

August Addendum

Following the publication of the Joint Municipal Consolidation Study Commission Report on 1 June 2009, the Joint Municipal Consolidation Commission of the Borough of Sussex and the Township Wantage met on 3 August 2009 to consider the response from the State of New Jersey on Transition Costs and to provide for a final vote on the recommendation to place the question before the voters on the 3 November 2009 ballot. On a vote of 7 in favor and 1 (Jacobs) opposed the motion to place the question on the ballot passed. Messers. Lagatutta and Little were absent.

The Chair determined that an August 2009 Addendum should be prepared to add all remaining items to the Final Report of the Commission.

The August Addendum contains the following elements:

1. The Minority Report – 19 August 2009 (full text)
2. State of New Jersey Department of Community Affairs Letter regarding Consolidation Fund Assistance – 2 August 2009
3. The Official Abstract of the Final Report
4. Transmittal Letter to the Secretary of State – 19 August 2009
5. Referendum Questions and Interpretative Statements

1. The Minority Report

(Full text as submitted by Mr. Jacobs)

Borough of Sussex and Township of Wantage

Joint Municipal Consolidation Study Commission Minority Report

I voted NO because, except for a small handful of people in Wantage, this consolidation is 100% for the benefit of Sussex Borough residents. I can't blame Sussex Borough residents for wanting to consolidate as they will receive many, many thousands of dollars in TAX decreases over the years.

1. Wantage will see TAX INCREASES.

- a. **The state says it will help to subsidize the increase, the state can't even find money to send the homestead rebate, where will it get the money to subsidize the TAX INCREASE? Now the state says it will not subsidize the increase unless it was a large increase the very first year. DO YOU TRUST THE STATE AND IT'S REPRESENTATIVES ? I DON'T.**

- b. The public utilities are in poor condition and need immediate upgrading and repair as per the commission study report. Millions of dollars will be needed. The user fees will not cover the massive bond that will be necessary. Who pays for it? Another TAX INCREASE.**
- c. Wantage Township has one of the lowest crime rates in the State. Sussex Borough has an undesirable high crime rate. If we consolidate, combined, our crime rate will be high. A reason for the state to push us to have our own police department. There is not one town in the state of N.J. with a population of 15,000 or more that does not have it's own police department. Therefore we will have to establish a police department at a cost of four million(\$4,000,000.00) to eight million(\$8,000,000.00). Another TAX INCREASE.**
- d. There will be personnel layoffs in both towns and a dismantling of the civil service in Wantage. We've seen what happened to the staff in Wantage who were not covered by civil service. WHY WOULD A TAXPAYER IN WANTAGE WANT TO CONSOLIDATE ?**
- e. Even if there is a chance of a few new ratables the COAH responsibility would outweigh the benefit. We would have to have more low income housing and the probability of a new school. More TAX INCREASE.**
- f. Why would we want to be called SUSSEX-WANTAGE TOWNSHIP ? Sussex Borough is the one that pulled out of being part of Wantage over 100 years ago. It was in their favor then, as it is now. I say NO to the consolidation and the name Sussex-Wantage Township.**
- g. Last but not least I still feel that the commissioners from Wantage on the Consolidation Study Commission that voted in favor of the consolidation have betrayed the Wantage Taxpayers. I feel that they are now stepping outside of the parameter for which the study was organized.**

Arthur H Jacobs

**2. Letter from Department of Community Affairs regarding
Consolidation Fund Assistance: Consolidation Implementation Aid
and Consolidation Savings Incentive Grant**

[Letterhead]

August 2, 2009

Earl Snook, Chairperson
Joint Consolidation Study Commission of Wantage Township and Sussex
Borough
c/o Lee Abbot, Secretary

Dear Mr. Snook and Commissioners:

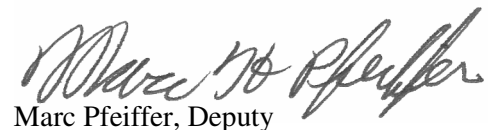
On behalf of the Department of Community Affairs, I am pleased to provide you with the State's offer of Consolidation Fund Assistance if the proposed consolidation of the Borough of Sussex and Township of Wantage is approved by the Commission, and then ultimately by the voters of both communities.

After review of the proposal made by the Commission, the State is offering implementation assistance of up to \$250,000, and a separate \$500,000 payment if the first year budget of the consolidated community provides a municipal property tax levy that does not require the need for ongoing state property tax credits to residential taxpayers. The details of this proposal are covered on the enclosed documents.

We would also like to compliment the Commission and its team of professionals for the thorough and comprehensive report it has prepared. It is an excellent effort and we believe it will provide the voters of the communities with information they need to make an informed decision if the Commission moves to place the question of municipal consolidation on the ballot this November. We also look forward to continuing to work with the communities if there is an affirmative vote to consolidate.

I look forward to meeting with the Commission at its meeting on August 3, 2009 to discuss this proposal and answer any questions you have about it.

Sincerely,


Marc Pfeiffer, Deputy

Director

Division of Local

Government Services
Enclosure

c: Charles A. Richman, Acting Commissioner
Susan Jacobucci, Director, DLGS
David Rousseau, State Treasurer

**State of New Jersey
Department of Community Affairs
Division of Local Government Services**

**Allocation of State Consolidation Fund Assistance
for the
proposed consolidation of the
Borough of Sussex and the Township of Wantage**

Conditions of Award of Assistance

1. The Consolidation Implementation Aid grant proposal is for a maximum of \$250,000.
2. Aid offer is subject to successful approval of a public consolidation referendum.
3. This aid amounts are general for the expressed purposes and is expected to be refined once final decisions are made by the governing bodies through the transition and implementation phases.
4. Award of aid will require submission of firm cost proposals through a grant request (via DCA SAGE grant system). Where appropriate, competitive proposals or public bidding may be required. For consultant expenses, it is recognized that the Commission's existing consultant will have specific expertise on many issues and may be the appropriate choice, subject to Division review and approval of work and costs.
5. Unless otherwise noted, aid is granted on a reimbursement basis. The proposal provides for a Consolidation Savings Incentive grant of an additional one time \$500,000 grant if the consolidated government adopts a budget with an adjusted tax levy that eliminates the need for ongoing State aid to reduce property taxes over the pre-consolidation year, as is projected by the Commission's consultant report.

Proposed Township of Sussex-Wantage

State Consolidation Fund Implementation Aid

(Based on the original Commission proposal)

ELEMENT	APPROVED EST. COST	COMMISSION COMMENTS
Organization & Staffing		
Consultant to recommend: <ul style="list-style-type: none"> • Salary harmonization • Benefits package • Staffing levels by function • Management structure • Personnel policies & procedures (if not Title 11) 	\$10,000 (add \$10,000 for personnel policies, if needed)	Salary survey; benefits review; formal staffing-level study; management & supervisory configuration Recommend personnel policies if Title 11 is not approved.
Training	\$5,000	Office: computer systems; DPW: utilities
Uniforms	\$5,000	New uniforms & patches to reflect new town
Transition committee expenses	\$10,000	Unanticipated, miscellaneous consultants
Severance provisions	Subject to discussion at the time.	Elimination of duplicated positions and other efficiencies due to consolidation
Identity & communications		
Develop logo, graphic/signage standards	\$10,000	New identity for new town
Signage	\$2,500	
Stationery & forms	\$1,000	
Website consolidation and redesign	\$8,000	
Legal & planning		
Fees: real estate transfers	\$888	73 township + 38 borough properties @ \$8 (not required unless property is to be sold)
Fees: review ordinances & personnel policies	\$5,000	Attorney review fees of ordinances and policies
Develop administrative code	\$5,000	Required in Faulkner Act jurisdictions
Codification	\$17,500	Consolidation of municipal codes; both towns currently use same codification firm
Master Plan/Plan Endorsement	\$100,000 or 75% of cost, which ever is lower	High: Complete new master plan, including all elements
Physical		
Moving costs	\$5,000	Physical plus electronics move and integration
Transfer & integration of records & files	\$3,000	Review, cull, archive, and integrate records
Radio communications	\$10,000	Transition to a single DPW system
Contingency		
Total proposed Consolidation Implementation Grant	197,888, plus potential severance, policy development, and contingent costs, equals, \$250,000 total potential grant. Plus savings incentive grant (below).	
Consolidation Savings Inventive Grant		
<p><i>IF THE CONSOLIDATED MUNICIPALITY IS ABLE TO REDUCE THE ADJUSTED (PER THE PROPERTY TAX RELIEF FORMULA) TAX LEVY DURING THE CONSOLIDATION YEAR TO THE POINT WHERE THE AVERAGE WANTAGE RESIDENTIAL TAXPAYER DOES NOT HAVE AN INCREASE IN PROPERTY TAXES OVER THE ADJUSTED PRE-CONSOLIDATION YEAR AVERAGE PROPERTY TAXES, THE STATE SHALL PROVIDE A ONE-TIME \$500,000 GRANT TO BE APPLIED TOWARD THE COSTS OF CAPITAL IMPROVEMENTS OR EQUIPMENT PURCHASE, OTHER ONE-TIME EXPENSES, OR DEFEASING DEBT SERVICE.</i></p>		

3. The Official Abstract of the Borough of Sussex and Township of Wantage Joint Municipal Consolidation Study Commission Report

OFFICIAL ABSTRACT

BOROUGH OF SUSSEX AND TOWNSHIP OF WANTAGE
JOINT MUNICIPAL CONSOLIDATION
STUDY COMMISSION REPORT
1 JUNE 2009
AND ADDENDUM

The Commission issues this abstract of the Commission's Final Report in accordance with the requirements of New Jersey statutes governing the consolidation process [N.J.S.A. 40:43-66.56(b)]

The Joint Municipal Consolidation Commission makes the following primary recommendations:

1. The Borough of Sussex and the Township of Wantage should be consolidated into a single Township, to be called the "Township of Sussex-Wantage."
2. The newly consolidated municipality should be governed by the Council-Manager form of government under the "Optional Municipal Charter Law." There should be
 - a. A separately elected Mayor
 - b. Six (6) members of Township Council elected at large
 - c. Partisan elections with staggered terms - (both municipalities currently have partisan elections)
3. Civil Service should not be established in the newly consolidated municipality.

The Commission also makes the following additional recommendations, conditioned on approval of consolidation by the voters of both municipalities:

- The election of new municipal officers would occur in November 2010
- Installation of new government would occur 1 January 2011.
- All terms of office would be four years. The mayor and three members of the council elected in 2010 would serve for four years. The other three members of the council elected in 2010 would serve for two years. After the election of 2012, these three seats would also be for four years.
- All duplicated statutory and mandated offices in the existing municipalities would be abolished and replaced with similar offices in the consolidated municipality, as detailed in the "Report on Possible Benefits and Drawbacks to Consolidation: Staffing" that is included in the Commission's final report.
- Existing debt would become the responsibility of the consolidated municipality, because the relative existing debt burden in the two municipalities is nearly identical.

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- If the vote for consolidation passes, any new indebtedness must be approved by both individual municipalities from the time of the referendum until the election of officials the following November. Between the November 2010 election and the installation of the new government, no indebtedness could be incurred except for emergency situations. All new school-related indebtedness would need the approval of both municipalities during the period from the positive referendum to the installation of the newly elected officials.
- All real and personal property of the existing municipalities would be transferred to the consolidated municipality.
- The present Sussex-Wantage Regional School District would be changed to a unified Type II school district with members elected at large in accordance with statutory provisions.
- The present number of representatives from Sussex and Wantage on the High Point Regional School District would be combined and elected at-large from the newly consolidated municipality.
- All present ordinances in both municipalities that are found to be common in nature to both former municipalities would be combined into one ordinance that would serve the useful purposes of the newly combined municipality. All existing ordinances that serve the unique issues of the various sections of the two former municipalities would be preserved in the ordinance book of the newly consolidated municipality.
- The NJDEP should grant a waiver in the NJDEP wastewater plan to allow for development of undeveloped land within Sussex and along the south portion of Route 23 corridor in Wantage as was originally approved by the County of Sussex.
- A detailed examination and harmonization of the master plans of both municipalities should be effected by the new governing body.
- Special services provided in each community should be continued for a period of three (3) years following consolidation. At the end of the three (3) year period, the new governing body can then determine the propriety of continuance of these services.
- Regarding fire service and emergency medical services, areas of service and funding agreements should be continued as was previously done and previously approved by the New Jersey Local Finance Board.

The Department of Community Affairs has provided an offer of Consolidated Fund Assistance if the proposed consolidation of the Borough of Sussex and Township of Wantage is approved by the voters of both communities.” This offer includes:

- Implementation assistance of up to \$250,000 to cover the costs of approved expenses that would be incurred by the newly consolidated municipality to implement the new government. The State has provided a list of approved categories of expenditure.
- In addition the state has given the new consolidated community two options for additional funds:
 - The original option (N.J.S.A. 40A:65-28b) is that any property tax increase incurred in the first year of consolidation would be rebated by the state to a single family homeowner for as long as the homeowner owns the property.
 - A second option is that the state will give the new community \$500,000 to use as it wishes if the first year budget of the new community shows no increase in the property tax levy from the previous year.
 - Either option would take place if consolidation is approved.

Joint Municipal Consolidation Study Commission Report
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The following summary is from two statements from the single Commission Member who dissented from the findings and recommendations of the Commission. Mr. Jacobs, in part, stated the following:

I voted NO because, except for a small handful of people in Wantage, this consolidation is 100% for the benefit of Sussex Borough residents. Wantage taxpayers ... get zero from this consolidation. I can't blame Sussex Borough residents for wanting to consolidate as they will receive many, many thousands of dollars in TAX decreases over the years. ...

The Commission has recommended:

- A referendum be held to submit to the registered voters of the participating municipalities the question of whether or not the participating municipalities shall be consolidated into a single new municipality pursuant to the plan of consolidation set forth in the report.
- Adoption of a plan or form of government identified in the Executive Summary of this study, namely the Council-Manager Plan.

USE OF ABSTRACT:

In accordance with N.J.S.A. 40:43-66.56 (b), the abstract shall be made available as follows:

2. at the time the commission publishes and files its final report
3. on a date not less than 30 days preceding the date fixed for the election, publish the abstract in the New Jersey Herald (prior to 2 October 2009) together with:
 - time, place and purpose of the election
 - a description of how one can obtain a copy of the full report
 - notification that, if approved by the voters, the consolidation plan will be binding and legally enforceable between the municipalities

4. Transmittal Letter to the Secretary of State of the Official Abstract

[LETTERHEAD]

The Honorable Nina Mitchell Wells,
Secretary of State
State of New Jersey
P.O. Box 300
Trenton, NJ 08625-.0300

19 August 2009

Subject: Compliance with N.J.S.A. 40:43-66.56 – Filing of final report, recommendations –
Municipal Consolidation Act

Dear Secretary Wells:

The Borough of Sussex and Township of Wantage Joint Municipal Consolidation Study Commission herewith files its Final Report and August Addendum, signed by the Chairman, with you in accordance with the subject statute.

By copy of this transmittal letter and in accordance with the subject statute, the Commission is also providing copies of the Final Report to the Acting Commissioner of the Department of Community Affairs, the Clerk of Sussex County and the municipal clerks of the Borough of Sussex and the Township of Wantage.

Please do not hesitate to contact me with any questions you might have about the report or the deliberations of the Commission.

Sincerely,

Earl Snook,
Chairman,
Sussex Wantage Consolidation Study Commission

Cc: The Honorable Charles A. Richman, Acting Commissioner,
Department of Community Affairs
P.O. Box 803
Trenton, NJ 08626-0803
The Honorable Erma Gormley, County Clerk,
County of Sussex
Hall of Records
83 Spring Street
Newton, NJ 07860
Jim Doherty, Municipal Administrator/Clerk, Township of Wantage
Catherine Gleason, Municipal Clerk, Borough of Sussex

5. Questions and Interpretative Statements to be included on the ballot for the Borough of Sussex and the Township of Wantage for the 3 November 2009 general election

Guidance: N.J.S.A. 40:43-66.59 and the form of question used in the Princeton referendum in 1996 for first question.

Question:

Shall the Borough of Sussex and the Township of Wantage be consolidated into a single municipality to be known as the Township of Sussex-Wantage and governed under the Council-Manager Plan of the "Optional Municipal Charter Law," with a separately elected Mayor and six (6) members of the Township Council to be elected at large with partisan elections and staggered terms of office?

For Consolidation Against Consolidation

Interpretive Statement:

A vote FOR CONSOLIDATION will join the Borough of Sussex and the Township of Wantage to create one new municipality. Sussex-Wantage will be governed by a Mayor and six Township Council members. Partisan elections will occur every two years. This new governing body will select and supervise a professional municipal manager to oversee and supervise the day-to-day operations of the municipality. All financial, physical and other assets and liabilities of both current municipalities will be assumed by the newly consolidated municipality. The newly consolidated municipality will be responsible for providing all municipal services to the residents of Sussex and Wantage. A vote AGAINST CONSOLIDATION will retain the current separate municipalities of Sussex Borough and Wantage Township.

*** *** *** ***
Guidance: N.J.S.A. 40A:65-26c for the second question

Question:

Shall the consolidated municipality be subject to the Provisions of Title 11A, Civil Service?

YES NO

Interpretive Statement:

A YES vote on this question will place the newly consolidated municipality under the jurisdiction of the State of New Jersey Civil Service Commission, formerly known as the New Jersey Department of Personnel. Many personnel decisions will be directed by Civil Service regulations. A NO vote on this question will place personnel decisions such as hiring, promotion, discipline and discharge in the hands of the local government. Under either alternative, employees retain the right to bargain collectively for wages and terms and conditions of employment.