from the State of New Jersey as part of the Grow NJ program and the Economic Development Agency. There has been some criticism of this program in which the state allows companies to reinvest the employee's income tax back into the building.

He stated that none of these businesses got a free ride. They were all required to apply and pay for construction permits, they had to pay COAH fees, water and sewer connection fees and inspection fees. Mayor Wilkie estimated that if you were to remove the \$2 million that we receive through these incentives from our tax revenue your tax rate would probably increase by \$.20 or more.

The Mayor asked if anyone in attendance had any questions.

Don Kamienski, 10 McCay Drive, asked if the new warehouses that are being built on River Road would be a PILOT candidate?

Mayor Wilkie answered yes, the developer for the former Griffin Pipe site would be offered a PILOT program. The site operated as a foundry for over 100 years. We knew the site was contaminated. NJDEP had been working with Griffin Pipe/Amstead Industries (former owners) to clean up the site. The township made a choice to partner with a company called Catalyst that offered to remediate the site and then it would be turned over to a developer. We thought this was the best thing to do to prevent the site from sitting as a contaminated eyesore for years like the Roebing Mill site.

He stated that the facility is getting cleaned up and we worked on a redevelopment plan for the site that would limit the building to a single-sided dock to minimize the truck traffic.

Griffin Pipe was formerly called RD Wood and RD Wood has been in Florence Township since the mid-1800s. They owned a lot of land including the ballpark on Woodlawn Avenue that is currently used by field hockey and soccer and the RD Wood baseball field which has been a baseball field since the early 1900s. There was a lot of land owned by the them that has been used by the community for years and if we did not work with them, they would have had rights to build larger buildings. So that is one of the reasons why the PILOT was put in place and the incentives were done in order to make that happen.

## Florence Township Council Regular Session 10/16/19

The Mayor also mentioned that when they got their approvals to build on the east side they said they wanted to help the community out and wanted to know of the projects that we were looking to do. What they have committed to do starting at Front Street is remove all the railroad tracks heading east, up to \$375,000 worth, for the installation of a walking path.

### Assistant Administrator

Assistant Administrator Tom Sahol discussed a change order request for the road paving program. When looking at some of the project areas and punchlist items, he said there was a great deal of improvement along Riverside Avenue by way of sidewalks and ramping and the parking from 3<sup>rd</sup> Avenue to 5<sup>th</sup> Avenue. He said that if you look at where we tied into the roadway, unfortunately the road is at an advance state of decline and the time is now, while we are there to repair it. It is his recommendation to the Governing Body to authorize a change order to the contract. We have been doing very well with regard to what we have allocated and where we are on the contract.

Motion by Baldorossi, seconded by Garganio to approve the recommendations of the Assistant Administrator for the road paving program.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky

NOES: None

ABSENT: Woolston

Unanimous approval – Motion carried

Assistant Administrator Sahol also mentioned that while reviewing some information with the collector's office, it was brought to his attention that recently a realtor made a request for a final reading of a municipal water meter. The final reading of the domestic meter is technically charged \$25. Our code is silent when it talks about the number of meters that might be present at a single property. The second meter is simply the sprinkler meter, which is common. It wasn't as common in 1993 when the code was first implemented, but today you'll see more and more sprinkler meters. In order to clarify the code and to make sure the staff is properly covered when the auditors are doing their tests of how things are charged, it would be much better for us to make a very minor modification to the code that says that per property fee of \$25 not just leave it silent and have one to assume that it might be per meter or it might not. It really is a clarification recommendation for a section of the code change.

We used to bill differently in the utility, but now with the radio reads, we are reading a billing quarterly. We still say semi-annually in the code and while we are in there doing these small editorials, we might as well lump the two pieces together so you are doing a single ordinance, single advertising and, cleaning up the code. So the recommendations are the single location for the \$25 and then the other is just to clarify that we read quarterly. If you are in agreement, we will work on an ordinance for the next meeting.

Lastly, Assistant Administrator Sahol talked about the toter expansion program. He said at this point, we are ready as a community to complete the project. It is essentially just the 200 block of the avenues and Railroad and Amboy Avenues. He said he thinks we are one of the few and probably one of the first communities to completely cart our town. Burlington County thoroughly enjoys working with us when it comes to our cooperation in the recycling program and are looking forward to us doing this. And as stated, the process of recycling is an industry and a commodity. It is not waste; it is something that has to be kept and maintained in a very good state so that it's marketable. It diverts it from the landfill, saves space and money. In order for us to protect the commodity, we need to use things like carts with lids to keep it dry so it doesn't decay and the fiber products start to become unmarketable. With this final expansion we are finally getting in that direction that the county can continue to provide the service that they need and market



## **Florence Township Council Regular Session 10/16/19**

the product that we are putting out there for them. We are moving forward and we are hoping to do that this fall, before we get into winter.

This is paid entirely by the recycling grant that we received from the state. And that is because of the efforts of the town and the residents doing the right thing and recycling. With our high tonnage numbers, we do get really nice grants from the state that pay for programs like this.

Councilman Garganio asked if there would be an advertising campaign for the residents in Roebing explaining the recycling process. Assistant Administrator Sahol said that the residents will be informed and explained the process.

Councilman Sandusky asked about the parking along Riverside Avenue. He is concerned that those parking spots do not become parking lots where residents park their cars and never move them. The Mayor explained that he does not want to put regulations on those spots until it becomes a problem, if it becomes a problem. He wants to wait and see what happens.

### **OLD BUSINESS**

There was no Old Business at this time.

### **NEW BUSINESS**

Councilman Sandusky asked Bruce Garganio to be the Planning Board representative for Council. Councilman Garganio agreed.

Motion by Sandusky, seconded by Ostrander to approve Bruce Garganio as the Council representative.

Upon roll call, Council voted as follows:

YEAS: Baldorossi, Garganio, Ostrander, Sandusky

NOES: None

ABSENT: Woolston

Unanimous approval – Motion carried

Administrator Brook said that the state of New Jersey requires all municipalities to complete a Best Practices Checklist each year to qualify for funding. The checklist for 2019 contains 84 questions. A municipality must have at least 30 “yes” answers in order to receive full payment from the state. Administrator Brook read a few of the questions to Council and indicated that Florence Township scored well above the required 30 questions and will receive 100% of the funding.

### **BOARD OF HEALTH**

There was no Board of Health at this time.

### **MISCELLANEOUS**

There was no Miscellaneous at this time.

### **PUBLIC COMMENTS**

Council President Sandusky opened the meeting to the public at this time.

## **Florence Township Council Regular Session 10/16/19**

Don Kamienski, 10 McCay Drive, asked Administrator Brook about the animal control issue. Mr. Brook explained that he has a proposal from a company that he is in the process of reviewing at this time.

Seeing no one else wishing to be heard, a motion was made by Ostrander, seconded by Baldorossi to close Public Comment. Voice vote – all ayes.

Motion of Ostrander, seconded by Garganio to adjourn to Closed Session at 8:50 p.m.. Voice vote – all ayes.

### **ADJOURNMENT**

Council returned to the Regular meeting at 9:08pm. No action was taken. Motion of Ostrander, seconded by Garganio to adjourn. Voice vote – all ayes. Meeting adjourned at 9:08pm.

Respectfully submitted,

Nancy L. Erlston, RMC  
Township Clerk  
/jns