

Florence Township Council Executive Session 05/08/24

Florence, New Jersey
May 8, 2024

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

The meeting was called to order by Council President Baldorossi at 7:00 p.m. Council President Baldorossi led 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 township website and published in the Burlington County Times and Trenton Times on January 7, 2024.

ROLL CALL OF MEMBERS

Upon roll call the following were found to be present:

Present: Joseph Frappolli, John Fratinardo, Nicholas Haas, Talaya Loftin, Frank Baldorossi

Also Present: Mayor Kristan I. Marter; Thomas A. Sahol, Township Administrator; Robert Wright, Esq., Township Solicitor; Nancy L. Erlston, Township Clerk; Jenise Silinsky, Deputy Township Clerk

Absent: None

FIFTEEN (15) MINUTES OF PUBLIC COMMENT

Council President Baldorossi opened the meeting to the public.

Leonard Thomas, 411 Pigott Drive, stated that he is the newly elected Chairman of the Trustee Board at St. Paul Baptist Church which will be celebrating 114 years of active existence. He voiced his concern with the water runoff that they are starting to observe there since the walking path has been put in and said that it seems the drain off is more than what they expected as a result of those changes. Council President Baldorossi explained that Council Representative Loftin brought it up to Council at a previous meeting and that is being looked into by the Public Works Department.

Mr. Thomas also mentioned that there was a tree that had fallen on the Township property on the corner of Seaman Drive and West Fifth Street, and they came out and cut the tree down. However, everything was left on the lot stacked in a pile. He stated that when he approached the Township about what was going to be done there, they said they were going to leave it there. He does not believe that to be an acceptable answer and said that it is unsafe and looks horrible. Council agreed to have that cleaned up.

Seeing no one else wishing to be heard, a Motion was made by Fratinardo, seconded by Frappolli to close the public comment portion. Voice Vote – All Ayes.

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BUSINESS

A. "Safety on the Agenda" Burlco JIF Presentation by RMC Hardenbergh

Administrator Sahol explained that once annually, Council is asked to review safety and the initiatives that the town takes with regard to the Burlington County Municipal Joint Insurance Fund (JIF). He introduced Joe Henry, Risk Management Consultant from Hardenbuergh Insurance Co., who explained that the JIF puts a very large emphasis on safety and, as a member, it is a requirement to have a Safety Committee. What they do is develop a topic and they bring it to Council to give an idea of what is going on with the Safety Committee. He noted that, in his brief encounter with Florence Township's Safety Committee, it is very active and all departments were present, which is rare. He also mentioned that the township is eligible to receive safety award money for doing the things that are required in the safety incentive program, Florence Township met those requirements and was rewarded \$3,200 in 2023 and they are on target to do that again this year. Mr. Henry then went over some objectives of the JIF regarding accident investigations.

Administrator Sahol explained that we mix up some inspections so that maybe the police will inspect the water and sewer department, water and sewer will review administration, etc., so a whole different set of eyes that haven't really seen the facilities before decide if there is something there that wouldn't necessarily be thought of if it was your normal work environment. We also drive home with our staff that if they happen to be doing a job and they see something, they say something. If they recognize a hazard it is reported.

B. Review of Roads and Future Road Paving Priority List

Ted Lovenduski, along with Township Engineer Michael Angelastro of Remington & Vernick Engineers explained that all roads are assessed by condition and the number of daily trips and traffic that they carry. This is done in coordination with Public Works, Water and Sewer, Administration, the Township Engineer and Mayor and Council. He provided Council with a list of roads and explained that it is a five-year plan of the roads that have been identified as roads that need to be completed. They try to pave roads in the same area or vicinity in order to be more cost efficient and cause less traffic and disruptions and it saves the township money to have everything grouped together because the contractor would charge a mobilization fee every time they have to move all of that equipment to a new location. When possible we try to make sure that on one side of the street, at a minimum, there is a complete and safe pedestrian walkway. This includes ADA complaint ramps and removing any trip hazards and broken concrete. Frequently driveway aprons are included in that process. We assess the sidewalks and try to make a safe path on one side or the other if it doesn't already have a sidewalk on both sides we try to make sure to get enough done as we can.

Because it is a commodity, asphalt and concrete prices fluctuate. If an estimate comes in at a million dollars, to be cautious of the price increase or if we run into any unknowns on that project, it is usually a little more. Sometimes you don't notice until we start digging a road up and find out it didn't have a base and now we're basically constructing a new road rather than just milling and paving. Milling and paving is a pretty exacting process and moves pretty quick. Once we have to reconstruct the road, it will slow things down and cost a lot more money.

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Michael Angelastro explained that the NJDOT keeps track of the fuel prices and the asphalt prices, and, when the projects are awarded, the prices are set at X when the contract is signed and, six months later the municipality resurfaces the road and the fuel prices go up, the municipality is required to pay that increase. Even though it could be a change order for the contract, they are required by law to pay the contractor that escalation. They do try to cover that escalation in a line item called an asphalt price adjustment and fuel price adjustment and sometimes they look at previous years' increases but prices may spike and we sometimes need to anticipate for higher costs. It does happen quite a bit where a town owes a decent amount of money more because fuel and asphalt prices have increased from when the project was advertised and awarded. But also, if the price goes down, the contractor then owes the municipality.

Mr. Lovenduski explained that all of the stormwater inlets need to be brought up to today's standards. They can't be the wide openings anymore and they have to be bicycle safe grates, etc. Those repairs are done every time we do the road. He mentioned that there are several developments in the community that are more than 20 years old so we have to keep those in mind including Mallard Creek, Greenbriar, Golden Gate Estates, Tall Pines, Fountain Boulevard, Birch Hollow and Potts Mill Acres. All of those developments are getting to the point where the roads are going to need to be done. There are a lot of additional roads that are not on the list, along with Cedar Lane Extension, which is close to a mile and he does not know the last time that was done. For Hornberger Avenue, we have a grant from the railroad tracks to the bridge, which is roughly about a half a mile, along with a lot of concrete work in that area to include a walking path and sidewalks and the cost to do that is approximately \$250,000.

Mr. Angelastro explained that what they do as far as picking out roads, they actually contract with a municipality and have one of their engineers or junior engineers walk or drive every single street in the town, they rate the condition of the asphalt, curb, sidewalk, inlets, etc. and they will then develop estimates for each of those roads based on the conditions and they will be ranked from worst to best. This gives the municipality a starting point for maybe a five or ten year road plan.

Recently Remington and Vernick teamed up with a company called Violetics and they basically use an iPhone in the window of the vehicle, that vehicle will drive the roadway and take pictures every 5-10 feet and then whatever algorithm they have developed, it will identify deficiencies in the pavement, curbs, inlets, etc. and it will even identify signs that need to be replaced. All of that goes into a program and will generate a condition from each segment of roadway in the township and then we will generate cost estimates. These can also be put in a Public Works vehicle and as they drive through the town every day, it will constantly record data so you are getting timely updates along the conditions of your roadways. It then reassesses the roadway, re-ranks them and then they will generate estimates for the improvements. He stated that Ewing Township uses it with great success, they have a color-coded map outlining which are the worst and best roads. And it helped Administration decide which roads they were doing for the municipal aid application this year. He explained that if it is something that Florence Township is interested in, they will come in and give a presentation.

Mr. Lovenduski explained that none of this gets done without approval from Mayor and Council so any road program that we have done, gets brought to Council to be refined. Mr. Lovenduski said that he and the Township Engineer looked at Amboy, Railroad and Peace Street and that they were able to get grant money for that project. It scored very well because of the proximity to the light rail station and the walkability. And because we were including sidewalks, that helped as well. Roland Avenue will be added as an alternate in that grant but that will have to be locally funded and we can use NJDOT money for that. But if Council sees fit, we can use additional funds and do Roland Avenue while we do those other three streets because we are in the same area. Roland is not a big lift, it is 40 foot wide parking and about 200 yards of road. Administrator Sahol stated that, outside of the grant, we are funded to be able to handle that.

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Council Representative Loftin asked the Township Engineer what the cost for the Violetics program would be and if he felt as though it is beneficial with the list that we currently have. Michael Angelastro explained that they are still working on pricing and that is why he offered to come back with a brief presentation and at that time he can give Council the whole cost structure associated with it. He is expecting to have pricing by early next week.

Council Representative Haas asked about the county roads, are they told what has to be fixed? Mr. Lovenduski explained that we can approach them with a suggestion, but it is just a suggestion. Administrator Sahol explained that it is done in writing and they make sure the appropriate officials are copied so they understand the importance of the repairs, especially on the safety. The county has an in-house paving crew that can handle certain amounts of work and they don't hesitate to use that crew to make temporary repairs until the next major overlay.

C. ABC License Update

Clerk Erlston explained the process of what she does to renew the licenses each year. She shared the status of licenses in town showing whether they are active or inactive, how many we are permitted to have, etc. She explained that the renewals are due by the end of June, with the new term starting July 1st of each year, and that she likes to have the majority done by the first meeting in June. The most critical are the active licenses because if they are not renewed by July 1st they cannot sell liquor. She asked if Council had questions on any of that information. The license holders renew online, the state releases their renewal on their POSSE system and then they come to her to start the process locally. Mayor Marter asked about the number of licenses we currently have in the township and why there are more than we are statutorily allowed to hold. Clerk Erlston explained that those licenses are grandfathered in and, as long as they don't lapse, we keep them. However, if they were to lapse, we can not get them back.

D. Cannabis Ordinance Discussion

Administrator Sahol explained that there are many steps to this process. We have authorized the Township Planner to go out and review the types of licenses, the location he feels would promote the different types of licenses and then come back to Council to get approvals and thoughts. The report is extensive and the ordinance at the very end still has yet to be tweaked. Council is starting to get a glimpse of what will be discussed in June when it comes to the Land Use ordinance. Some of the aspects the Solicitor is going to touch on is the police power portion, the ability to authorize it with the types of numbers of licenses, fees, procedures and how you endorse these applications. He encouraged Council to come back with questions and challenges so we can be sure this is near perfect.

Solicitor Wright explained that the benefit that Florence Township has is that it is building on two years where other municipalities have made mistakes. The starting point is to get some guidance and direction on which licenses that the Township would like to have. You can have one, you can have all six or any in between. With that, you are also allowed to put a cap on the number of licenses issued under each class. What he has seen in other municipalities is caps of 3 to 5 on mostly retail licenses. He asked if Council had any questions on the classes of licenses or putting caps on them, he asked Council for their opinions on those.

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Council Representative Loftin stated that she would like to see a cap on the dispensaries. She is not interested in having more dispensaries than schools in the municipality. (classified retail) Council discussed locations being south of the turnpike on Route 130 and none of those locations being in town. There is one small area of special manufacturing on Railroad Avenue where ReadyPac Bonduelle is that would be permitted to have Classes 1-4 which is basically growing/manufacturing and the like, not public invited. Typically, when a Zoning Board is dealing with any cannabis related business or any type of license there is a restriction on proximity to sensitive areas, being schools, daycares, churches, etc. There is a restriction in the draft zoning ordinance of 1,000-2,000 feet. It is variable from one ordinance to another whether it is 1,000 feet from the front door of the retail establishment to the residential boundary or if it is from the lot boundary of other licensees' property to a zoning boundary of a residential lot. It is going to restrict any kind of cannabis related business being in the downtown Florence or the Roebbling area. Mayor Marter added that everything but retail and delivery is allowed in Special Manufacturing (SM) zone and anything that is considered retail or delivery, they would have to be on highway commercial south of the turnpike on Route 130.

Council Representative Frappolli asked for clarification on how this cannabis ordinance came to be. Solicitor Wright explained that, about 2 years ago when the law was first passed, every municipality had a short period of time to either opt in or opt out. If you opted in, by allowing any class of license within your town, then you were stuck with that decision for five years. His recommendation to the Council at that time was to opt out because of the uncertainty of the law. During that opt in or out period, the cannabis regulatory commission had not been formed yet and had not adopted regulations and we weren't sure if it was actually going to be revenue generating or what was going on at that time. Council at that time adopted Chapter 60 that prohibited any cannabis related businesses within the Township of Florence. Now we have the opportunity after several other towns have learned from some of this and we have greater guidance from the state and the cannabis regulatory commission to opt in. And realized some of the revenue that is being realized from some other towns in retail and wholesale.

Council Representative Loftin asked the solicitor if there had been any issues that he was aware of with the cultivator license and, at this point should our priority be placed on cultivation versus the dispensaries. He explained that he heard from the Director of Economic Development at the bridge is that there is a high demand for the growers. The concern is that the first wave of the cannabis businesses coming into the state were the retailers and that caused an unmet demand on the growers. So right now there is that pent up demand and it is anticipated that that wave will come through. He stated that, at this point he does not believe there is any need to prioritize one over the other and the best way to do it would be to authorize any one or all of them, any combination of the six, at the same time.

Mayor Marter mentioned that, with cultivation, you can't grow in a facility larger than 150,000 sq. ft. They have different types of licenses, but that is the largest facility that you can be in. The majority of the warehouses around are considerably larger than that so a cultivator may have to build a facility that is going to be that size. One of her biggest concerns is the smell of marijuana and if we can manage to make them put the type of facilities in that will prevent that then that is the route she hopes to go.

Council Representative Haas requested that, in the packet for the next meeting, a zoning map in color be included so that Council can see exactly where they are talking about. He asked for clarification on the taxes, the 2% and the 1% for wholesalers and asked if that on top of the property tax? Solicitor Wright confirmed and explained that what he has done in other towns is doing the collection taxes on a quarterly basis on the same date that the real estate taxes are due with a certification of accuracy when it is submitted. If it is not paid it goes to a lien on the property same as real estate taxes. Then in February of each year businesses submit audited financials to verify that the sales were the same, which is very similar to the way PILOTS are done.

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Council Representative Haas asked how security works when these facilities come in. Administrator Sahol explained that his experience that the ordinance contains certain aspects as far as 24/7, 365 surveillance monitored video which has to have a certain retention period and that it was also accessible and viewable remotely by the police department. It

can immediately be called up by the police department and immediately provided not through any discovery or any other action. It requires a body on the premise during times when it is open. Someone physically has to be assigned as security. They have their own regulations that they have to meet with their license. If they decide they want to do outside employment and don't want to hire a security service, they can hire a police officer if the town were to allow that to occur. They have to pay that fee that the town charges which has an administrative overhead attached to it. Outside employment is billed at a flat rate which is greater than what the officers typically receive when we pay them.

Council Representative Loftin asked if the social equity piece is going to be written in the ordinance. Solicitor Wright explained that his understanding is that it is a state licensing process and it is addressed when they get their license. He said that he believes there is a certain number of licenses that are set aside for various overall purposes.

Council Representative Loftin recommended using a similar formula for Cannabis as we currently have for the ABC licenses in the township based on the population of the town. Therefore, four retail licenses would be what is allowed based on that. and asked for bylaws, fees, types of licenses that they have, etc. from other towns so that they can get a good comparison.

E. FY25 NJDOT Grants Discussion

Administrator Sahol explained the four most recent opportunities for grants that had been presented to the towns. One did not work for us. Municipal aid, he explained, is an opportunity with regard to continuation of another project in Florence being Broad Street that will help us fair well as far as continuation to complete the full roadway. He spoke about another grant, Safe Streets to Transit suggesting that municipal aid and the safe streets to transit are the two areas that he'd like to pursue for funding from the state. Municipal aid would be to finish up Broad Street from Fifth Street to Front Street. In that, there is an emphasis that the state made as far as protection of pedestrians and pedestrian safety. The sidewalks are in pretty good shape there, we have had a few minor incidents regarding pedestrians on Broad Street so one of the things he suggested is, if Council is in agreement, a traffic calming measure, maybe a boulevard of sorts, that would look similar to the Broad Street on the end near Florence Meadows. That would be in the area of the business district so you wouldn't see some of that turning movement that you see there with people turning into lanes of travel to get into the angled parking spaces. That island also becomes an area of refuge midblock, so if you are leaving from the post office or from one of the storefronts and you are heading across Broad Street, that is a long busy road to cross over, so it allows for that. Before having the engineer do renderings, Administrator Sahol asked if Council is interested in this possibility and stated that he would need a recommendation that this is the grant we would like to pursue, from Fifth Street to Front Street, finishing Broad Street and potentially also to include this island if the engineer decides it will fit and if Council likes the appearance.

The Township Engineer stated that they could provide relatively inexpensive aerial imagery that shouldn't take very long and lay an island there to give Council an idea of what it would look like.

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Administrator Sahol explained about the Safe Streets to Transit Grant and that we have successfully used this program for years. When people think transit, they often think the train but it is also the 409 bus route which goes all the way up through Hornberger so we have a huge amount of side streets that funnel to the 409 bus route that we can use and start to correct ADA and sidewalk issues. There was a conversation during one of the listening meetings about lack of ADA ramps on Chestnut between Front and Second Street. All of this is a perfect opportunity because there is a bus stop at the end of Chestnut Street so we can certainly throw some of these things in. Administrator Sahol said before he gets these things going with staff, he wanted to make sure Council is on board with the two grant proposals and bring it back to Council and get a resolution authorizing it.

ACTION

None at this time.

PUBLIC COMMENTS

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

Wally Lundy, 184 Depew Street, Dumont, NJ, addressed the Cannabis ordinance, and spoke about the zoning restrictions. He explained that he works with a gentleman who has been in the industry for ten years, and sold over a billion dollars' worth of Cannabis in different states and explained that a lot of time with the Cannabis facilities when you restrict where you can put it, the land prices in that area skyrocket and makes it harder for facilities to come into town. He stated that these restrictions can make it harder for future businesses to come into the town.

Solicitor Wright explained that this encourages Cannabis retailers, who are highly funded and highly motivated, to take dilapidated areas where buildings have been sitting abandoned for a while and get them zoned for Cannabis retail, they come in and put up the money to help rebuild that.

Don Cammus, 580 East Sixth Street, stated that he agrees with the movement of bringing Cannabis sales into the town but he would like to see a very detailed independently constructed cost benefit analysis because there are going to be external costs with this. There will be additional security costs, and additional tax revenues coming in but you are going to have to generate to come up with a billion and a half dollars on the entire supply chain which he would estimate on a progressive percentage basis, you are going to have to generate somewhere about \$30-40 million in sales. If someone can handle that, then he thinks let's do it. Also, that would include the tax ratables but the external costs, how does it impact the community. There are a lot of things to think about. He mentioned Howell Township and their ordinance and model and suggested that Council review that model.

Leonard Thomas, 411 Pigott Drive, stated that he has been in the township for 7-8 years and he thought that in coming here he was going to a country-like setting and he has seen warehouses larger than where he has come from and all he is asking is that maybe just because other towns are doing all of these things there may be other, better ways for us to do ratables that might be more helpful. He does like the idea of truly having a hard set number as to how many people can be within the city limits. We are about growth and sowing into the young people, and if this is how we continue to grow as a community, like what was said, we invest more money in weed producing or selling opportunities than they have schools and/or community centers. So in general he would like Council to make sure it is built in where people within the areas that have been underserved and those that have been falsely accused or falsely arrested or arrested for marijuana and now we are just putting it on dockets and people have spent decades in jail over it. And making sure that these individuals are represented when you are putting out licenses because people have actually suffered for the same thing that you are looking to get ratables for. That is something that he believes is very important and there is a lot to consider.

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Seeing no one else wishing to be heard, a Motion was made by Haas, seconded by Fratinardo to close the public comment portion. Voice Vote – All Ayes.

Council Representative Frappolli asked about the notice regarding our rating, he is still trying to figure out how we got to the situation we are in. Being new to Council, and finding out that there are water & sewer and tax problems and the rates are increasing, and balance transfers, he is confused as to why we are in this situation. However, our rating is indicating that we have to do something as far putting together a program so that we can deal with these things. One of his biggest concerns going forward is that something happened somewhere and he does not want it to happen again. Mayor Marter explained that this is to stop that from ever happening again.

Council Representative Frappolli stated that what is not normal to him is that when you budget properly, there should not be large transfers and apparently there were large transfers made in order to save our budget or fund balance, etc. His concern is moving forward, do we have the right people in place to make sure this does not happen again? Administrator Sahol explained that there is staff in place that are more than capable of doing exactly what needs to be done and the five elected officials, if you are willing to take staff recommendation and roll up your sleeves and get involved in the process and have a complete understanding as to where we are, how we got here and where we want to be, then you are in good shape.

Council Representative Frappolli voiced his concern about the municipality not sitting down and going over the budget process and asked again if there are job descriptions for the employees, especially the decision makers. Administrator Sahol explained that one of his recommendations was the lack of policy with regard to the utilization of fund balance and debt policy is something that led to going from stable to a negative outlook. By implementing it this year, it is showing that we are actually taking this on and we are going to bind ourselves to those policies. In the past, the Governing Body was not bound to a policy that had caps. You are going to do that, which means sometimes you are going to have to vote no to the road program. This is a corrective action to prevent this going forward.

Council Representative Fratinardo stated that next year we have to be open with the budget process. Administrator Sahol explained that a healthy budget development process should start in late October with a budget preparation document being almost ready to be put in Council's hands in November. That is what has to happen in 2024. Beginning in November, you will have it and you will get to the point where you are almost prepared to make up your mind so that in January you are resolving your numbers. That's when you should be really finishing up on everything. This could not have happened this year.

Administrator Sahol explained that the biggest of the expenditures which really drained the fund balance by a little over three quarters of a million dollars was a mistake by a professional that is no longer appointed in the community and it should never have been missed. There was a payment that had to be made for debt service and because that payment was not budgeted and you had to transfer as many dollars as you could find in all of the nooks and crannies of your municipal budget in order to pay it. That money normally would have been able to have been cancelled back to help bolster your fund balance in subsequent years but it was not available. That mistake cannot repeat itself. He stated that you have a very professional and strong team of people both employed and appointed in place to make sure that does not occur.

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Mayor Marter explained that CFO Michelle Chiemiego did some research to find a better interest rate for us and she did some negotiating. We were floating around a quarter to a half a percent interest rate and right now we are up at around 2 ½% on nearly all of the accounts and some of the accounts could go as high as a 4.2% interest rate. Where we were pulling in a few thousand dollars a month in interest, we are going to be pulling in tens of thousands of dollars a month which is unanticipated, goes to miscellaneous revenue, which goes to your fund balance. Administrator Sahol thanked CFO Chiemiego for her hard work and making that happen because she is contributing to the correction by staying the course and working hard and making sure we do the right things.

ADJOURNMENT

Motion of Haas seconded by Loftin to Adjourn. Voice Vote – All Ayes. Meeting adjourned at 8:36 p.m.

Respectfully submitted,

Nancy L. Erlston, RMC
Township Clerk
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