
TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of:	Governing Body Special Meeting
Date of Meeting:	December 29, 2021
Time of Meeting:	10:00 a.m.
Minute Page No:	Page 1 of 4

The Special Meeting of the Governing Body was called to order by Council President Councilwoman Erik at 10:02 a.m.

Adequate Notice Statement

Council President Erik read the following statement:

Pursuant to the provisions of the Open Public Meetings Act (N.J.S.A. 10:4-8) adequate notice of this Special Meeting was provided to the Herald News and posted on the bulletin board in the main corridor of the Town Hall and on file in the Office of the Township Clerk.

Please also make note of all fire and emergency exits – located to the left, right and rear of this room – for use in case of an emergency. Thank you.

Agenda No. I

Pledge of Allegiance

Council President Erik led all in attendance in a salute to the flag.

Agenda No. II

Roll Call

Present: Councilmembers Ada Erik, Marilyn Lichtenberg, Warren Gross, David Marsden
Absent: Michael Chazukow, Kevin Goodsir, Mayor Dale,
Township Administrator William Senande
Also Present: None

Agenda No. III

Public Comments

There being no one wishing to be heard, Councilman Marsden made a motion, seconded by Councilwoman Lichtenberg and carried by unanimous voice vote to close the public comment period.

Council President Erik moved to read Resolution 2021-462

IV. New Business, Introduction of Ordinances, Resolutions

Agenda No. IV 1

Resolution No. 2021 – 462 – DEFEATED

REVISED RESOLUTION OF THE TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, STATE OF NEW JERSEY ENDORSING THE SUBMITTAL OF A LOAN APPLICATION TO BE MADE BY MT. GLEN LAKES ASSOCIATION, INC. TO THE STATE OF NEW JERSEY, DEPARTMENT OF ENVIRONMENTAL PROTECTION, DAM SAFETY SECTION, DAM RESTORATION LOAN AND AUTHORIZING THE EXECUTION OF SAID LOAN AGREEMENT

WHEREAS, by virtue of Resolution 2021-440 adopted December 8, 2021 the Township Council did authorize endorsing the submittal of a loan to be made by Mt. Glen Lakes Association, Inc. to the State of New Jersey, Department of Environmental Protection, Dam Safety Section, Dam Restoration Loan and Authorizing the Execution of Said Loan Agreement for an additional \$3,000,000; and

WHEREAS, the Mt. Glen Lakes Association has advised that the revised amount of \$7,700,000 is necessary to cover the cost to repair the dams; and

WHEREAS, Mt. Glen Lakes Association, Inc. ("Association") is a private lake association in West Milford; and

WHEREAS, the Association is the operator of two dams located at Upper and Lower Mt Glen Lakes which dams have been determined, based upon engineering investigations to be in need of repair, improvement and rehabilitation; and

WHEREAS, the State of New Jersey, Department of Environmental Protection, Dam Safety Section, Dam Restoration Loan offers loans to private entities to effectuate such dam repairs with the condition that the municipality within which the dam is located signs a loan agreement as Co-Borrower; and

TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of:
Date of Meeting:
Time of Meeting:
Minute Page No:

Governing Body Specail Meeting
December 29, 2021
10:00 a.m.
Page 2 of 4

WHEREAS, the Association has secured an initial State of New Jersey, Department of Environmental Protection, Dam Safety Section, Dam Restoration Loan in the amount of \$1,600,000 for which the Township has signed a loan agreement as Co-Borrower; and

WHEREAS, the initial loan of \$1,600,000 doesn't fully cover the expected cost of the required dam repairs and an additional \$7,700,000 is estimated to be required in order to fully cover the expected cost; and

WHEREAS, the Association wishes to make a second application to the DEP loan funding program to effectuate the full scope of the required dam repairs; and

WHEREAS, the Township determines that the repair, improvement and rehabilitation of the Upper and Lower Mt. Glen Lakes dams and execution of the DEP Loans are in the best interests of the residents of the Township; and

WHEREAS, the Township has conditioned the Township's agreement to sign the Loan as Co-Borrower upon the Association's successful application and execution of a satisfactory Dam Rehabilitation Co-Borrower Agreement, the application of which is in progress; and

WHEREAS, the Township's agreement to sign the Loan as Co-Borrower shall include a "hold harmless" provision, in the event a property owner files a successful appeal of their assessment, and if successful, the Township maintains the right and shall recover that amount from Mt. Glen Lakes Association, Inc.; and

WHEREAS, the Township Council desires to grant the Mayor or her designee the authority to execute the DEP Loan Agreement in the event that the Association executes a Co-Borrower Agreement acceptable to the Township; and

NOW THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Township of West Milford that the Township does hereby endorse the application by Mt. Glen Lakes Association, Inc., for a DEP loan to effectuate dam repairs at the Upper and Lower Mt. Glen Lakes dams in the Township of West Milford.

BE IT FURTHER RESOLVED, by the Mayor and Council of the Township of West Milford as follows:

1. Upon DEP approval and upon the Association's agreement to, and execution of, an acceptable Co-Borrower Agreement, the Mayor and Township Clerk are authorized to execute the DEP Loan Agreement as the Co-Borrower for a loan in an amount of not more than \$7,700,000.00 and to execute any amendments thereto.
2. In the event the Township executes the DEP Loan as a Co-Borrower, the Township of West Milford agrees to certify and assess the costs of the dam restoration project as set forth in the DEP Loan against the properties benefited thereby and to repay the loan to the State in accordance with the terms and conditions of the DEP Loan.
3. The Township's agreement to sign the Loan as Co-Borrower shall include a "hold harmless" provision, in the event a property owner files a successful appeal of their assessment, and if successful, the Township maintains the right and shall recover that amount from Mt. Glen Lakes Association, Inc.;
4. The Township of West Milford agrees to comply with all applicable deferral, State, and municipal laws, rules and regulations in its performance pursuant to the DEP Loan.

Adopted: December 29, 2021

Discussion:

Robert Klein 22 Plumridge Road – Mr. Klein was representing Mt. Glen Lakes Association. He provided a copy of the loan submission to Township Administrator. He began by saying they were relying on their Engineer and DEP to restore the two dams. They're a volunteer board using the Engineer's and DEP's information and they put together the packet based on the requirements of what was needed for dam safety. This work is urgent and if it isn't done promptly there would be sanctions, fees and fines. Their engineer put together the entire package for both dams. The original amount that was requested is not sufficient enough for them to do the work, so this is what they need according to the Engineer and DEP to go forward to be in compliance for safety or whatever situations arise. They are doing what they are being told to do in the best interests of the township and safety. Tomorrow is the deadline to submit the application. They thought the first amount was not enough and the engineer came back and said they need more. They added a 30% contingency which is in there. They looked at the numbers, the actual

TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of:
Date of Meeting:
Time of Meeting:
Minute Page No:

Governing Body Specail Meeting
December 29, 2021
10:00 a.m.
Page 3 of 4

construction costs and other miscellaneous costs and they were hoping not to have to request more but this is what they need in order to get it approved. Council President Erik asked how many houses were in the community. Mr. Klein replied that there were a little over 200 members. Councilwoman Lichtenberg believed there were 265 houses because she checked it out already. Councilwoman Erik said that doing the quick math, they don't have enough to cover the amount. Because the township can only charge back "X" amount and after that, the Township has to pay for the excess. Council President Erik compared it to a road assessment. Councilman Marsden felt that the amount would be too much to put the burden on everyone else but he thinks there has to be a way to get the State to help fund the projects. The engineers put a huge number on projects they want compliance on it. It is also a huge burden on the 200 individuals in the Mt. Glen Lakes community. It wouldn't be very frugal for the governing body to agree with the State to put the burden of millions of dollars on the taxpayers.

Mr. Klein further explained that they called the Engineer in and met as a board and they said the same thing, it seemed crazy. The engineer put it together this way because the State will not accept anything else. The Lake Association said the same thing as the governing body is saying, how are 200 people going to pay for this? They even looked around for grants and other funding. It would actually cost more if they breached the dam. They were told they couldn't breach the dam because it will cost more since they would still be assessed for the lake; it didn't matter. It would cost them money to dismantle it. So they sat down with the Engineer and went through all the items and this was their last hope. They did not want to do this. Council President Erik asked about the deadline. Mr. Klein replied that in order for the loan to get through the State, it had to be received by December 30th. If they didn't get it to them in time to apply for the loan, Mt. Glen Lakes would not qualify. The Engineer mentioned to them that the State would not give them any more extensions, and if they didn't do this, the next step would be punishment; they were at a road block. Council President Erik mentioned that would assess each house \$33,500 and it would actually be more than that because it is at \$3M. Mr. Klein replied that they asked questions and more than likely it wouldn't be the \$7M, it was what the state wanted to see. He said once they started doing the testing to see what was needed, it would not be in that range. Councilman Marsden said that it is interesting that the state can say how much to spend, especially with all the obstacles such as the Highlands burdens. Councilwoman Lichtenberg replied that the State would have to step in and they would have to take care of it; the municipality can't. Council President Erik explained that they were told one thing and we were told the same thing on another MUA issue and the State stepped in and helped us through it and it didn't cost the taxpayers to bail out the MUA. The township brought in Suez and Suez bought out the MUA. The Council President believed there was another way. Mr. Klein replied that they tried. They thought \$3M would be enough. He said that Michelle Hammell, the Vice President of Mt. Glen Lakes Association, came to the Council and \$3M was approved. Councilman Marsden said that was responsible and it could be justified. Mr. Klein agreed with Councilman Marsden and added that the Engineer said the State would not accept it. He said that the State said whatever you do, we're going to punish you; so this was the best option. The Mt. Glen Lakes Association was relying on the Engineer. Mt. Glen Lakes Association is paying a lot of money out of their budget to pay the Engineer and Attorney. Councilman Gross asked the name of the Engineer and Mr. Klein replied, John Regan. They had Engineers before and they got themselves in a pickle over the time when they tried to rehabilitate the dam the first time and it went into a legal matter, it was a mess. Councilman Marsden felt he couldn't jump into it, it was such short notice. He asked if the Governing Body wanted to take a vote. Councilman Gross asked how the cost aligned with Farmcrest's costs. Councilwoman Lichtenberg replied that the cost for Farmcrest's dam was much lower. The highest cost to rehabilitate a dam so far was \$1,700,000; most were \$800,000. The Governing Body approved \$3M for Mt. Glen Lakes. Mr. Klein replied they met two weeks ago with the Engineer who worked on holiday time, because Mt. Glen Lakes is in a situation and if it was not approved there is no saying what the State will do. Councilwoman Erik mentioned the letter was addressed to the Administrator and he knows, Michele Hammell talked with him. Mr. Klein said he was filling in due to Michele being sick and was a member and also on the board. Council President Erik's suggestion would be to not pass this right now, due to time limit given to Mt. Glen Lakes and have the town step in to work with the State. That was how it happened with the MUA; it was going to all end up on the township anyhow. The Council President thought there was other money available. Mr. Klein replied with hope. He said that they asked the same questions and this was the option given to them after two hours with the Engineer. Councilman Marsden stated the \$3M was something the Township looked at and they knew that was a lot but they knew that could be covered with taxes. This revised amount was looked into further and was not doable; the township could not cover it. Councilman Gross asked how many lakes were involved. Mr. Klein replied the upper lake, a lower lake and two dams.

Motion defeated Resolution 2021-462.

Moved: Lichtenberg Seconded: Marsden
Voted Aye: None
Voted Nay: Erik, Lichtenberg, Gross, Marsden
Motion carried:

Council President Erik further replied that since it is denied, it doesn't mean that it is dead. The denial is going to the State and it shows that the Governing Body can't afford it. If we give Mt. Glen Lakes the rest of the township budget, nobody else gets anything except the bills from the lake. The Governing Body can't do that, they don't even have that much in the budget. Councilman Marsden stated that the township doesn't have it to give. Council President Erik stated there has to be a way out of this. The Mt. Glen Lakes Association should also question and work with their Engineer as well as the Township Administrator. He'll probably end up working with the State Assembly and the DEP.

Mr. Klein said they were open to options and that this is what was handed to them. They were told there would be a co-signer for the loan through the Township and they would be on the hook for it. Council President Erik stated except in the Ordinances, the township can't hook Mt. Glen Lakes for everything. Councilman Marsden stated that there wasn't enough there to assess. Once the Tax Assessor's standpoint was learned and there was not enough to cover the costs, the Governing Body just couldn't put the burden on everybody else. We have to find another way, hopefully we can with the State. We'll follow up with you; we're not abandoning you. We appreciate your predicament. Council President Erik stated once this deadline passes, the State will realize the township can't afford it either and they're going to have to do some adjusting and searching for money. Mr. Klein mentioned that they had an attorney, Eileen, involved. Councilwoman Lichtenberg mentioned that she was in charge of the COLA. Mt. Glen Lakes went to the best Attorney and the best Engineer and that's what they were told to do.

Agenda No. IV 1

Resolution No. 2021 – 463

RESOLUTION OF THE TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, STATE OF NEW JERSEY TO TRANSFER ITEMS OF CURRENT FUND APPROPRIATIONS IN ACCORDANCE WITH THE PROVISION OF N.J.S.A. 40:4 - 58

WHEREAS, there appears to be a surplus in the 2021 appropriation over and above the demand deemed to be necessary for the balance of the year:

APPROPRIATION	ACCOUNT NUMBER	TRANSFER PROPOSAL
Vehicle Maintenance, S&W	26-315-100	\$12,000
TOTAL TRANSFERS OUT		\$12,000

WHEREAS, there appears to be insufficient funds in the following appropriations to meet the demands thereon for the balance of the 2021 budget year:

Police Communications, S&W	25-243-100	\$12,000
TOTAL TRANSFERS IN		\$12,000

NOW, THEREFORE BE IT RESOLVED, by the Council of the Township of West Milford in the County of Passaic, State of New Jersey, that in accordance with the provisions of N.J.S.A. 40A:4-58, part of the 2021 appropriation heretofore mentioned be and the same are hereby transferred to the appropriations mentioned as being insufficient to meet prior demands, and

A certified copy of this Resolution shall be forwarded by the Township Clerk to the Township Treasurer.

Adopted: December 29, 2021

Moved:

Voted Aye:

Voted Nay:

Motion carried:

Lichtenberg

Erik, Lichtenberg, Gross, Marsden

None

Seconded:

Marsden

V. ADJOURNMENT

There being no further business to come before the Council, Council President Erik adjourned the meeting at 10:22 a.m.

Moved:

Voted Aye:

Voted Nay:

Motion carried:

Marsden

Unanimous voice vote

None

Seconded:

Lichtenberg

TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of:	Governing Body Specail Meeting
Date of Meeting:	December 29, 2021
Time of Meeting:	10:00 a.m.
Minute Page No:	Page 5 of 4

Approved: January 5, 2022

Respectfully submitted:

DIANE CURCIO, ASSISTANT TOWNSHIP CLERK

ADA ERIK, COUNCIL PRESIDENT