

VERNON TOWNSHIP COUNCIL

SPECIAL MEETING MINUTES

DECEMBER 22, 2020

CALL TO ORDER

The Special Workshop Meeting of the Township Council of the Township of Vernon was convened at 9:30 a.m. on December 22, 2020 in the Vernon Municipal Center, 21 Church Street, Vernon, New Jersey with Council President Harry Shortway presiding.

STATEMENT OF COMPLIANCE

Adequate notice of this meeting has been provided to the public and the press on December 18, 2020 and was posted on the bulletin board in the Municipal Building in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-7. The purpose of this Special Meeting is to approve various resolutions and any other business that may come before the Council. Action will be taken.

ROLL CALL

Present were Council Members John Auberger, Jean Murphy, Andrew Pitsker, Kelly Weller and Council President Shortway. Also present were Mayor Howard Burrell, Business Administrator Charles Voelker and Township Attorney Josh Zielinski.

SALUTE TO THE FLAG

Council President Shortway led the assemblage in the salute to the flag.

PUBLIC COMMENTS (*Limited to 3 minutes per person on any topic*)

Council President Shortway asked for a motion to open the meeting for Public Comment.

MOTION: John Auberger
SECOND: Andrew Pitsker
All members were in favor.

Municipal Clerk Gianattasio read emailed that were sent to her for public comment.

Thomas McClachrie – Vernon Township, emailed:

While Wikipidia ([Legends](#)) has a lot to say about the various Metiarie lawsuits, its future was concisely and presciently put by a timeshare owner ." We were promised this was going to be the jewel of the Northeast, and it's the pits. —"Robin Barren 2007. The Essence of the resolution deals with the liquor license and the Town relinquishing oversight of the property (Article 5 "and shall not object to any application filed by Metairie and/or its principals, successors and assigns seeking zoning approvals and/or building permits required for the (re)development of the Hotel and Property ").

Currently Legends owes \$724,000. in 2019 property taxes of which Metairie intends to pay \$472,659.91 netting Metairie \$251340.09 in property tax payment saving. They do not intend to pay the property taxes on the common areas such as pools, restaurants, theatre, indoor tennis courts, racquetball, etc or the 64 commercial areas. Vernon tax office currently has 624 separate taxable units at the hotel of that Metairie proposes to pay taxes on 404 residential units. Those residential units are the former and current time share units they originally sold and charged annual maintenance fees for ([Legends](#)).

Questions

1. In 2018 a Vernon official stated that Metairie owed 3.5 million in back taxes of which 2 million was the municipalities. IN 2020 a Vernon official stated that Metairie owed \$724,000. in back property taxes for 2019. How much does Metairie owe in total back property taxes?
2. Article 2 and 3 deal with the Construction and Liquor license litigation. Once Metairie pays the 2019 residential portion of the property taxes (\$472,659.91) all litigation will be stopped with prejudice and without costs, fees and payment of any fines by Metairie, how much are the Towns legal fees and Construction fines that the town will give up?
3. Article 4 deals with acceptance of a payment of \$388,151.30 on June 30, 2021 for all residential assessed properties at the Hotel. Vernon tax rolls currently lists 624 separate taxable units at the Hotel. How many of the 624 taxable units at the Hotel are classified as residential?
4. Article 5 and 16 deal with the timelines and their fluidity. "Consent to any extension request shall not be unreasonably withheld by Vernon, and shall be further subject to enumerated Paragraph 16, " Why is the Town entering into a contract when the conditions of article 16 are already in affect?
5. Article 16 deals with Tolling Events (pausing of the process) paragraph C has long, long list of events which will stop the contract timelines and includes this "infectious disease including and not limited to coronavirus and the continuing COVID-19 pandemic during the time a State of Emergency exists in the State of New Jersey concerning coronavirus, COVID-19 or any other infectious disease, technological disaster" Why is the list of acceptable Tolling events so long"?
6. state law requires property taxes to be paid quarterly in Vernon and Article 4 states the following. " On or before June 30, 2021, Metairie and/or its principals and assigns shall pay to Vernon the amount of \$388,151.30, which shall constitute payment in full for all outstanding 2020 taxes " Why are you signing a contract saying that Metairie can pay their total property taxes in June 2020?
7. The resolution 20-260 states the following " Mayor is authorized to execute a settlement agreement with Metairie Corporation and Legends Resort Country Club Condominium

Association in a form similar to the attached agreement. The Township Attorney may make applicable language changes deemed in the best interest of the Township. (See agreement at end of document)". Obviously this will exclude public comments on a final not draft public document. By accepting this language are the mayor and council persons not opening themselves up to potential personal liability versus a public official's liability?

8. Is Metairie currently in litigation with various entities (superior court, class action etc.) and have the appropriate attorneys been notified of this contract?

Harvey Roseff – Byram Township, emailed:

Dear Mayor Burrell, and Vernon Councilpersons Auberger, Murphy, Pitsker, Shortway and Weller,

Before you today is a Mayor's initiative to have Vernon Township forfeit fines levied on a rich property owner. We can frame this issue as one concerning money, but morally it is much more.

Three years ago, Vernon Township waded into a convoluted private legal matter because this property has a property ownership arrangement that impacts "development". The private property has condo ownership claims, timeshare owner claims and claims of the property owner. Vernon decided to aid the property owner by coldly evicting renters from their home by claiming fire prevention codes were not adhered to. Low income families were muscled out by the government and financial pressure was put on condo and timeshare owners to submit to the will of the property owner.

Before you now is a Mayor's request to dismiss the very fines that Vernon township had claimed as legal justification for their eviction action. Removal of this veil of legitimacy is morally disgusting and a slippery slide. Have the rich pay their fines - it's an American value lesson worth teaching. Applied here, the lesson is not just about an affordable fine for code violations that were used to justify kicking families out of their home. It is a priceless leadership lesson of equality that will pay dividends in the future: The rich pay fines too.

James Santonastaso – Hampton, voiced his support to get this situation handled. He said that this is a complicated situation that could impact the town in the future. He feels that all of the things that need to be done to properly protect the town and move the town forward. Mr. Samtonastaso feel that the Council is taking a huge step and hopefully this deal with this corporation becomes something fruitful that the property can be redeveloped and can be turned into something that is going to create a lot of tourism and a lot of revenue for the town. That this property is something that is known throughout the state and is nostalgic for a lot of people. The idea that this property could be coming back or resurrected, he believes for Sussex is a huge boom. He urged the Council to support this deal that the Mayor has put forward.

Seeing no members of the public wishing to speak, Council President Shortway asked for a motion to close the meeting for Public Comments.

MOTION: John Auberger
SECOND: Andrew Pitsker
All members were in favor.

CONSENT AGENDA

Resolution #20-261: Resolution of the Township of Vernon, County of Sussex, State of New Jersey, Amending Resolution #20-188 of the Township of Vernon Regarding Proposed Improvements to Breakneck Road Phase II

Resolution #20-262: Refund Overpayment (Block 79, Lot 3 – Lirijeta Shaini)

Resolution #20-263: Refund Overpayment (Block 526 Lot 16 – Michael Hern)

Resolution #20-264: Refund Overpayment (Block 496 Lot 44 – Lereta)

Resolution #20-265: Refund Overpayment (Block 418 Lot 9 – Corelogic)

Resolution #20-266: Authorizing the Award of a Required Disclosure Contract with Interaction Insight Corporation for Police Department Voice Data Recorder

Council President Shortway asked for a motion to approve the Consent Agenda.

MOTION: John Auberger
SECOND: Andrew Pitsker

A roll call vote was taken:
AYES: Auberger, Murphy, Pitsker, Weller, Shortway
NAYES: None
ABSTAIN: None
ABSENT: None

Motion carries to approve the Consent Agenda.

RESOLUTION #20-261

RESOLUTION OF THE TOWNSHIP OF VERNON, COUNTY OF SUSSEX, STATE OF NEW JERSEY, AMENDING RESOLUTION #20-188 OF THE TOWNSHIP OF VERNON REGARDING PROPOSED IMPROVEMENTS TO BREAKNECK ROAD PHASE II

WHEREAS, Resolution #20-188 was duly adopted by the Township Council on September 14, 2020; and

WHEREAS, said Resolution authorized contract for Tilcon New York, Inc. through Morris County Cooperative Pricing Council in amount of \$204,070.00, and

WHEREAS, the amount for Milling & Paving to Tilcon New York, Inc. was incorrect and needs to be revised to:

- 1) Milling & Paving: Tilcon New York, Inc. (Contract #6) in an amount of **\$204,070.80**

WHEREAS, the Certified Municipal Finance Officer of the Township of Vernon has certified that the funds for these contracts are available in Account#C-04-20-011-01.

NOW THEREFORE IT BE RESOLVED by the Township Council of the Township of Vernon, County of Sussex, State of New Jersey, that Resolution #20-188 is hereby amended to reflect the amount of the contract to \$204,070.80 with Tilcon New York, Inc. for the Proposed Improvements to Breakneck Road Phase II.

RESOLUTION # 20-262

**REFUND OVERPAYMENT
(Block 79 Lot 3 – Lirijeta Shaini)**

BE IT RESOLVED, by the Council of the Township of Vernon, Vernon, New Jersey, that a warrant be drawn to Lirijeta Shaini in the amount of \$1,964.88 representing refund for overpayment of 3rd qtr. 2020 property taxes for Block 79 Lot 3 also known as [REDACTED]

RESOLUTION # 20-263

**REFUND OVERPAYMENT
(Block 526 Lot 16 – Michael Hern)**

BE IT RESOLVED, by the Council of the Township of Vernon, Vernon, New Jersey, that a warrant be drawn to Michael Hern in the amount of \$2,066.40 representing refund for overpayment of 4th qtr. 2020 property taxes for Block 526 Lot 16 also known as [REDACTED]

RESOLUTION # 20-264

**REFUND OVERPAYMENT
(Block 496 Lot 44 – Lereta)**

BE IT RESOLVED, by the Council of the Township of Vernon, Vernon, New Jersey, that a warrant be drawn to Lereta in the amount of \$1,731.01 representing refund for overpayment of 4th qtr. 2020 property taxes for Block 496 Lot 44 also known as [REDACTED]

RESOLUTION # 20-265

**REFUND OVERPAYMENT
(Block 418 Lot 9 – Corelogic)**

BE IT RESOLVED, by the Council of the Township of Vernon, Vernon, New Jersey, that a warrant be drawn to Corelogic in the amount of \$3,539.46 representing refund for overpayment of 3rd qtr. 2020 property taxes for Block 418 Lot 9 also known as [REDACTED]

RESOLUTION #20-266

**AUTHORIZING THE AWARD OF A REQUIRED DISCLOSURE CONTRACT WITH
INTERACTION INSIGHT CORPORATION FOR POLICE DEPARTMENT VOICE
DATA RECORDER Authorizing the Award of a Required Disclosure Contract with
Interaction Insight Corporation for Police Department Voice Data Recorder**

WHEREAS, the Township of Vernon has a need for voice data recording systems for its communications system requirements, Interaction Insight Corporation 125 Half Mile Suite 200 Red Bank, N.J. 07701 as a required disclosure contract pursuant to the provisions of N.J.S.A. 19:44A-20.5: and,

WHEREAS the anticipated term of this contract is for the year of 2020-2021; and

WHEREAS, Interaction Insight Corporation 125 Half Mile Suite 200 Red Bank, N.J. 07701, in the aggregate is expected to provide more than the pay to play threshold of \$17,500.00: and

WHEREAS, Interaction Insight Corporation 125 Half Mile Suite 200 Red Bank, N.J. 07701, has completed and submitted a Business Entity Disclosure Certification and a Personal Contribution Disclosure form which certifies that Interaction Insight Corporation has not made any reportable contributions to a political or candidate committee in the *Township of Vernon* in the previous one year, and that the contract will prohibit Interaction Insight Corporation from making any reportable contributions through the term of the contract, and

WHEREAS the Chief Financial Officer hereby certifies that funds NOT TO EXCEED \$29,317.00 are available as follows.

Line Item: C-04-20-020-01

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the Township of Vernon authorizes the Business Administrator to enter into a contract with Interaction Insight Corporation 125 Half Mile Suite 200 Red Bank, N.J. 07701, not to exceed \$29,317.00 for the 2020-2021 budget year for contractor, power and safety supplies: and,

BE IT FURTHER RESOLVED that the Business Disclosure Entity Certification and Personal Contribution Disclosure form, Determination of Value be placed on file with this resolution.

RESOLUTION

Resolution #20-260: Resolution Authorizing a Settlement Agreement with Metairie Corporation and Legends Resort County Club Condominium Association

Council Member Pitsker made a motion to have discussion on Resolution #20-260, seconded by Council Member Weller.

All members were in favor.

Mayor Burrell commented saying one of my goals when I became mayor / was to successfully pick up the mantle that had been carried so gallantly by former Mayor Shortway and the previous Council, and work with the Council that the voters had selected to be my governing partners, to achieve the objective of changing the decades old status of the Legends facility, from that of a town eyesore and a major tax liability, to that of a facility that the town could look at with some degree of pride, and as a facility that would be a tax paying corporate citizen. And, I wanted us to achieve this goal without having to take the unilateral, and costly approach of exercising the eminent domain process of having the town take possession of the Legends property - - because the town does need the financial burden of owning this property.

The only way that I know of to avoid this unilateral and costly eminent domain process, is to get Mr. Hillie Myers, the principal owner of the Legends property, to enter into a written legal agreement with the town / that would break this decades-long stalemate, and that would put the town on the path towards achieving its Legends related objectives.

This written legal agreement, that's before you today, does just that.

If someone knows of a different and more effective and efficient way to achieve this objective, I ask that they please present it.

Specifically:

1. This written legal agreement would result in all of the taxes, interest, and penalties for the exterior of the Legends building and grounds, plus the 504 interior units that Mr. Meyers

claims full ownership and tax responsibility for, being paid through the period through 2020.

Mr. Meyers has already met the initial commitment of this written legal agreement, that of him paying his 2019 taxes, interest, and penalties of almost a half a million dollars by December 1. And, this written legal agreement requires that he pay his 2020 taxes, interest, and penalties on or before June 30, 2021.

2. This written legal agreement would result in Mr. Meyers either (a) obtaining a final construction or mortgage loan commitment for the (re)development of the Hotel and property, or (b) obtaining a fully-executed contract for the sale of the Hotel and property by June 30, 2021.
3. In the event that Mr. Meyers cannot, or does not, obtain a final construction or mortgage loan commitment / for the (re)development of the Hotel and property, or obtain a fully-executed contract for the sale of the Hotel and property by June 30, 2021, this written legal agreement would automatically trigger the action of retaining an auctioneer to conduct an auction of the Hotel and property on or before October 1, 2021, with the proceeds from the auction being first applied to the payment of any and all of Mr. Meyers' Legends tax liabilities.
4. Because of the difficulty of attracting partners for a construction or mortgage loan commitment for the (re)development of the Hotel and property, or obtaining a fully-executed contract for the sale of the Hotel and property when there is a legal case against the property, Mr. Meyers requested that the town agree to dismiss the existing litigation that the town has against the Legends facility before the Sussex County Construction Board. This litigation is for the payment of 60K\$ in fines relating to the removal of individuals from the Legends facility in 2019.

Based on my discussions with our Municipal Attorney, this is not a critical concession for the town to make - - i.e., our Municipal Attorney estimates that a case of this nature will last about a week, and cost the town more than the 60K\$ in fines that we seek; and, there is no guarantee that the town would win this case.

So as not to allow this Sussex County Construction Board case to prevent us from either (1) making this written legal agreement with Mr. Meyers, or (2) being an obstacle to Mr. Meyers' chances of attracting partners for a construction or mortgage loan commitment for the (re)development of the Hotel and property, or obtaining a fully-executed contract for the sale of the Hotel and property, this written legal agreement grants this request.

5. And, because the Legends property will be viewed as a much more desirable property if Mr. Meyers could offer it as a property with an unencumbered liquor license, he requested that the town withdraw its objection to the one-year renewal of the Legends liquor license.

I recommend that we agree to this request since we can always renew our objection to the renewal of this liquor license when the renewal comes due one year from now, if things with Mr. Meyers don't work out as we hope.

While this written legal agreement with Mr. Meyers may not be 100% of what I or any member of the Council would want, it is a written legal agreement that enables us to achieve the goals of:

1. Preventing the town from being forced to use the unilateral and costly eminent domain option to break this decades-long Legends property stalemate; and ...
2. Puts the town on the path towards achieving its Legends related objectives of changing the decades old status of the Legends facility from that of a town eyesore and a major tax liability, to that of a facility that the town could look at with some degree of pride, and as a facility that would be a tax paying corporate citizen.

This is not a perfect deal, but it is a good deal. And I therefore, ask that the Council as a collective group to please vote to approve this written legal agreement and thereby, not allow the perfect to be the enemy of the good!

Council Member Murphy commented that Mayor Burrell believes that this is the best deal for the town but she cannot disagree more. She said to her this was not a negotiation but more like what do you want us to do. Council Member Murphy feels that once again we are turning over to a large corporation whatever it is they please. She said some members of the public have been around for a long time while others have not so they may not have the background on what has actually happened. Council Member Murphy said what would be for the best interest of the town is if Mr. Meyers pays his taxes and we don't have to go through this time and time again. As far as this agreement Council Member Murphy feels that just because he paid his 2019 taxes that we release his liquor license. She would agree to him paying his 2020 taxes by March 1, 2021 then we could consider releasing his liquor license, If we wait till June we will have to put more money in the budget to cover the uncollected taxes. Council Member Murphy said if Mr. Meyers knows by June 30, 2021 that he is not getting his money for redevelopment, July 1, 2021 he should hire the auctioneer.

Council Member Murphy said the Resolution states that the Mayor can change this agreement. We as a Council vote on an agreement giving the Mayor the authority to change it at any given date.

Council Member Auberger agrees with Council Member Murphy saying as much he wants to see this project move forward because it benefits the people of the town if they are paying their taxes and hopefully using the sewer system. Council Member Auberger is not happy with this agreement.

Council Member Weller said she knows she wasn't at the Executive Session when this was discussed but she does not like some of the wording in the agreement. She does not like the idea of giving them back their liquor license. Council Member Weller feels we need to go back and change some of the wording to protect the town.

Council Member Pitsker is deeply concerned at how our cooperate taxpayers continually pressure us and put the burden on the common taxpayers who pay their taxes faithfully every quarter, His question directly to Hilly Meyers is what have you done for this town. In the quest to find the amicable solution we are giving him a Christmas gift approving this resolution. Council Member Pitsker said his expectations is that they make good on their promises, give back to the taxpayers of the town some good and bring business into the town that help our retables. Council Member Pitsker said maybe we can go back and change some of the language and get it right. He is concerned that the Mayor has the option to change things without the approval of the Council.

Council President Shortway commented that this is not the greatest agreement but it is a step forward and if we do not approve it we are not moving forward. If he fails to do this, we are right back where we started. The big picture has been to bring Mountain Creek, Minerals, Legends and Chrystal Springs together for further development, to indirectly and directly create revenue, decrease the rut and to increase EDUs so we can stabilize the sewer rates that are way too high. Such a goal will stabilize these goals if we can get these resorts to move forward. Council President Shortway said our residents, the property tax payers as well as all the other residents will benefit and the small businesses. This has been a challenging goal, there are many moving parts to this complex puzzle not only with Legends but the entire Township but we are moving forward.

Residents were living in Legends permanently against our code. There were safety violations that were long and lengthy and who would be responsible. We have had fires there and it has been an eye sore. Should this property develop it could be 200,000 gallons of waste water every day. The first concern was always the safety of the residents then it was tax stabilization for all of our taxpayers. Council President Shortway said no one has been harder on Hillie Meyers over the last four or five years than him. The agreement does not make him happy but we need to go forward and take this chance for one year. The ABC license cannot leave Vernon. Council President Shortway said he does not know what the total budget is going to look like because it has not been presented yet. He thinks this is an acceptable risk. He is not in agreement with everything here but it is a step in the right direction. We have nothing to lose by accepting this at this time. We have been fighting for four years to get things done and he thinks the Mayor has done a good job.

Council Member Murphy feels this is not a good deal for the taxpayers it is a good deal for Hillie Meyers. She feels that Mr. Meyers need to pay his taxes, be accountable for the people of this town and do the right thing.

Mayor Burrell agrees that we should not have this situation with any taxpayer but it is his belief that this is a vote to either maintain the status quo or try to move forward. The consequences are not only that we are looking at the taxes Mr. Meyers does not pay but if he chooses not to pay his taxes then this property will go to tax sale. We will try to sell the tax liens and if no one buys them which is a strong possibility, we will own those liens. Mayor Burrell asked the Council to take their emotions out of this. He feels that if this agreement does not pass today he will accept it but then we need to ask ourselves where do we go from here. He asked the Council to give this agreement a year to work.

Council Member Murphy said we need to take the politics out of the agreement. She feels the Council is against the agreement the way it is written. There is nothing in the agreement for the town and the residents and she feels that the Mayor owes a better job to the town.

Mayor Burrell said he does not claim to be the best negotiator. The Township Attorney said it would cost more than \$60,000 to defend the construction case. Mayor Burrell said as it relates to the liquor license, we do not get anything for maintaining our objection to the liquor license. We could lift the objection to give him the opportunity to use the liquor license as part of his bargaining for the buyer that we hope he will find. The liquor license has to stay in Vernon. Mayor Burrell feels this is an opportunity to for us after decades trying to move something forward. Let's take a chance on this year.

Council Member Murphy feel that the Mayor should refocus his negotiations with Mr. Meyer for paying his 2020 taxes by March 1, 2021 and that is when we allow the liquor license to be renewed. Council Member Murphy expressed concern that we are approving a resolution that the Mayor can change.

Mayor Burrell said Mr. Meyers is putting in \$1,000,000 to \$1,500,000 a year just to maintain the facility.

Council Member Auberger does not like the fact that it keeps getting painted that the only way that we move forward is by this Council agreeing on this resolution. There is nothing stopping the owner of this property from seeking any banking to redevelop or seeking to sell the property. Council Member Auberger said we do not want the static quo; we want to move the town forward. He does not like hearing the only way we move forward is to agree with this. He does not like the way this agreement is written but he is not going to turn back like the past agreements and past Councils where everything is given to companies on the burden of the taxpayers.

Mayor Burrell believes that everyone wants to move forward and this is a very good chance for us.

Council President Shortway asked for a motion to close the debate.

MOTION: John Auberger

SECOND: Kelly Weller

A roll call vote was taken:

AYES: Auberger, Murphy, Pitsker, Weller, Shortway

NAYES: None

ABSTAIN: None

ABSENT: None

Motion carries to approve close the debate.

Council President Shortway asked for a motion to approve Resolution #20-260.

MOTION: Andrew Pitsker

SECOND: John Auberger

A roll call vote was taken:

AYES: Pitsker, Shortway

NAYES: Auberger, Murphy, Weller

ABSTAIN: None

ABSENT: None

Motion do not carry to approve Resolution #20-260.

A00DJOURNMENT

There being no further items of business to be conducted on the agenda, a motion for Adjournment was made by Council Member Auberger seconded by Council Member Murphy with all members voting in favor.

The Meeting of the Township Council of the Township of Vernon was adjourned at 10:24 a.m.

Respectfully submitted,

Marcy Gianattasio, RMC, CMR
Municipal Clerk

Harry Shortway,
Council President

Minutes Approved: January 11, 2021