

**BOROUGH OF MOUNT ARLINGTON  
SPECIAL COUNCIL MEETING MINUTES  
AUGUST 29, 2007**

**1. Call to Order**

- 2. Adequate notice** of this meeting of the Mayor and Borough Council of the Borough of Mount Arlington was given as required by the Open Public Meetings Act as follows: Notice was published in the Daily Record on August 24, 2007; notice was posted on the bulletin board in the main hallway of the Municipal Building on August 22, 2007 and said notice is on file in the office of the Borough Clerk.

**3. Flag Salute**

The Mayor asked for a moment of silence to honor our troops overseas, fighting for peace in our country.

**4. Roll Call**

Councilwoman Mulligan, Councilman Doran, Councilman Sorge, Council President Driscoll, Mayor Ondish. JoAnne Sendler, Borough Administrator, and Fred Semrau, Esq., Special Counsel, were also present. Councilwoman Cerasoli was absent due to illness and Councilman Stone was away on vacation.

**5. Executive Session**

**2007-116** Resolution of the Mayor and Borough Council of the Borough of Mount Arlington, in the County of Morris, New Jersey, Authorizing Conference of the Mayor and Borough Council with the Public Excluded.

Motion to Go Into Executive Session: Councilman Sorge.  
Second: Councilwoman Mulligan.  
All in Favor – Aye; None Opposed.  
Motion Approved.

The Mayor excused himself from the Council Chambers and did not participate in nor attend the Executive Session.

Motion to Return to Open Session: Councilwoman Mulligan.  
Second: Councilman Sorge.  
All in Favor – Aye; None Opposed.  
Motion Approved.

**6. Resolutions**

**2007-117**

Resolution of the Mayor and Borough Council of the Borough of Mt. Arlington, in the County of Morris, New Jersey, Authorizing Removal of a Land Use Board Member.

Motion to Approve: Councilman Sorge.

Second: Councilman Doran.

Roll Call: Mulligan – No, Doran, Sorge, Council President Driscoll.

Motion Approved.

Special Counsel Fred Semrau, Esq. left the Council Meeting for the remainder of the meeting.

**7. Executive Session**

**2007-118**

Resolution of the Mayor and Borough Council of the Borough of Mount Arlington, in the County of Morris, New Jersey, Authorizing Conference of the Mayor and Borough Council with the Public Excluded.

Motion to Go Into Executive Session: Councilman Sorge.

Second: Councilman Doran.

All in Favor – Aye; None Opposed.

Motion Approved.

Motion to Return to Open Session: Councilman Doran.

Second: Councilman Sorge.

All in Favor – Aye; None Opposed.

Motion Approved.

**8. Open to the Public**

Sheila Studint, 88 Ridgeview Lane:

- Ms. Studint referred to the article in the August 26, 2007 Daily Record regarding the Mayor's statements on Ridgeview and voiced her discontentment with the Mayor, the road conditions at Ridgeview, the builders lack of fulfilling contractual obligations, and the lack responsibility of the Borough to the Ridgeview residents. The Mayor stated that he was appalled at the article in the paper and that he has prepared an editorial response to be printed on August 30<sup>th</sup>. The Mayor referenced his response to the Daily Record, noting the most important facts (as a reference, a copy of the response is attached hereto). The Mayor listed the safety issues the Borough has addressed and completed but stressed that the Borough cannot spend general taxpayer dollars on a private community; paving is an expense that the new developer will absorb. The Mayor stated that Council decided that if as of October 1<sup>st</sup> the bankruptcy courts have not given permission to the developer to go forward, we will move forward with pursuing the bonds.

- Ms. Studint asked about other residents using their private road of Ridgeview Lane/Sunset Terrace. The Mayor stated that our engineer had suggested installing barrels or right-of-way gates.

- Ms. Studint stated that the storm drains are raised and dangerous. The Mayor stated due to the fact that this is a safety issue, our DPW will address and correct the storm drains.

John Mellot, 122 Ridgeview Lane:

- Mr. Mellot asked that if the developers are not paving by October 1<sup>st</sup>, will the Borough go after the bond. The Mayor stated that there is a bankruptcy hearing on September 12, 2007 at which time he will be in touch with the attorneys and Kara; if there is no movement by October 1<sup>st</sup>, we will start proceedings with special counsel. Council agreed that we need to have a binding commitment by October 1<sup>st</sup>.

Dick Schumm, 55 Ridgeview Lane:

- Mr. Schumm stated that with regard to closing off the road at Sunset Terrace, he had previously received agreement from the Police and Fire Chief to use orange fencing. The Mayor stated that we have a letter from the Borough Engineer that further explains how to safely close-off that entrance; the Fire Chief has also submitted a list of concerns. The Clerk handed Mr. Schumm a copy of Mr. Phil's letter. Council agreed to absorb the cost of Daren Phil, Borough Engineer, preparing a design for a proper barrier for Ridgeview as this is a safety issue.

Joanne Wiseberg, 87 Ridgeview Lane:

- Ms. Wiseberg indicated how pleased she was with the snow plowing, the Police Department patrolling and the Meet and Greet with the residents but now it appears that the Mayor is in bed with Kara. Ms. Wiseberg stated that she understands the Mayor's reasoning for letting the bankruptcy go through but on the other hand, going forward on October 1<sup>st</sup> will not get the paving done by the winter. Ms. Wiseberg stated that the Ridgeview residents need the Mayor's commitment not to spend any money not required for them but the commitment that the Mayor will back them up if they have to go after the bonds. The Mayor stated that the last resort is for the Borough to go after the performance bonds to complete the project within a reasonable time frame.

The Mayor explained that Ondish Court was named after his parents who volunteered in this town for over twenty years and he is very proud of that honor to his parents.

## **9. Adjourn**

Motion to Adjourn: Councilwoman Mulligan.

Second: Councilman Doran.

All in Favor – Aye; None Opposed.

Motion Approved.

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Linda DeSantis, R.M.C.  
Borough Clerk

Minutes Approved at Council Meeting on September 24, 2007.



Dear Mount Arlington Residents

I was appalled when I read the editor's opinion letter in Sunday's Daily Record. It seems many facts were omitted from the conversation that took place over some ongoing issues. Number one, I represent and serve all the residents in Mount Arlington with the same diligence and respect regardless of their financial status. The comment made by the editor was completely unfounded and out of context and I believe included to provoke controversy in order to sell newspapers. Number two, the performance bond issue concerning the Ridgeview development is very complicated; it is not as easy as making a withdrawal from the performance bond account and paving the road. When Kara Homes went into bankruptcy those bonds became part of Kara's assets, which means bankruptcy laws protect them and it is a legal nightmare to access those bonds. The issues pertaining to completion of the punch list items are between the developer and the Ridgeview Association, unless they have not met the requirements of the Land Use Board. The purpose of the performance bonds is to ensure the completion of the project after all other avenues are exhausted. Upon their filing for bankruptcy, I contacted the owner of Kara and was assured by them that the Mount Arlington projects were a priority due to their high value. I felt that Kara was going to move forward with the completion of these projects and work through the bankruptcy courts; after a few months it became clear that Kara was going to have difficulty getting back in business. During this time I kept in touch with Kara's attorneys and they informed me of their progress. I received calls from new developers that were negotiating to purchase several of Kara's assets, the projects in Mount Arlington were clearly being sought due to their value. In the meantime the Ridgeview Association demanded we pursue the performance bonds. I consulted with our legal counsel, Kara's attorneys and Mayors of other towns who had spent tax dollars to fund similar legal processes; the general consensus was that it would be costly, only to be placed on the list of creditors. I, on my own time without costing the Borough any additional expense, continued to maintain contact with the attorneys and learned that new developers were seeking these projects; I was given an estimated time line of the process. The Mayor and Council decided it was prudent to allow these new developers to go through the courts and complete these projects. I kept the Ridgeview Association informed of our plan each step of the way, which was done through email, conversations with their Board Members and on record at public meetings. We did address some safety issues, as resident's safety is always our first priority. The costliest item on the Ridgeview punch list is the topcoat of the roadway; this topcoat item does not warrant the expenditure of Borough funds to pursue the bonds. Currently, there is a developer who is going through the process of purchasing 13 of Kara's projects, including Ridgeview, with plans of completion sometime in the fall of this year. The Department of Community Affairs, the agency that oversees the Certificate of Occupancy process, will not release the final CO's on the remaining Kara-owned units until the punch list is complete. At the last Council meeting the Council decided that if by October 1<sup>st</sup> the punch list items were not addressed, they would actively

pursue the performance bonds. When I spoke to Fred Snowflak, the editor, he stated that he rode through the development and didn't see the "big" problem; only he failed to mention this fact in his Editor's opinion letter. With regard to Ondish Court, I was approached by the developer to name the street in honor of my parents who volunteered their time to the Borough for over 20 years. I ask Mr. Snowflack not to write opinions without stating all the facts. If anyone has any further questions feel free to contact me directly.

Arthur R. Ondish

Mayor

Mount Arlington Borough