
Committee Meeting

of

SENATE ENVIRONMENT COMMITTEE
ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE

SENATE BILL No. 1
and
ASSEMBLY BILL No. 2635

(The "Highlands Water Protection and Planning Act")

LOCATION: Skylands Manor
Ringwood State Park
Ringwood, New Jersey

DATE: March 30, 2004
7:00 p.m.

MEMBERS OF COMMITTEES PRESENT:

Senator Bob Smith, Co-Chair
Assemblyman John F. McKeon, Co-Chair
Assemblyman Michael J. Panter, Co-Vice Chair
Senator Henry P. McNamara
Assemblyman Robert M. Gordon
Assemblyman Reed Gusciora
Assemblyman Louis M. Manzo
Assemblyman Guy R. Gregg
Assemblyman John E. Rooney



ALSO PRESENT:

Judith L. Horowitz
Carrie Anne Calvo-Hahn
Lucinda Tiajolloff
Office of Legislative Services
Committee Aides

Kevil Duhon
Senate Majority
Committee Aide
David Eber
Assembly Majority

Thea M. Sheridan
Assembly Republican
Committee Aide

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

Committee Aide

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New Jersey Audubon Society

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Director/District Manager
Hudson-Essex-Passaic Soil Conservation District

Dennis W. Schvejda
Conservation Director
New Jersey Chapter
Sierra Club

Howard Wolfe
Representing
Community Builders Association

William O'Hearn
Deputy Mayor
Ringwood Borough, and
Member
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Thomas G. Dallessio
New Jersey Director
Regional Plan Association

Thomas Carroll
Borough Administrator
Wanaque Borough

Assemblyman Francis J. Blee
District 2

Joseph Maher
County Planner
Atlantic County

Vince Polistina
Former Planer
Egg Harbor Township, Galloway Township, and Hamilton Township

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Jad Daley
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Snake Den Community Road Association

Timothy Trainor
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Laura Andersen
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(As of March 30, 2004, Senate Bill No. 1 was introduced, and Assembly Bill No. 2635 was still pending introduction.)

SENATOR BOB SMITH (Co-Chair): Okay. If we can have everyone's attention. My name is Bob Smith. I am the Senator from the 17th Legislative District, and I have the good fortune to chair the Senate Environment Committee. We have a Joint Committee meeting tonight of the Senate Environment and the Assembly Environment Committee.

Let me introduce Senator McNamara, who is on our Committee, on the Senate side. Senator, if you raise your hand.

Let me turn the microphone over to Chairman and Assemblyman John McKeon, so he can introduce his members.

ASSEMBLYMAN JOHN F. McKEON (Co-Chair): Yes. Thank you very much, Senator Smith.

I'm Assemblyman John McKeon. I'm the Assemblyman from the 27th District in Essex. I think I prefer to have everybody introduce themselves, if that would be all right with my colleagues. Members, please, starting with Assemblyman Panter. Oh, I'm thinking who is supposed to be sitting next to me. Starting all the way down at the end, is it Assemblyman Rooney? I can't see.

ASSEMBLYMAN ROONEY: I don't think I have a microphone, but I think I can speak loud enough. I'm John Rooney. I represent the 39th District from Bergen County, northeast Bergen County. Welcome to the Committee meeting.

ASSEMBLYMAN GREGG: I'm Guy Gregg. I represent District 24, that is all of Sussex County, western Morris County--

UNIDENTIFIED SPEAKER FROM AUDIENCE: Would you stand up when you speak, we can't see you?

ASSEMBLYMAN GREGG: I was standing up. (laughter)

My name is Guy Gregg. I'm an Assemblyman from District 24, that is all of Sussex County, western Morris, and Califon and Tewksbury in Hunterdon -- the Highlands. Good to be here. Thanks for coming.

ASSEMBLYMAN MANZO: I'm Assemblyman Louis Manzo, from the 31st Legislative District that represents the great city of Jersey City and Bayonne. We host many of the reservoirs that are up in the Highlands.

ASSEMBLYMAN GUSCIORA: Good evening, everyone. I'm Reed Gusciora, in the 15th Legislative District. That's the western part of Mercer County, and glad to be up here.

ASSEMBLYMAN GORDON: And I'm Bob Gordon, from the 38th District of Central Bergen County, which is 13 towns stretching from Paramus to Fort Lee, and our water comes from the Highlands.

SENATOR SMITH: We also have -- we're honored to have with us tonight a delegation from Atlantic City, who has offered to share casino revenues with the Highlands. (laughter)

Senator Bill Gormley.

SENATOR WILLIAM L. GORMLEY: I have the money right here. I have the money right here. (laughter)

SENATOR SMITH: See the Senator for the bus passes. (laughter)

We're here for a very important topic. And that is the -- hopefully, the protection of New Jersey's water supply. As you know, we are doing a series of hearings, here in the Highlands, so that local residents and officials can come

and react to the legislation that's been proposed by Assemblyman McKeon and myself, which is designed to protect this critical water supply for New Jersey's future. Four-and-a-half million New Jerseyans depend on it. Our industries, our residential homes, everyone depends on the water supply that originates here. You have such a precious jewel here in the Highlands, and we would like to work with your local officials and with the citizens here, to make certain that that water supply is protected and that all of the citizens and towns and counties of this area are treated fairly in that process.

Tonight is the first of the three hearings in the Highlands. And as you can imagine, there is a little interest in the topic, as you can see with all your neighbors present. Because of that, we have a little over 30 slips from people who have indicated they would like to testify. We're scheduled to be here for about two hours. We're probably going to extend that just a little bit so we can get the 30 people in. But we're going to ask people, if you can, to adhere to a very tight four-to-five-minute timeframe. Make your point, let us know what you think. We have the Legislative Services staff here. We're going to take copious notes on your comments and concerns, and please, take it to heart that we are going to try our best in legislation that you're going to be happy with at the end of the process.

Let me turn the microphone back to Assemblyman McKeon, and then we'll start calling witnesses.

ASSEMBLYMAN McKEON: Thank you very much.

And to my colleagues, at least on the Assembly side, we're going to defer our specific questions and comments to the end of the testimony to the best that we can. Mark Twain -- and one of my favorite sayings -- said

something along the lines of “If the Lord intended us to speak more than hear, he would have given us two mouths and just one ear.” (laughter) So, we’re here to listen to all of you today. And with that, I’ll turn it back to Senator Smith.

SENATOR SMITH: Let me also point out, before we begin, that we are happy to receive any letters, emails, or comments that you have, in case you come up with a thought after tonight’s meeting that you want to submit. We’d be happy to take that testimony in writing. And the Office of Legislative Services, also, asked me to point out that we passed out 50 copies of the bill tonight. And when you see the size of the bill, you’ll see how many trees, unfortunately, we’ve cut down in writing that bill. But it is available online.

And Jeff, how do they get it online.

MR. CLIMPSON (Committee Aide): I was afraid you were going to ask that. But if you just search Google for New Jersey State Legislature, I’m sure you’ll find the Web site.

SENATOR SMITH: New Jersey State Legislature -- Google.

UNIDENTIFIED SPEAKER FROM AUDIENCE: No, it doesn’t work. I couldn’t find the actual bill, and it doesn’t come up.

SENATOR SMITH: Well, it should be on now. But just in case, the phone number is 609--

MR. CLIMPSON: Right -- 292-7676.

SENATOR SMITH: 292-7676; 609-292-7676. If you can’t get it online, we’ll make sure you get your copy.

That being said, we have many, many witnesses, and we even have a delegation from Atlantic City. What I’d like to do is to hold the delegation

from Atlantic City for about 20 to 25 minutes, so we can start the testimony on this bill. But we will give the Atlantic City delegation--

SENATOR GORMLEY: Perfect. Thank you.

SENATOR SMITH: --an opportunity.

This is not in any particular order. People have signed up as either in favor or opposed. To be fair, we're going to go back and forth, so that there's a proponent and opponent right after each other.

Why don't we start with Jennifer Mattice, New Jersey Audubon.

Jennifer. Are you here, Jennifer?

JENNIFER MATTICE: Yes, sorry.

SENATOR SMITH: The next person to be on deck is Glenn Van Olden, so if you'd be ready -- Glenn Van Olden.

MS. MATTICE: Thanks. Sorry about that.

I'm here representing the New Jersey Audubon Society, and our 21,000 members across the state. We, actually, have a tri-fold mission at New Jersey Audubon for conservation education and research. We strive to protect wildlife habitat across the State of New Jersey and to educate New Jersey citizens, as to the importance of wildlife habitat and open space preservation, natural resources. We, actually, have two centers that are in the Highlands, and we reach tens of thousands of adults and children every year. So we are actually educating and doing public outreach on the importance of the Highlands to its citizens, and people around the state, who come to the Highlands to experience ecotourism activities here.

We're here to say that we think that it's important that we preserve this core area of the Highlands, which strong legislation is needed to preserve the

400,000 acres of critical core habitat, and that there should be a freeze on State permits for development applications in that preservation area, while regulations and a regional plan are created. Then we need strong legislation to do this now, that it's critical. We have endangered species habitat here. It also protects drinking water supplies for over half the citizens of New Jersey.

I think I'll end with that. (applause)

SENATOR SMITH: Thank you.

ASSEMBLYMAN McKEON: Glenn Van Olden, Director of the Hudson-Essex-Passaic Soil Conservation District.

And we appreciate everybody expressing -- through clapping, or certainly only in a positive way -- their feelings. But if we can defer on that, that would move things along so everyone gets a chance to speak.

Thank you.

Mr. Van Olden.

G L E N V A N O L D E N: Okay. Good evening.

I'm the Director of the Hudson-Essex-Passaic Soil Conservation District; a position which I have held for the better part of 18 years. And we have two major charges with the district; one is the review and inspection of erosion control on all soil disturbing activities; and another charge that we have, at the soil conservation districts, are assisting farmers and agri-businesses with implementing conservation measures, including nonpoint source pollution controls.

I ask our Legislators to maintain the rolls of the soil conservation districts in implementing these conservation measures on farmland within the Highlands. I also would like to ask the Legislators to retain the rolls of the

county agricultural development boards in their charge for farmland development and agricultural viability.

In the past 18 years, as the District Manager of the Soil Conservation District, I have seen the change in developing patterns where everyone was seeking the hinterlands. In the 500 construction sites I have in my three counties, 200, alone, are just in Jersey City and Hoboken. The other 300 are in the other 50 municipalities. So you can see that redevelopment seems to be the key in the last five to eight years, or so.

So I thank you for your time.

SENATOR SMITH: Thank you, sir.

Our next speaker will be Dennis S-C-H-U-E-I-H-- That's what happens when the handwriting is tough.

And after Dennis will be Howard Wolfe. So, Howard, get ready.

Dennis.

DENNIS W. SCHVEJDA: Good evening.

I'm Dennis Schvejda, and I'm the Conservation Director for the New Jersey Chapter of the Sierra Club.

I'm a lifelong resident of New Jersey. And as a youngster, my family certainly enjoyed taking me and our family to the Highlands for swimming and other day activities. As a Scout, I went to the various Scout camps.

Yesterday, at an event along the Ramapo River, there was a striking reason and a vision of what the future would be for the Highlands. On top of the Ramapo Ridge, more and more and more development -- buildings that are,

literally, on, sort of, cliff-like structures. You can't miss them. That's really the future for the Highlands unless this legislation passes.

Now, this onslaught and this overdevelopment, what that will bring is a decrease in the water supply and, essentially, a decrease in the supply and the quality of this water. Now, I gave you a picture there -- that if you would share it with the Committee -- it's a picture of the Wanaque Reservoir. Tonight, when the gentlemen in this Committee drove up here, I'm sure you passed the reservoir. It was nice and full. You look at that picture from two years ago, there's something missing in that picture. The water -- and that's a reservoir. It won't get any better.

This overdevelopment that is planned for the Highlands will do nothing but bring disaster to the citizens of New Jersey. The legislation that you have proposed and that you're working on is a legacy for everyone here. I cannot stress how important the duty is that you have. You're going to have a lot of opposition to this, but you're also have a lot of support. I can only thank you for being here in the Highlands, having these hearings, and moving forward with this. There is absolutely nothing on your docket, in Trenton, that is more important than this legislation.

Thank you.

SENATOR SMITH: Please don't clap. Please don't clap.

ASSEMBLYMAN McKEON: Thank you all very much.

Deputy Mayor of the Borough of Ringwood -- thank you for hosting today, Bill O'Hearn.

And next up is Howard Wolfe of the Community Builders Association, so be ready.

HOWARD WOLFE: I am pleased to be here tonight. I want to thank the legislators for seeking to provide clean water to New Jersey's current residents and future residents. But I have a question, and perhaps, you can help me answer it? Please advise why the provisions of the Highlands Water Protection and Planning Act did not address the following issues? One, additional water capacity -- we're over at 100 percent today, yet there is no provisions that I could see in the language of the bill that sought to increase the capacity and capture the water that's going over the sides today and planning for the next natural drought that may occur here in New Jersey.

I also don't see in the legislation, not one word, about water conservation. Everyone seems to be aware of it. We have to do something, but, yet, not one word, not one. And the last thing that I didn't see in the legislation and don't understand -- legislation that's supposed to protect our water -- and that was the current discharges from septic and sewer systems. A neighbor of mine has a septic that must be -- actually my aunt's neighbor -- that's about 60 years old. It has never been tested. It's, basically, raw sewage that's going into the streams that feed the reservoirs that we take our drinking water from. Yet, there isn't one word in this legislation that would do anything to test or to stop that discharge from happening.

We would like to provide housing for all the residents of New Jersey, not only the ones who live here now, but the ones who may live someplace else in the future. And to deny them access to land that all people should be able to use would be a tragedy. We hope that you will protect the water supply so that New Jersey's residents will be able to drink it and enjoy it in the future.

SENATOR SMITH: We asked that you not clap, no matter how you feel about the issue. We'd appreciate if you would not do that.

B I L L O ' H E A R N: Hi. My name is Bill O'Hearn. I'm the Deputy Mayor here in Ringwood. And I want to welcome the Highlands Water Protection and Planning Act roadshow to your first stop, here, in our beautiful town in the Northern Highlands -- a source of drinking water for 2 million New Jerseyans.

As a volunteer and a professional, I've been fighting sprawl development at the local and regional levels for almost 14 years. So it is with great pleasure that I pledge my enthusiastic support, as an official and as a member of the Passaic River Coalition, to this powerful legislation that is our last best chance to preserve our mountains, lakes, and streams. The Highlands Water Act, as I'll it for short, promises to extend Category 1 protections to all streams in the Highlands, severely restrict new development and preservation, or what's called core areas, and offer municipalities increased PILT payments, and/or water conservation funds, to reward them for giving up on the tax rateables chase, which has only lead to sprawl in the past.

For the first time, real regional planning, with teeth, has come to the Highlands. In short, the Highlands Water Act offers the help and support to those who have been fighting sprawl at the local level that Jeff Tittel, of the New Jersey Sierra Club, asked for so eloquently at the Task Force presentation a few weeks ago. Let's resolve, tonight, to work together and commit ourselves to passing this act as soon as politically possible.

Thank you for being here.

SENATOR SMITH: I'd ask that Darryl Secor, from the Bergen County Board of Agriculture, come forward to speak.

And if Mayor Taule would get in the on-deck circle.

DARRYL SECOR: Darryl Secor, owner of Secor Farms, Mahwah, New Jersey, speaking for the farmers in the Highlands. Just one of the items is the impervious space of just 3 percent, which includes gravel. Many of the farmers are trying to do value added to their products, trying to do more with the retail, and more into flora culture and greenhouses. And the 3 percent doesn't leave much room for us to keep being active. And I think that we should be more regulated by the County Agricultural Development Boards.

Thank you.

MAYOR WENKE TAULE: Welcome to the Highlands. As Mayor of Ringwood, I'd like to welcome you to our beautiful town.

I would like to reiterate the statement that I made at our first meeting at the joint session, down in Trenton. The Ringwood residents understand the importance of preserving the environmentally sensitive land in our Borough. They also understand the importance of land preservation, as it relates to the protection of the quality and the quantity of our drinking water. We are excited by the fact that Ringwood will probably be in the core preservation area. We ask you to support a freeze on State permits for development applications in the preservation area, while regulations and a regional plan are created, and also, to support financial incentives that will increase payment in lieu of taxes and implement other potential sources of revenues that would help stabilize our taxes.

This is a very exciting time for New Jersey. I urge you to pass this historic legislation which protects our water and the last of our beautiful, wild places for our children and grandchildren.

Thank you.

ASSEMBLYMAN McKEON: Thank you, Mayor.

And thank you, again, for hosting.

Councilman Scott Heck.

And while we wait for Councilman Heck, I'd like to acknowledge the presence of Michael Panter, of the 12th Legislative District, which comprises mostly of Monmouth County -- Vice Chair of the Committee.

Councilman.

S C O T T H E C K: Good evening. I'd like to welcome you all to our community, as well. I'm a Councilman in Ringwood, and I've lived in Ringwood for 37 years. I'd like to thank you for having this hearing on the important issue, here, in Ringwood. The Borough of Ringwood have been the stewards of the watershed area for a long time. And I share many of the concerns raised in the Highlands study, but I'm equally concerned about the residents of Ringwood -- the people who are being asked, really, to foot the bill for the proposed legislation. And I have some concerns and some questions on the bill. Maybe you can answer them at a different time. I'm sure you're not going to go through it now.

In your bill, home rule seems to be a thing of the past, and you're asking us to give up the say of what goes on in our community. The current plan calls for a moratorium on building in the core area for 18 months. The building moratorium is a drastic option that has serious consequences to a local

economy, running contrary to sound principles of economics. What property actually is in the core area? Does anybody know? How do we compensate Ringwood for the loss of revenue and will the funding be indexed? And most importantly, will the funding actually happen and will it be sent to Ringwood on an annual basis? If you fund this proposal, will it actually be funded forever and be dedicated?

Another important question is, what happens to the loss of revenues from tax appeals? This plan will cause tax appeals. What happens then, and who makes up those losses? The plan is 100-and-some pages long. I tried to read it. It's not exactly reader friendly. God forbid somebody's home burns down in the core area. Do they have the right to rebuild it? And if they do, where does it say that in the plan, because I didn't see it?

I'm concerned about the citizens of Ringwood, and I know you've heard from many other local elected officials. I'm concerned about the people who are being asked to pay the bill. You're asking us to relinquish some of our rights in our community. Ladies and gentlemen, I'm asking you to think of the seniors who are already being forced to move out of a town that they created and they helped preserve. They can no longer afford to live here.

Young families today in the economy that we currently have are struggling to survive. Ringwood's business community is not made up of large corporations. Most of the Ringwood businesses are small, family-owned businesses that are making a living, but cannot survive in a restricted economy. Besides contributing taxes, these businesses help support the Ringwood volunteer organizations, most fundraisers in town -- and we all know that the

fundraisers are what really drives the communities -- would not be effective without the businesses. So I need you to think about all that.

The cost of running municipal government and county government and our schools will continue to increase. State aid has not kept up with those costs, and we're relying on taxes every day. Ringwood school enrollment is down. Yet, the budget presented by the school board represents a nine tax-point increase at the local level. That's only the local level. We have a regional school, as well.

In closing, protecting the Highlands and the quality of water is very important. However, how much is one community expected to do? We already have over 70 percent of our town permanently protected. Currently, the protected land is costing our residents in the form of taxes. For example, a \$400,000 home in Ringwood pays \$10,511 in taxes. Ultimately, it should be the water users that pay the bill, not our residents.

The Highlands Task Force--

SENATOR SMITH: I asked that there not be any applause.

MR. HECK: --must include a tax on water, which is delivered from our region to the cities. The tax must provide for an annual increase, based on a municipal cap index. If the Highlands is to be preserved in perpetuity, than you, as leaders, should be willing to pay for it in perpetuity.

Thank you.

SENATOR SMITH: The next speaker will be Patty Whitehouse, from the New Jersey State Federation of Women's Clubs.

And after that, I'd appreciate it if Rich Trawinski would get in the on-deck circle.

PATTY WHITEHOUSE: My name is Patty Whitehouse. I'm a member of the New Jersey State Federation of Women's Clubs that I'm representing tonight. We have 309 clubs throughout the state, with a membership of 14,000 concerned women.

I want to thank Senator Smith and Assemblyman McKeon for sponsoring the legislation to protect the Highlands and for expediting the scheduling of joint hearings before your Committees.

The New Jersey State Federation of Women's Clubs, a defender of the environment for more than 100 years, strongly supports the recommendations made by the Highlands Task Force and urges both Committees not to weaken those recommendations. The Highlands is a source of drinking water for half the residents of New Jersey, and as such, needs to be protected from further sprawl in the region. The core Highlands preservation area -- an area of at least 350,000 acres, including the key watershed lands and contiguous forests -- must be permanently preserved. The federation supports the establishment of a Highlands Regional Planning Council, along with the development of a master plan that will be mandatory in the core area and can be implemented outside the core preservation area through incentives.

Individual municipalities, no matter how well-intentioned, cannot protect the Highlands region and its vital water supply. State action in the form of comprehensive legislation is needed and needed now.

Thank you for your time and for providing the residents of New Jersey with the opportunity to give testimony on this important topic. I do have my statement. Should I just--

ASSEMBLYMAN McKEON: Submit them and we'll distribute them.

Thank you very much.

Rich Trawinski of Trawinski Development Corp.

On deck is Karen Vernon of the League of Women Voters.

RICHARD J. TRAWINSKI: Thank you, gentlemen, for letting me speak tonight. I am a builder/developer/engineer, based in Bergen County all my life. I do have property in your Highlands region.

My main concern, which I didn't hear any-- Well, maybe I'll hear later how you address it -- is the compensation for those who are going to give up their property. Well, I have no adverse comments against saving the land. I think we should be justly compensated for stuff that I have in the track for development, when the C-1 waterways came out and the 300 feet came along and put a damper on part of my project already. I just hope that's taken into consideration for us, and other people, who will lose their land.

Thank you.

SENATOR SMITH: Karen Vernon is next.

And if Richard Culp would get into the on-deck circle, we would appreciate it.

KAREN VERNON: Good evening. I'm Karen Vernon. I've been a resident of Ringwood for almost 20 years. I'm here tonight speaking for the Ringwood League of Women Voters. The League has long held positions in favor of farmland preservation, protection of water resources, and creation of regional planning agencies to oversee land-use decisions. We have supported preservation in the Pinelands, the Meadowlands, and we also supported the

purchase of Sterling Forest, as a major water recharge area for Northern New Jersey.

We've been in the forefront of efforts to preserve the unique character of the area we know as the Highlands. The lush forest, the clear streams, the abundant wildlife we all cherish are a precious resource to be protected. Over the last 10 years, alone, unchecked development, or suburban sprawl, has destroyed thousands of acres of forests and farmland. If this process continues, the Highlands as we know it, could be destroyed forever. Beyond being a source of beauty that we all enjoy and a home to a variety of wildlife, some of which is endangered, the Highlands are the source of clean drinking water for 11 million people. Preservation of large tracts of contiguous forests is crucial to provide water recharge areas. Without enough recharge areas, we can't sustain the quality and the quantity of drinkable water needed by our population.

We support Bill A-2635, the Highlands Water Protection and Planning Act, because we believe a regional plan is necessary to manage the development of the Highlands in a way that protects our water supplies and best serves the needs of all of us who live here and care about it. We feel that the terms of this bill, as proposed, provides for identification, acquisition, and preservation of environmentally sensitive lands in a fair and just manner. We believe there are sufficient safeguards to ensure that fair landowner equity happens, as well as municipal aid, to compensate for acquisition of lands by the State.

To quote the last paragraph of the Executive Summary of the Highlands Task Force Action Plan, "It's absolutely necessary to act on these

recommendations now to preserve our vital drinking water supplies and the quality of life in the region for generations to come.”

Thank you.

ASSEMBLYMAN McKEON: Thank you very much.

Mr. Culp. (declines from audience) Oh, he’s not coming up. Okay, thank you, then.

If Tom Dallessio of the Regional Plan Association can make his way up to the podium.

TOM DALLESSIO: Good evening, Chairman. Thank you very much for this opportunity.

ASSEMBLYMAN McKEON: Mr. Dallessio, just a moment.

And Tom Carroll, the Borough Administrator of the Borough of Wanaque, you’ll be on deck.

Thank you, Mr. Dallessio.

MR. DALLESSIO: Thank you for your time.

I have the privilege of representing the New Jersey Committee of Regional Plan Association, the nation’s oldest, independent planning organization, covering the northern New Jersey, Connecticut, and New York, and its environs. As you know, we wholeheartedly support the actions of the task force. We are starting to review the legislation. We find a number of things in there that we like. We’d like to withhold further comment until we’ve had a chance to review the entire legislation. We will have members of the New Jersey Committee testifying before the next three public hearings.

Thank you again, and keep up the good work.

SENATOR SMITH: Mr. Carroll.

And Mr. Keith Griffith will be on deck, after Mr. Carroll.

THOMAS CARROLL: Thank you.

In reviewing legislation, there is some technical questions that I, as an administrator, take a look at as to how it's going to effect my municipality. One of which has to do with the two-acre disturbance requirement, which states that once a legislation is adopted, no area more than two acres can be disturbed until such time as the plan is adopted. Well, we're in the process of doing a study for renovation of baseball fields; they're more than two acres. The plan is -- go out to bid in the fall. Does that project, now, get stopped? We do road reconstruction projects, under the State Transportation Trust Fund; those projects are more than two acres. Do those all get stopped, now, for 18 months?

Those are things that become very prevalent and practical in dealing with municipalities. One option you may want to look at is exempting municipal projects from the exemption under the proposed moratorium on any State permits or on the land disturbance requirements.

With regard to the State permits-- As part of our road reconstruction projects, many times we will go in and replace water mains that are 50, 70, some are 100 years old. I'm out to bid right now. Do those projects stop because my water main extension permits, now, are frozen upon the adoption of the legislation.

If you came up here via Exit 55, County Route 511, which is Ringwood Avenue, you came through a detour. The county, the State, and the borough are in the midst of a \$5 million road reconstruction project, which is part of our designated town center. That project is going to go well into the fall.

Again, it's disturbing more than two acres. Does that now get frozen and does that project stop at the time that the legislation is put into place? Those are practical questions that need to be addressed with the legislation.

On Mayor Hagstrom's behalf-- He was here and just got a call. His elderly aunt was rushed to the hospital. He just asked me to bring three brief points: One of which is, we need to see a map. Yes, it's 18 months, but right now, there is a State plan map that can be used as a guide for putting in the freeze on permits. Wanaque has Planning Area 1, Planning Area 2, and Planning Area 5 areas. Planning Area 1 -- the town center designated areas -- should be exempt. We're in the process, right now, of-- We're working with Green Acres to purchase 25 acres of rocky, hilly, forested area that is before the Board of Adjustment. They have prior approvals for 86 units. They had sewer capacity on it.

We're doing a deal where we're going to buy that under Green Acres, purchase the sewer capacity, and transfer it to an abandoned candle factory for active adult housing, which is one block from our town center and business district. It all fits into the State plan, but if that deal falls through tomorrow, if this legislation is adopted as it's presented -- because now we're on hold for at least 18 months. And 18 months, then becomes three years.

The Mayor also asked me to just mention the issue of home rule. You're taking away our real ability to chart the destiny of our communities. Yes, there is a need for a regional plan, but there has to be more municipal input into how the whole process is put together.

And finally, as Councilman Heck said, from Ringwood, there needs to be additional revenues. We host the water. We give up our lands for the

water. The communities that get the water from the Highlands should pay us for the use of our land for their water.

Thank you.

SENATOR SMITH: Mr. Keith Griffith. (declines from audience)

You're going to pass. All right.

Mr. Chairman, if it's okay, we'll get the Atlantic City delegation up.

Senator Gormley, are you ready?

I understand that Assemblyman Blee is speaking on behalf of Senator Gormley, Egg Harbor Township--

SENATOR GORMLEY: Dream. (laughter) That would be a dream come true, wouldn't it? (laughter)

SENATOR SMITH: You're right. I lost my head.

But you had a number of people that you wanted to come with you. I believe Mr. Sutton, Committeeman; Mr. Maher, City Planner; Mr. Costellaro, School Board--

SENATOR GORMLEY: And Mr. Pollistina.

SENATOR SMITH: And Mr. Pollistina.

SENATOR GORMLEY: And we will keep this short. We certainly appreciate--

SENATOR SMITH: We hope.

SENATOR GORMLEY: I guess some people might be wondering, in the room, why people drove two-and-a-half hours from South Jersey. We're here because in 1978 and '79, the Pinelands Plan was implemented, which, in many ways, is going to serve as a model for what's occurring. What we'd like to do is outline the major flaw of the Pinelands Plan for you, and it's called

growth districts. And we brought those people from Atlantic County who could outline that.

Now, we want to be informative, but truthfully, we'd also like to see relief. It's been 25 years that the plan went into effect. Water has been protected. But certain communities have been mandated to take growth, and we'd like to outline that for you and encourage that no such program like that get into the Highlands plan. And hopefully, the Committee would see fit to take out growth areas out of the Pinelands Law that's still in there and just bracket it out. It would seem to be a fair solution for both ends of the state.

SENATOR SMITH: Assemblyman.

ASSEMBLYMAN FRANCIS J. BLEE: Thank you, Chairman Smith, Chairman McKeon.

I echo the sentiments of Senator Gormley. In fact, Senator Smith and I were able to share a cup of coffee before the meeting. And the growth and development, but particularly the mandated growth that's occurred in some of our townships, I believe and we all believe, is a major, major flaw of the original Pinelands legislation.

SENATOR SMITH: We agree.

ASSEMBLYMAN BLEE: I know Chairman Smith has noted that and will really look into that as the bill progresses. But I think what you'll hear tonight from our residents is a story that may be shocking to some. I know the members of the Egg Harbor Township have appeared before the Budget Committee looking for relief, but we've heard tonight from many of the residents, as we move forward in the Highlands. We're talking about equity,

we're talking about fundamental fairness. I think there's a lesson to be learned with the Highlands moving forward--

SENATOR SMITH: We agree.

ASSEMBLYMAN BLEE: --but certainly there is so much of this story to be told by some the local residents.

I appreciate the Chair's ear and having this opportunity this evening.

SENATOR SMITH: And just for the record, Assemblyman McKeon and I agree with the comment that mandated growth would be a disaster for areas in the Highlands, and that is not in the bill. So with that being said, we do have some residents--

Again, please, no matter where you stand on the issue -- we have a lot of people who want to speak -- let's not clap.

Did you have anybody who wanted to speak, Senator?

SENATOR GORMLEY: Yes. We have the County Planner, Joe Maher.

SENATOR SMITH: We'd ask that you please try to be brief.

JOSEPH MAHER: Good evening. My name is Joe Maher. I'm the Planner for Atlantic County.

First, I want to note that the comments we came up with are offered to help the plan succeed. We think it's an important statewide initiative, as was the Pinelands Management Plan. I'd like to think we all learn by our mistakes. You'll hear people following me that talk about some of the inequities. But I think you have to realize the Pinelands Comprehensive Management Plan was largely successful in South Jersey. Probably about 90 percent of that plan to

preserve the inner core of the Pinelands, sensitive areas, was successful. Depending on who you ask after that, there's a question.

If you ask statewide whether the plan was successful, I think most people would agree that it was -- the preservation movement was successful. If you ask a Pinelands farmer, who had to struggle to get any equity from his property because the land was now devalued because of the regulation came first, he would probably disagree. If you ask a property owner who held their property for investment, retirement, or for their children, it was probably not fair. The Pinelands Development Credit Program, now, is starting to address some of those needs. But once again, it's 25 years in coming. If you ask a contributing municipality in the preservation area about the loss of rateables due to no development or the large percentages of their land that are now known by the government, or nonprofit groups, they might differ with the term success.

To date, with our experience with the Pinelands Management Plan, most of their economic development initiatives have not been successful. They have a variety that they've tried. But once you've preserved the area, it's very limited on what you can do from an economic standpoint. And finally, if you ask the regional growth area of the Pinelands, they might ask, "Why them?" They are required to revise master plans and to revise zoning ordinances to accommodate tens of thousands of units, residential units. And the only infrastructure they're provided was a sewer to make sure the dwelling units were built -- not water, not schools, not infrastructure, or aid for hundreds of failing intersections and roadway improvements that we have in Atlantic County, nor aid in permitting.

Now that we have another statewide initiative, I think it's important that we recognize the Pinelands plan was a statewide initiative for the benefit of the citizens of New Jersey, as well as the Highlands plan. It's important that we all share in the cost. I've heard a couple of people mention potential financial solutions, and we agree with them. This has to be thought early on.

I had two observations on the plan, in general, and a couple of specifics. One is TDRs -- it's a great program, but you have to make sure you have consensus between sending and receiving municipalities or portions thereof. Money for schools' infrastructure are not the only considerations. Whether it's voluntary or whether it's mandatory, once you preserve the numbers of dwelling units within the core area, the building in the peripheral areas where building is allowed, will accelerate.

In Atlantic County's position, they were ordered to increase the density. Even if you don't increase the density, you're going to find that a municipal's plan that was, maybe, based on a 20-year build out may now be reached in five. So it's important that you allow for the infrastructure to support that growth, whether it's beforehand or certainly in pace with the development. So you have to consider phasing. It's very important.

Thank you very much.

SENATOR GORMLEY: This is the Planner for Egg Harbor Township; the town that's been given enormous amount of growth.

VINCE POLISTINA: Thank you.

Vince Polistina. I'm actually the -- I was the Planner in Egg Harbor Township, Galloway Township, and Hamilton Township, at one point in time

-- all three growth municipalities in Atlantic County -- in addition to being the engineer for some lower-growth municipalities.

And just to start off, we heard tonight that this plan is historic. And I can tell you, reading the plan, it is not historic. We've been through this. 1980, the Pinelands Preservation Act set up the preservation areas, set up the growth areas. This legislation is better, because you're not forcing growth on municipalities, but we've been through this before.

In terms of Egg Harbor Township, just to give you some numbers, it is the largest growth area in the state. And again, we were forced to accept the growth. Total area is about 14,000 acres; 6,500 of the 14,000 acres, in 1993, was vacant and developable. A total of 80,000 regional growth area acres in New Jersey; 25,000 of them are in Atlantic County, about a third of the state; and 14,000 in Egg Harbor Township, which is about half of the county and about one-sixth the State of New Jersey. We have to accept the growth.

Just a quick comparison on the development patterns in Egg Harbor Township versus the Highlands. I did read the Task Force report. The Highlands indicated you were developing about 3,000 a year. You have about 800,000 acres in the Highlands, that's a rate of about 0.375 percent, three-eighths of 1 percent, a year, that is being consumed by development. In Egg Harbor Township, over the last several years, we've had 325 acres a year. We have about 6,500 acres developable. It's 5 percent of the land being consumed by development a year; 13 times more development than what is occurring in the Highlands.

I've been here many times with Senator Gormley, Assemblyman Blee; we have gotten very little relief. Nothing has been done. I mean, after a

lot of the growth happened a couple of years ago, we got some down zoning, but a lot of the growth has already happened. In terms of population and housing, we're looking at 25 percent increases every 10 years. And there are 4,000 units presently approved by the Planning Board, right now, that could be built without another thing being approved.

So, if you're looking at Egg Harbor Township, it has obviously created enormous problems. We have been to Trenton. We have been to the Pinelands Commission -- very little has happened. The three major components we're looking at, when you look at your Highlands plan: Education, obviously, we have tremendous growth in the educational system, a tremendous amount of new students. The traffic throughout Egg Harbor Township has increased tremendously, and the streets and the intersections are not capable of handling what we're dealing with, and then the infrastructure in terms of sewer systems and water systems.

I would encourage you when you're setting this up to take a look at them. I did see you had a task force of people throughout northern New Jersey that were established for this, and I would encourage everybody to come to South Jersey and talk to some of the people about what's going on. I represent both high growth and low growth. Some of the low-growth municipalities are complaining, because they cannot get commercial development to offset some of the increased residential we're getting. And we'll flip side, the growth municipalities are struggling with keeping up with what -- the population explosion that you're getting.

Again, just like Joe, a couple of notes on the Highlands plan. And again, I think it's better legislation. I think that you got to be careful not to

repeat some of the mistakes of the past, as he said. But in the Highlands plan, there's words like encouragement and agreement with municipalities on growth. We didn't get that. And I would encourage you to do that. But we're looking for the same thing. We're looking for you to come to the municipalities -- the State to come to the municipalities and encourage us to accept the growth, agree with us to accept the growth -- that has never happened.

And just the other quick note I did see in there -- it, again, creates problems for us. You indicated outside of the preservation area that you're going to do a courtesy review on public development applications -- county, local, outside of preservation. Again, we don't get that. We have to provide intersections. We have to provide improvements. And we are subject to Pinelands Commission review, and it creates a tremendous backlog of applications and approvals and everything we have to get out the door. And understand, we have to accept the growth. You should allow us to get a courtesy review and not hold us up on some of our applications.

And just the last thing -- we talked about the home rule. I would just encourage everybody. I mean, low-growth, high-growth municipalities -- everybody saying, "This is great" -- but everybody has some problems with the Pinelands legislation. This is very similar. I would encourage you to take more of a look at what happened with the Pinelands before you go forward with this one. But again, it's better, and I applaud you for taking the steps to preserve what needs to be preserved.

Thank you.

SENATOR GORMLEY: Frank Sutton.

SENATOR SMITH: We'd ask you to be brief, Mr. Sutton.

FRANK SUTTON: I will be brief. A lot of the things that I wanted to say have already been said. I won't expand on them.

I brought quite a few posters. I'd like to pass this one around. This is regarding retention basins, which is our way of collecting stormwater in South Jersey. (hands out poster) If you would, thank you.

Again, I am Frank Sutton, Deputy Mayor of Egg Harbor Township. I'm here on behalf of the Mayor, the Township Committee, and the 38,000 residents -- and still growing strong every year.

The poster I'm passing through now are stormwater drains. They're called basins. We refer to them as bomb craters. It's not really funny, even though it's being made a joke of all the time. We have 250 storage basins for stormwater in Egg Harbor Township right now. By the time our mandated growth is fulfilled, we're looking at 1,000. So, if you were to take 1,000 planes and fly them over top of Egg Harbor Township, and each one dropped a bomb, that's what Egg Harbor Township is now looking like. And they're just some pictures, minor pictures.

To go along with that, the mandated growth is causing tremendous traffic problems throughout Egg Harbor Township. In fact, just to let you know, this year, the State aid from New Jersey-- We asked for \$500,000. They normally allow \$150,000 to go out to each municipality; 23 municipalities, 19 of them receive State aid. We're the fastest, largest growing. We receive none.

There's a lot of inequities in the lack of funding that we don't get from the State. What you're planning with--

Thank you very much. (receives poster back)

--moneys for infrastructure, for funding impact fees, stormwaters. We received none of that. We feel that we should be getting the same as what you're planning on doing. Even though you're not mandating, the growth areas will come, builders will come in there, and these towns will look like Egg Harbor Township. And at that time, when we find out any towns that are winding up -- going to be high-growth areas -- we're going to personally invite their township committee to come down and see what they're going to wind up looking like, see the disaster of traffic, retention basins, and what happens when you have high growth at an unprecedented rate.

Thank you.

SENATOR GORMLEY: The final comments will be by Peter Castellano, member of the Board of Education.

PETER E. CASTELLANO, ESQ.: Thank you very much, members of the Committee. Thank you for allowing us the opportunity to appear before you this evening. You have copies of our full testimony that we presented to the Assembly and Senate Budget Committees. So I'll be very, very brief.

My name is Pete Castellano. I'm Vice President of the School Board in Egg Harbor Township. As a school district located in the Pinelands regional growth area, the Pinelands Commission dictates the amount of residential growth in our district. At the same time, statutory caps in budget and aid growth, coupled with three years of nearly flat State aid, simply did not allow us to keep pace with this growth. The Egg Harbor Township school district is growing by an average of 400 to 500 students every year.

Now, let me just give you one quick point, which I hope will help to bring this home. Egg Harbor Township was forced to issue a record high 753

building permits for single-family homes in 2003. That is the most of any municipality in the entire State of New Jersey. At the same time, statutory caps and flat funding have resulted in a loss of nearly \$6 million in State aid, per year, for the past two years, and we expect our loss for next year to be even higher. Who gets stuck with this bill? Property taxpayers. We've been faced with double-digit property tax increases for a third straight year -- 21 cents in '02, 21 cents in '03. Our latest projection is that it will be 21 cents for next year.

So, in closing, the State of New Jersey is mandating our school district to grow, but is not providing the funds. If you're going to allocate funding to the Highlands, we feel it's only fair that you allocate funds to the Pinelands.

Thank you very much for listening.

SENATOR GORMLEY: Thank you very much for the--

No, seriously. Thank you very much. Thank you.

ASSEMBLYMAN McKEON: Thank you all. We know you traveled a long way to set forth your message, and we appreciate your public service, the two of you.

Next will be Councilman Marples.

And on deck, will be Dennis Kirwan, also a Councilman from West Milford.

Councilman Marples, I apologize. I guess Pompton Lakes?

ELLIS L. MARPLES: Yes.

ASSEMBLYMAN McKEON: Great.

MR. MARPLES: Good evening, and thank you for the opportunity to be here. I am a Councilman from Pompton Lakes, but I'm speaking on behalf of myself. I'm active in the Environmental Protection Committee, the Open Space Recreation Committee, etc.

The key thing is, I can relate to the Pinelands. I was born in Camden. I was raised in Berlin, deep in the woods, and I love it. Okay. It's a beautiful resource. My children had part of that resource. I want my grandchildren to have it also.

The important thing is that this is historic legislation. We need to preserve, not only the beauty with aesthetic viewpoints, but the visible water supply. Somebody previous to me had pictures of the Wanaque Reservoir, when you could walk along portions of it and see the basin of it. That's very important. We need to preserve this. Pompton Lakes has an underground water supply from the aquifer. We just passed well-head protection -- number four in the state to do so. We're actively working on it. I want to applaud you for your efforts. This is historic legislation.

And please also remember that your salaries and my meager salary come out of the taxpayers dollars. What we need to do is have a fair and equitable program to replace the funds that the municipalities will be losing. But in any event, we need to preserve and protect our precious water supply.

Thank you.

SENATOR SMITH: Thank you, sir.

Dennis Kirwan.

And in the on-deck circle, Martin Cohen.

DENNIS KIRWAN: Good evening, Committee.

My name is Dennis Kirwan, Councilman, West Milford Township.

As you know, West Milford is the largest community in the watershed and in the Highlands. We are 70 square miles, and we have, probably, the most preserved area right now. The things I want to go over are the factual things I've been receiving as of late. I recently received three phone calls on tax appeals. I'm aware of two tax appeals being filed already, because of stormwater management regulations. I want to know what the legislation is going to do to address those issues as they come along. Are there provisions in the legislation for that?

Another issue I want to bring up is, as the legislation takes away our home rule, it takes away our ability to raise capital for our capital improvements to pay our salaries or our police. The school boards are handing out double-digit increases. The police are getting double-digit increases. The health care is double-digit increases. Our roads are dilapidated; they're falling apart. We're losing the ability to raise capital to pay for those if this act goes through. I know there are some funding mechanisms, but I don't feel it's going to be enough. And hearing the people from the Pinelands, in all honesty, it scares me to death of even supporting this at this time.

The 300-foot buffers came about with no compensation to any of the property owners. They just put the 300-foot buffers on the C-1 waterways, and that was that. I've had complaints about that. The Highlands, the act here, will be taking over every square inch of West Milford. We are 99 percent in the core. One part of our township happens not to be in the core at this time. We are already 66 percent preserved. We have 8 percent left to develop.

Ringwood is 75 percent. The Pinelands mistakes of the past cannot be repeated.

The things I want to get through is, we are proud of the fact that we provide clean drinking water. We have, I think, four of the reservoirs in our township alone. We are Tier A in our stormwater management. Vernon happens to be Tier B. And the reason why we are Tier A is because we have reservoirs. Most of our watershed goes to reservoirs. Now, the State has not come through with any funding to help us with those maintenance issues to clean our catch basins. And what we want to know is, in a core community like ours, once we're forced to give up the home rule aspect, what is going to help us survive -- not five years, like the current act calls for -- what is going to happen 10, 20, 30 years from now? I don't want to end up like the Pinelands has in 25 years from now.

The other thing I want to bring up is, Commissioner Campbell, during the Highlands Task Force hearings that myself and the mayor attended -- the second one -- and myself and other councilmen attended the first one -- to help create that report, we made a comment about-- We have open sludge going into Ringwood Lake from septic systems. We have a weed problem in Ringwood Lake. And we want to know is, are we going to be able to provide the necessary infrastructure to solve that problem, because it does relate to water quality? I don't see anything in the act about that.

Lastly, I want to talk about the TDR bill that just got through. If we are going to be ascending district, who -- pardon the expression -- who in their right mind will want to be a receiving district? Okay. No one wants growth in northern New Jersey. Nobody. To have this TDR program saying,

“Well, that’s going to be -- that’s going to solve your financial crisis.” Well, where am I going to send my TDRs to? Pennsylvania, Maryland, Alaska? Give me something, I’ll sell it. I don’t care. Okay. You’ve got to take that into consideration that we are all in the same boat. It’s just not the core area versus the planning area versus the nonplanning area. You’ve got to take the whole northern half of New Jersey into consideration in regards to this.

Lastly, I want to talk about the planning initiatives that West Milford, specifically, has been taking part in. In 1995, the Regional Plan Association used West Milford as a model. We have a Smart Growth plan. We have a town center plan that is on the current DEP maps, showing town center outlines. We have done our very best to take part in the planning initiatives of the State. And now with the planning act, it seems like all that work is for naught. None of that -- it doesn’t seem like we get any credit for it whatsoever. I want to make sure that when the regional council comes through that we get full credit for those efforts and make sure that our township is taken care of in the end results.

And I want to make sure that we don’t have double-digit increases in taxes in five years when the sunset provision takes place for some of these funding mechanisms, because our seniors cannot afford it and none of our working families. If you go down to West Milford in the morning, it’s not Mercedes and BMWs running down the highways. It’s electricians. It’s plumbers. It’s masons. It’s everybody else. Those are the people we need to take care of.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much.

I don't know if we called him. Mr. Cohen. Martin Cohen.

And on deck will be Ned Clausen.

MARTIN COHEN: Hello. I'm a resident of Ridgewood, New Jersey, and I represent the New York-New Jersey Trail Conference.

First of all, I'd like to say, I think the idea of a regional plan is appropriate and is the only thing that would work. Because even though many communities would like to conserve open space, provide water, what have you -- they're looking over their shoulder at other communities, and they want to be sure that they're doing the appropriate amount. So a regional act, I think, is the only way one can ensure fairness, rather than having individual communities each having their own program.

Secondly, I used to think that our development would be curtailed based on the inability to get rid of our garbage, but we seem to find enough places in far-away states that will accept our garbage, as long as we pay money to cart it there. However, the real element that is effecting limiting our growth is, in fact, water. The scientific journals point this out. In the entire United States, water is the problem, especially across -- in the southwest. But even here, in what appears to be rain forest, we have the same problem.

As development increases, it's a simple mathematics -- the more we develop, the more water we need, because there are more people. And the more we develop, the less water is available, because we foul up the supplies making developments.

Thank you very much.

SENATOR SMITH: Thank you, sir.

Mr. Clausen, come forward.

And the Councilwoman, Sue Smith, get in the on-deck circle.

N E D C L A U S E N: Sure. Thank you.

I want to start -- the philosopher, Santayana, said that the essence of life is consequences. When you come around to making your decision, there's going to be consequences. The question is, what are the consequences going to be for the future of our community in our area? I would venture to say that there is no one here today that could really truly answer that question. The Highlands Preservation Task Force recommendation to facilitate the protection of valuable natural resources from overzealous developers may be commendable. And perhaps the cause is justified, based on the rapidly disappearing available land in the surrounding counties. Perhaps the people are willing to pay now to preserve open space. And perhaps the passion to rush the legislation through, now, before all is lost has validity. And perhaps we don't require any further industrial development in the Highlands, because the case has been made that such developments would pollute our drinking water.

But I think that we are in a double jeopardy situation here, and let me tell you why. Too much development makes for congestion. Everybody agrees. Too much spending, however, puts us in debt. You must certainly be aware that throughout the state municipalities are under great stress to meet basic infrastructure costs for police, for schools, for road maintenance, for administrative salaries, fire and ambulance -- many of the things that have been said before. And then consider this. The Governor of this State has raised spending by \$1.7 billion, while cutting -- cutting -- State aid to local schools for most towns in New Jersey.

Recently, the town of Mahwah announced a 25 percent local -- I'm saying local -- tax increase after 12 years of no increase. Why? Why? Because there was a slow down in rateable growth, while costs from municipal workers were rising. And the State mandated this -- \$146,000 increase in library funding from Mahwah, on Mahwah's expense. Well, I've got to tell you. While it is not essential, culture does cost money, and we're talking about culture, also, tonight.

In testimony before the State lawmakers in Trenton last Monday, March 22, Wanaque Councilman who was just here, Thomas Carroll, I felt gave the most compelling and poignant presentation of those representing our area, when he said -- and I wasn't there, but I read the transcript -- "The 18-month moratorium on State approvals could be catastrophic to municipalities who have approved developments and where those projects are going through the regulatory process. With or without development, the cost of running municipal government and our schools will continue to increase. State aid has not kept up, and our residents are being taxed to the point where lower income and seniors can no longer live in this area."

To Mr. Carroll's point, the Governor, by cutting New Jersey Saver property tax relief rebates in half, has exasperated the situation. And as I have already stated, State aid to local schools has been cut. I submit to you that this hit inculcated into the dialogue, puts this legislation into an uncommon order of magnitude. You don't take on additional burden if your burden is already more than you can handle. Nor is this an issue of procrastination, as the prescience of one your own has so elegantly expressed.

Joe Riggs, a member of the Highlands Task Force, wrote an essay that appeared in the Monday, March 29 edition of *The Record*. In the article, he said that, “The Task Force recommended in the present state, doom the preservation program to failure because of the lack of requisite balance.” He went on to say, “We must courageously address the challenging issues of home rule, municipal compliance, and Smart Growth. Our Task Force’s recommendations don’t do that.”

Lastly, let me take a minute to address the request for speedy implementation of this legislation. The argument put forth that our drinking water will be safer with quick enactment of this legislation may be an exaggerated claim to hasten our acceptance. Let us consider what is and has been going on, over a period of time, at the North Jersey Water Supply District, also known as Wanaque Reservoir. It is my understanding that they pump polluted water from the Passaic River into the Wanaque Reservoir. And it is also my understanding that if they did not do so, it would not have sufficient water to supply all of its users. I submit to you that the argument that development land will pollute the reservoir may be considerably less significant than that what the New Jersey Water Supply does in an hour of pumping polluted water into the system.

Everyone wants clean water, but we may be overstating the case regarding development. As with many issues, that claim to be apolitical they enviable become politicized. Where emotions run high, wisdom is a victim. It seems to me that the wisdom here is not the self-deceiving ourselves that preservation from development is preservation. For many, if not most of us, preservation is our ability to afford to live here. The price of preservation may

be too high unless appropriate counterbalances are put in place. The municipalities in this area will be the ones who will suffer the consequences of your decision. I urge you to reconsider this legislation and bring into balance what is an unbalanced response to responsible fiscal planning.

Thank you.

ASSEMBLYMAN McKEON: Thank you, Mr. Clausen.

Thank you.

If we can call on Councilman Smith.

On a going-forward basis, when you come to the podium -- Councilwoman Smith is from Bloomingdale -- please denote what your occupation is, at least, if you haven't listed that on the form. We also want to, kind of, warn everybody, as you can look around the room, there are a ton of people here. We want to get to as many as we can, so we're going to be pretty strict on the four-minute limit. So please try to adhere to that.

Thank you, Councilwoman.

SUE SMITH: Thank you.

ASSEMBLYMAN McKEON: I'm sorry.

Joe Pacio is on deck.

MS. SMITH: As you know, my name is Sue Smith, and I'm a Councilwoman in the Borough of Bloomingdale. My husband and I own a business. I would like to thank you, ahead of time, for giving me the chance to speak on behalf of my constituents and myself.

Protecting the Highlands is not a new idea that has just popped up recently. This is not the first time that the State of New Jersey has set out to protect the Highlands. Back in 1992, both the U.S.D.A. Forest Service and the

State of New Jersey published reports recommending that action be taken to protect this region. Unfortunately, the builders won out at that time, and the Highlands protection came to a halt. Now, here we are 14 years later, water quality destroyed, environmentally sensitive lands developed and lost, and if we do not stand up and protect the precious water resources of the Highlands this time, then our children and their children will lose.

We need to think about tomorrow. But in order to support tomorrow, we need to take action today. I think 14 years has been long enough. I'm here in strong support for the S-1, A-2635 bill, to implement the Highlands Task Force recommendations, and to protect the water supply for over half the state. Developers in some municipalities will try and push through development on core areas before we have a chance to adopt legislation. Because of this, the DEP should issue emergency rules and regulations to protect critical resources, and there should be immediate freeze on all development in the core preservation area.

I'd like to commend the Governor and the members of the Highlands Task Force for clearly seeing what we stand to lose if the Highlands is not protected. I ask everyone here, today, to please support Governor McGreevey and the Highlands Task Force recommendations. I ask everyone here, today, to please support all our children of tomorrow.

And one last thing that I didn't write down here, the rateable chase does not work. And I just wish people would realize that.

Thank you.

SENATOR SMITH: Thank you, Councilwoman.

But I ask no matter what side of the issue you're on, do not clap. There's a lot of people to speak.

Mr. Pacio, you didn't indicate the organization you represent or your employment.

JOSEPH PACIO: I'm just representing myself as a Ringwood taxpayer, 25 years.

SENATOR SMITH: Are you retired, sir?

MR. PACIO: Yes.

SENATOR SMITH: Okay.

And would Mr. John Spiech be ready to get up in the on-deck circle.

MR. PACIO: A couple of years ago, I was reading the paper about the water rates that go down county to the towns that feed off of our reservoir. I come to find out they were actually paying cheaper water rates than we do in Ringwood. I didn't really care then, because I wasn't on city water. Now I'm going on city water, because we have a contaminated site over near my house, and I'm to be going on city water. I think it is very unfair that these towns are building like crazy down there. The State doesn't want us to do anything up here. It's very nice to preserve the land, and 70 percent of our land is owned by the State and the Reservoir, but we can't afford it up here anymore.

Most of you aren't even from this town. You should move your house up here, ask our tax appraiser what you would pay in taxes up here, and you'd probably faint. Because half of the people that leave the town of Ringwood go to South Jersey, because the taxes are dirt cheap down there compared to up here. They move to Florida, they can't even believe-- When

my relatives come up from Florida, they can't even believe what I pay -- close to \$10,000 on my house. And I have a bi-level in town.

We need relief up here. We need it now. We need a bill that gives us relief, not for five years. We need a bill that's going to tax the people that use this water down here. You go down to Edgewater, down in that area, they're building like crazy. Everybody drinks water down there. We got to sit up here and pay \$10,000 taxes. They go down here, they pay \$3,000, \$4,000 taxes, and we got to pay the bill. I think we have to have some immediate tax relief up here. It's not fair.

And like the fellow before me was saying, I go through two bridges, over there -- another road you should take home in the daylight -- and see where this reservoir pumps the water out of the Passaic River. After it does, I bet you a dozen towns dump their sewage in it, and they pump it up into our reservoir and spend millions of dollars to filter it. There has to be a better way.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much.

John Spiech, from the Township of Mahwah.

And on deck, is Matt Sprung.

JOHN SPIECH: Hi. Thank you for giving me the opportunity to speak. My name is John Spiech. I'm a life-time resident of the Township of Mahwah, which is the frontier as far as the Highlands is concerned. We, sort of, drew a line in the Ramapo River -- and you agreed with it -- and that's where the Highlands, you can either say, begins or ends.

I, first off, would like to say I'm in favor of the proposed legislation. I think it's a long-time coming. And as someone else mentioned, I

was at the second hearing. It was 10 years between the two hearings from the Forestry Service about the Highlands, and the comment made there, I said, "I hope we're not here 10 years from now talking about another study and saying, 'How many more acres have disappeared?'" I think we have to act quickly. I think you're on the right track when you allow the municipalities to say, "We want to stop." Certain towns want to grow, other towns don't.

I think it's very important -- the legislations you have proposed -- that the State Attorney General comes in and helps the towns. Most towns can't stand up to a builder like Hovnanian, let's say; who Mr. Riggs, who wrote that little article, is the vice president of. And so he's very much in favor of building.

And also, I'm in the Township of Mahwah, where we just raised the taxes -- the gentleman said a bit -- but nobody talks about the fact for 12 years we either cut them or dropped them. So after 12 years, we're due. I think it's important you get Cat 1 status very quickly for the streams. We're a border town. We end at the state line. The Ramapo River is not a Cat 1 stream, but it comes out of New York state. So we really need that Cat 1 protection. And while this legislation does not address it, it's great the State of New Jersey is working in the Highlands, but you get-- Look at that far map there (indicating), and there's a line. But beyond that line there's New York state, where the Highlands continue. And we can protect everything we want here in New Jersey, but if New York state doesn't get on board, it's not going to do us much good.

If you excuse me a little bit, but if you go back to an old, not that old really, a presidential campaign, there was a term, and I think it fits here.

“It’s the water, stupid.” We’re running out of water. The Township of Mahwah had to go and hook up to United Water, because we couldn’t get enough water to support the growth in our town.

And everybody talks about rateables. If you do the studies -- and most of us have seen them -- for every dollar rateable you get, it’s going to cost you about \$1.18 to provide the services, the schools. Hovnanian built almost 3,000 units in the Township of Mahwah, due to Mt. Laurel. It killed our school system. Every year we have to build a new school.

And if you get down to the water, and people worry about it and say, “Why should we protect it?”-- One gentleman just spoke about how much gets out of the Passaic, which starts in the Ramapo, which starts in New York state, which is part of Watershed Management Area 3, as far as the State is concerned, which runs through Monroe. And when you have to pump it, and if it is polluted out of the Passaic, into the Wanaque, it’s the same thing for any town. It’s going to cost you more money to purify the water after it becomes polluted, than it is to protect it now. And that’s a long term. Once it gets polluted, you’re going to have to treat it forever. We had a well that went bad. We had strippers on them. We had everything on it. That’s one of the reasons why we had to go another way.

I’m going to keep it short. There’s other people. If you indulge me one more thing, if you will, a little showmanship. I’d like to know how many people here are against this bill? Put your hands up?

SENATOR SMITH: Mr. Spiech--

MR. SPIECH: No.

SENATOR SMITH: --I'd appreciate it if (indiscernible). This is not clapping. This is not a show of hands.

MR. SPIECH: They weren't going to clap.

SENATOR SMITH: This is trying to take testimony for the entire Legislature so we can make an informed decision. I do think, however, a couple of quick comments are necessary.

You know, one of the problems is that an awful lot of people, obviously, have not read the bill. And I'd ask-- You know, we're going to do a whole series of hearings. There's a whole list of them up here. We hope people will come back, especially those who haven't had a chance to read it. For example, there is no 18-month freeze in this bill. And there is property tax relief, both in the form of watershed aid and in tax stabilization. But again, you're at some difficulty, because you haven't had a chance to read it. It's 101 pages. I understand that. But be assured, that Assemblyman McKeon and I are as concerned that all of the municipalities get treated fairly. If they don't take a tax hit, we're not mandating growth like they did in the Pinelands, which is what you just heard, by turning into a disaster down there. There are, also, ways for reasonable economic growth to continue, which are defined in the bill. Please read the bill, so that you can make an informed comment.

That being said, I ask--

MR. SPIECH: Senator, just one more thing. Once this bill gets out and once you show the core map, every town is going to be inundated with planning permits. And people are going to want to build, because they want to get something done before the bill moves forward. So I urge you to move quickly.

Thank you.

SENATOR SMITH: Thank you.

I'd ask Mr. Sprung to come forward.

I'd ask Mr. Ross Kushner to get in the on-deck circle.

Mr. Sprung, you didn't indicate an organization or your employer.

Would you do so, please, for the record?

M A T T S P R U N G: Senator, my name is Matt Sprung, and I provide habitat for the folks who are living, in this room here, today.

Thank you very much.

ASSEMBLYMAN McKEON: Does that mean you're a builder?

MR. SPRUNG: Proudly, proudly. And I provide a whole lot of work for the Mayor of Ringwood for all those plumbers and electricians--

SENATOR SMITH: Absolutely. Nothing wrong with that.

MR. SPRUNG: --and masons that are driving up and down Route 287 every day. I'm from Bayonne originally, so I'm glad to have you here.

My name is Matt Sprung. I'm a resident of the Highlands, and I'm Vice Chairman of the Morris County Planning Board. I support regional planning entity of some kind in the Highlands. However, not due to some unsubstantiated threat or disaster, but to find an answer to the question, where will the people live while maintaining a healthy environment?

The Morris County Planning Board has not seen a copy of the core area, although 32 of the 39 municipalities in our county will be affected. If the DEP is really interested in regional planning, wouldn't you think they would at least reach out to the counties who have affected municipalities.

As I stated, I haven't seen the plan. I made certain assumptions based on my knowledge of the area or what the core might look like. However, after attending the presentation of the Task Force recommendations in Trenton, I realize that the core would have nothing to do with environmental protection, and that it would be used as a method to control growth in the region.

I think the 50 people who came up from South Jersey is proof of that. None of them mentioned the environment at all. They all talked about growth and stopping growth.

During the hearings, Mayor Swan of Lebanon and Mayor Spinelli of Chester, both testified in favor of the recommendations, although they realize their respective towns would be located in the core. They understood that the property rights of their residents would be heavily infringed upon. They also understood development in their towns would be extremely limited, if not totally eliminated. These two mayors, who are notoriously anti-housing-- When I heard them say that, an alarm went off in my head. The DEP and other proponents of this action said we must act immediately, because we are losing 5,000 acres per year, perhaps forever, to development, and this development is destroying our streams, rivers, and overall water quality and environment.

We are being told this is based on good sound science. Now follow logic, there's science-- Rutgers University states that we're losing 5,000 acres per year. They estimate this by taking every parcel of land that's been developed, per it's zoning, and calling it lost. Therefore, a 10-acre parcel in Lebanon or Chester that is wooded in a 10-acre zone, has a house built on it, is treated the same as a 10-acre shopping center on Route 10. It could have 9 acres of forested land remaining, but Rutgers University, The State University of New

Jersey, calls it lost. Rutgers treats those forested areas as if they have no environmental significance at all. You call that good science?

Materials in the bill-- I'm sorry. The bill refers to impervious materials, and they're defined as gravel, porous pavers, paving blocks, and decks. These are all pervious materials. And if they were used, they would permit water to recharge. Yet, the legislation calls them impervious, which is a flat out denial of the truth. Why? To stop environmentally sound growth. It has nothing to do with environmental protection. You call that good science?

Mayor Swan testified that we must protect agriculture, because it is important for water quality. I have no issues with the agricultural communities, but my understanding is that agriculture is one of the biggest sources of water pollution in the state. You call that good science?

I also wear another hat. It's that of the NJBA Chairman of the Highlands Committee. And on behalf of the NJBA -- I do like to play some golf once in a while -- I'd like to pose the following questions: Why has a map of the core preservation area not been provided, since this is such an integral part of the legislation? How can people be expected to make decisions so they do not plan business expansions and new investments in the preservation area if a map of the area is not available to them. Recognizing New Jersey's Smart Growth planning perspective, where are the appropriate places for growth in the Highlands, so that the state's residents and business owners can direct their plans to these areas?

How much growth is being redirected from the core preservation area to the appropriate growth areas, and where can we find this analysis? What tools have been used to ensure that Smart Growth areas are appropriately

sized? What guarantees will be in place to ensure that these Smart Growth areas accept and plan for the redirected growth. And lastly, having learned from the Pinelands Regional Comprehensive Planning experience, what type and how much financial aid will be provided to these Smart Growth areas?

I thank you for your time.

ASSEMBLYMAN McKEON: Thank you very much.

Ross Kushner is next.

On deck is Mayor Joe DiDonato from West Milford. Mayor, you're next.

ROSS KUSHNER: Good evening. My name is Ross Kushner. I'm here on behalf of the Pequannock River Coalition. And we're a group working to preserve 100-square-mile watershed in the northern Highlands.

In the last decade, our efforts here have met with limited success, simply because we lacked the proper tools to make them successful. This proposed legislation will provide us with those tools. Now, I could easily offer you a long list of horror stories to underline that point. But you've heard them before, and you're probably going to hear them again, perhaps, tonight. Instead, let me say this, it's tempting to think that we even debate preservation of the Highlands or standing at a bold, new frontier. We're certainly not the first to grapple with these issues and, hopefully, reach the right decision.

With that in mind, I'd like to read you the following quote: "There exists a strongest economic reason why the great forests of this region should be preserved. They are the magnets of clouds, the regulators of storms, a reservoir of rains and a rush of streams. But they have higher than mere material uses; and we should urge the preservation of this vast natural park, with all its wildness

and beauty, for the sake of health and sanity, for symbol and inspiration, for rest and refreshment to the souls of weary men.

“The preservation of forests is one of those duties which only the very thoughtful and provident are likely to urge. The thoughtless are always ready to kill the goose that laid the golden eggs. The idea of present gain absorbs them.

“Legislation in the direction of Providence is, therefore, always slow, and they who seek it have a severe task. They are the few fanatics who believe in the golden rule and also in common sense. They are, nevertheless, the same few fanatics who keep this world from corruption and perdition.

“The work of stripping these mountains has begun and has advanced. Now is the moment to save this source of health and wealth. Laws restraining the vandalism should at once be passed. Will the Legislature be wise, or otherwise?”

Now, that is not a statement from today’s *Star-Ledger*. Those words were written in 1885, as the New York legislature wrangled with preservation of the Adirondacks, before finally dedicating the Adirondacks as forever wild. Was their decision the right one? Of course it was. Who would argue that now?

In fact, when we look back at every major, and often controversial, step in environmental protection -- whether that’s a national policy, like the Clean Water Act, or State protections, like our Freshwater Wetlands Protection Act -- with the benefit of hindsight, they always make perfect sense. In fact, they seem so necessary that we wonder why we debated them at all. Yet, when every one of those protections was proposed, there were naysayers predicting doom and gloom. I thank God we didn’t believe them.

I do think it's wrong to blame developers for what has occurred in the Highlands. We should not expect developers to be altruistic, to protect our water supplies, or to take the long view. That isn't their role. These are business people seeking an immediate and maximum profit. That is what they do. But they operate within the lines that we set. If we shift the lines, they will adapt. They will grumble, they will object, they may even sue us, but they will go on successfully.

Far more important is the fact that five years or 100 years from now we, or those who follow us, will look back on this legislation -- if we have the foresight to adopt it -- and wonder why we even found it necessary to debate it. It will seem so utterly obvious that this was the right thing to do. And it is.

Thank you.

SENATOR SMITH: Please do not clap. You're only going to slow down the hearing. There's a lot of people to speak.

Let me ask Joe DiDonato to come forward.

And Mr. Jeff Tittel, of the Sierra Club, to get in the on-deck circle.

Mayor.

MAYOR JOSEPH DiDONATO: Good evening, Co-Chairs and members of the Committee. My name is Joe DiDonato. I'm the Mayor of West Milford, a town that neighbors this town of Ringwood. I have here, this evening, all six of our six councilpeople, sitting in the first row, and there are numberable West Milford citizens sitting behind me.

West Milford, as you heard from Councilman Kirwan, is a watershed host community. Fully one-third of our land mass provides water for the city of Newark, who then uses that water, sells a good portion to other

municipalities. We are very representative of what the Highlands communities do. The citizens of West Milford have been stewards of watershed property for over 100 years, and it is their desire to continue for, at least, another 100 years. We're proud of the role that we play.

However, I'm here to address the financial impact, because we have found ourselves, in the past, to be unintended victims of very noble causes. And that has to do with taxation of watershed land. As we all know, a township's ability to tax is based on how much we can access a piece of property, and assessment is based upon development -- how many houses can we put on it, parking lots, garages, etc., etc. And what it is to me -- one of the great mysteries of the universe -- watershed land is taxed by the same formula. Watershed land takes its intrinsic value in that it has no structures on it, no buildings, no parking lots. It provides clear water, something we all need to live. So what we have found with our watershed property, more than 16,000 acres, taking up one-third of an 80-square-mile township, is that as time has gone on -- and there have been noble efforts to preserve the water that we produce -- our citizens have shouldered more and more of the financial burden for their stewardship.

When the Watershed Moratorium Act was passed, temporarily banning development of the watershed lands, the owner of those lands went to court and said, "Wait a minute. We're taxed too high. Our assessments are too high, court." And the Court said, "Well, of course. You can't develop. Your land is worth less than it was before. Therefore, you pay West Milford less in taxes." Certainly a noble cause, an unintended, terrible result for the people who are the stewards of that land.

As the State began to approach the owner of the watershed land and say, "Look, we have this noble thing we're going to do. We're going to pay you money, and we're going to put conservation easements on acre after acre after acre of this watershed land." Certainly a noble cause to preserve. What happened? The landowner said, "Thank you for the money. Now, I'm going to go to tax court," which did happen, and our ability to assess taxes against those properties dropped again. Ringwood knows this, Wanaque knows it, Jefferson -- all of us who host watershed know it.

The unintended consequence of your bill is that they're sharpening their pencils for the tax appeals, believe me. It's not just that we can't lure in rateables, perhaps business rateables -- positive things that build our tax base -- it's that this erodes our tax base. Every dollar that that watershed doesn't pay is a dollar that goes to our homeowners, and they're already strapped.

We need you to seek the balance. And I appreciate that Senator Smith wrote some additions into the bill including ones that go to property tax stabilization, that there was a late edition with respect to watershed aid. I just implore you, I submit, it's not enough. The watershed aid comes in at \$35 an acre. We used to rely on 68.50 an acre, even that was inadequate. So we're going to get hit again.

Let me give you one quick fact. Fifty years ago, Newark, who owned the watershed land, paid West Milford \$1.9 million in real estate tax. Last year, 50 years down the road, they paid us 1.2 million. And what we're looking at is further devaluation of that land. So I implore you to, please, work on those portions of the bill so that we can get a really fair balance. And it's not difficult to do. Follow the water -- just follow the water through all the

reservoirs, the mains, the small lines -- it comes out somewhere. And there is a consumer drinking that water. That's where the source of the revenue can come from.

One of the facts I learned recently was, the water that goes to Newark -- they get 100 percent of their drinking water. They sell to, at least, 500 municipalities, and 70 percent of the water that goes inside their boundaries actually is sold to businesses. It goes to commerce, where they get their business rateables. The point is the water distribution is so vast--

UNIDENTIFIED SPEAKER FROM AUDIENCE: Budweiser.
(laughter)

MAYOR DiDONATO: You got it. Budweiser. I didn't want to say. That's Highlands water -- Budweiser Beer.

But anyway, the point is the distribution system of the water is so vast that each one consuming, paying a very, very modest amount, measured in pennies could create a fund that would help preserve the Highlands, accomplish the goal of this Committee, and fairly compensate the stewards of those watershed areas.

Thank you very much.

SENATOR SMITH: Mayor, thank you.

Jeff Tittel of the Sierra Club.

On deck is Doris Osterhoust, from West Milford.

JEFF TITTEL: Hi. Thank you.

Jeff Tittel. I'm the Director of the New Jersey Sierra Club, representing our 23,000 members, here in New Jersey, but also our three-quarters of a million members across the country. And the reason I say

that is that the Highlands are a unique and wonderful place. There's nothing like it anywhere in the country, that you have this treasure, this oasis, within 30 miles of Manhattan, where you have bald eagle, black bear, pristine streams, more than 30 different threatened and endangered species. But more importantly, you hold, in front of you, the water supply for four million people in the State of New Jersey, plus the water supply of the half of million people who live here in the Highlands.

And the reason that that's so critical and so important, it is the life blood of this State. It is the fuel that drives our economy. The major businesses in New Jersey are water-dependent, whether they're pharmaceutical, food processing, or tourism. Everything from Viagra to Manischewitz matzos are made with Highlands water, plus a whole range of other products. And that's critical for our economy. It produces over \$100 billion a year in North Jersey's economy.

The tourism of the Highlands, according to the State figures, are now up to 22 million visitors a year -- a major part of our economy. More people visit the Highlands than Yellowstone, the Grand Canyon, and Yosemite combined, and that's also an important part of why we're here today. We're also here today because there have been efforts to preserve the Highlands, since a Ringwood resident by the name of Abram Hewitt, who was one of the founders of the Palisades Interstate Park Commission, a former mayor of New York City -- he beat Teddy Roosevelt, by the way -- first talked about preserving this area and reforesting the woods more than a century ago. We've seen efforts come and go. We've seen efforts in the '30s with the U.S. Forest Service.

We've seen efforts in the '80s with Governor Kean, and in the '90s with Governor Florio. This is our last chance.

Five, 10 years from now, there will be no Highlands, and that will be our shame, because this resource, this treasure, for the people of New Jersey will be gone. It will be lost, and it will be our responsibility. I think that this bill is critical and important, and it comes at a critical moment in our State's history. When you look at what's happening with the loss of land throughout New Jersey -- 50 football fields a day, 500,000 acres a year in the Highlands -- we are seeing the march of sprawl moving outward and tearing down the forest. And what does that do? The more you pave over the landscape, not only do you hurt water quality with sending downstream with more pollution, you also send down more flood waters. And we have one of the most flood-prone basins anywhere in the country in the Passaic River.

Just one flood, a few years ago, almost knocked out the phone system for all of northern New Jersey costing tens of millions of dollars of lost economy. Four people in the State of New Jersey died. And the reason is because we're overdeveloping, and our key headwater watersheds areas, where the soft soils of those forests soak up that water, purify them, and hold them in the ground so that during droughts there's water available for all of us to drink. And when it floods, it soaks it up to protect lives and property. If we don't save the Highlands, it means we lose our water, we lose a property, we lose the values that we have.

Today, gentlemen, you're sitting here and trying to put together this legislation. This legislation is critical for this State. First of all, you talk about having regional planning, where it's only mandatory in the quarry areas -- those

areas with the highest ecological and water quality values for the people of the state. You talked about having stricter regulations, again, in the core areas where those values are. You talk about having acquisition, and the key part of that acquisition program is to say -- this is something I never thought I would ever say -- that it's going to be based on the prices of the land prior to those regulations and that planning going into effect so property owners, here, keep their values and their equities.

I was somebody who always opposed that. I fought Governor Whitman on it. I think it's the right thing to do. I also believe having watershed aid. As a property owner in Ringwood for three generations, as someone here who understands the tax systems that we have, we need to have that aid. This bill calls for it. We need to have a dedicated source of funding. Maybe we should dedicate a part of the water tax that we all support towards aid and tax relief up here.

But more importantly, this is our future. As someone who's served on the Planning Board in this town, as someone who has been involved in this community for a long time, I've seen the local citizens-- And some of these things, people won't even realize. Back in the 1960s, they wanted to blow up Bearfort Mountain and turn it into an airport using nuclear devices for New York City. The Port Authority actually had the stupidity to think about doing that. Back in the 1970s, we saw battle after battle of trying to bring in highways and sewers into places like Ringwood and West Milford, where the people stood up and said, "No, we don't want to become like Middlesex and Hudson County. We love why we're here."

When I was first active in this town, someone wanted to build a power plant next to the banks of the reservoir. Citizens say, "We commute 45 minutes, an hour a day. We pay high taxes. I don't want to come over that mountain and look at a God-damn smoke stack." We love it up here. We put up with a lot living up here. But we want to keep it this way, because that's why we love it, and that's why we're here.

And gentlemen, do your business, but get that law passed.

Thank you.

SENATOR SMITH: Thank you.

Please do not clap.

Doris Osterhous. Doris, you have yourself as representing a Republican organization, is that a township Republican organization?

DORIS OSTERHOUST: Yes. West Milford.

SENATOR SMITH: Thank you, Ma'am.

MS. OSTERHOUST: I'm also in the seniors.

SENATOR SMITH: Okay, good.

MS. OSTERHOUST: Okay, thank you.

Good evening, everyone.

This Highlands Task Force plan is not new. It is almost an exact carbon copy from the 1900s when Newark came in our vicinity and condemned, or paid a nominal fee for land they wanted here in West Milford. Some were small villages, some valuable farmland, and some just were taken. My family was one where the land was just taken. We had a deed, but they told us it was no good. They had already made up a deed. The land was confiscated by a

private water company of Newark -- 17,000 acres in total. Thus, Newark had ownership of one-third of West Milford properties.

Recently, some acres were sold to the State, conservation easements, to reduce the city of Newark taxes drastically, not ours. Ours were increased. The taxes Newark paid for present properties is approximately \$90 to \$100 an acre, which comes to, approximately, oh, not even 2 million. But this isn't so, because they sold some to the State of New Jersey, which we get nothing from. Some of us heard of home rule, joke. This is only a word. It is not in reality.

Questions to the panel and comments: Why can't Newark pay us fair value taxes or sell the water to us, and we'll definitely sell it to them? We would be much better caretakers, because we care. And I've cared all of my life. I've lived in West Milford from the very first day I was born. Take a good look at the properties. What a disaster. It looks terrible. And new growth is impaired due to not addressing the need for good cleanup in many years. If there's a fire, it will be devastating, and who's responsible to put it out. Does Newark and the State have insurance to cover this catastrophe, if it were to happen? Is our water protected due to 9/11? I don't think so. I see the reservoirs every day, and I see no one going around them looking at them in any way.

How can Newark have so much power? I think we are the ones being discriminated against, definitely not them. The problem is, Newark promises the Democratic vote, along with Jersey City, Camden, Paterson, etc. I hope you get the picture. Thus, we have anarchy and bureaucracy at its greatest level. The Democratic motto is, "Let's take over the Highlands water,

then we can take over everything.” They don’t need votes, they’ve got them. But they do need water. And there won’t be any cities if there isn’t any. Oh, what a disastrous situation for us. They don’t care about us. Only tax us heavily, take our land, and be one-third of our government in control. And hope in the future, most of us, like myself and many others, who I govern, will desert the ship because it’s sinking.

Why don’t they in New Jersey require teaching American History any more? Could it be they would learn too much about the Revolutionary War and learn how we earned true home rule, not just a figment of our imagination. My great, great-uncle fought in the Revolutionary War for this purpose -- true home rule. All we need in West Milford is true home rule. We don’t need the State. We don’t need the county. We only own 8 percent of open space, and our home planning is doing a proper job for our town in growth -- and stop passing laws that we have to abide by, and then it doesn’t work for our township.

My conclusion is to fight the Highlands Task Force plan, not with weapons, but with--

ASSEMBLYMAN McKEON: We can all be thankful for that.
(laughter)

MS. OSTERHOUST: Yes, you bet. (laughter) And the other seniors would do the same to you.

Not with the weapons, but with our instruction book as our weapon. Have a day of prayer in West Milford, and all of the coalition join with us. Ask our God, which our nation is based on, to deliver us from our tyranny. Pray that God overcomes this bureaucracy and especially defeating

this Highlands Task Force action plan. Ring the church bells on this day to remind the residents of our town, and all other residents in the coalition towns, to be in prayer. I promise God will answer. They, the State and county, are counting on our fears. Remember, fear is harassment.

There's a saying in the instruction book, "A dog comes back to what he has vomited, and a pig is washed, only to come back and wallow in the mud again." Ask God to enable us, all of us, to conquer this fear. The battle is the Lord's and our betrayer is Senator Robert Martin, who is sponsoring this bill.

SENATOR SMITH: Ma'am?

MS. OSTERHOUST: My instruction book says for us to take up our positions, stand firm, do not be afraid-- I'm almost finished. I'm finishing the sentence. Just be always in prayer and meditation. And if we are earnestly in prayer, we will be, according to God, victorious. Let God be our strength.

ASSEMBLYMAN McKEON: Thank you.

Please, everybody come back to decorum, please.

Mr. Berry, the Skylands Clean Water Association.

And on deck is Steve Caporaso of Bridgewater.

Is that Mr. Berry?

J O N B E R R Y: Good evening. Welcome to Ringwood. Welcome to the Highlands. My name is Jon Berry. I'm a Ringwood resident, and the President of Skylands CLEAN. CLEAN stands for Citizens for the Land, Environment, and Neighborhoods. We've always seen the environmental people connection.

You heard in Trenton from a number of statewide and regional groups. I just wanted to say a few words from the perspective of a local

grassroots environmental group, who is in the trenches, as it were, for nearly 17 years now helping residents in Ringwood, Wanaque, Bloomingdale, and West Milford on key land-use issues. You, no doubt, will be heavily lobbied, I'm sure, to weaken the protections and the planning provisions that were recommended by the task force. But I can tell you that our experience in the ground here in Ringwood and the surrounding communities, has been that without strong State regulations to support us, as we work on the local level, we will lose more battles in the core area than we will win in trying to protect the Highlands.

As a Ringwood resident, I can tell you that while it is surely felt, as it has been said, that financial aid is deserved here. CLEAN has always supported the concept of pilot and watershed aid, and so forth. It is also very strongly felt in Ringwood. And I can tell you that sprawl is a serious problem. Ringwood residents voted to impose upon themselves an open space and recreation tax. And in a recent townwide survey, the three most urgent issues from the respondees were the need for protection of open space, the need to control and slow development, and the need to protect water.

In closing, I'd like to say that I have a 5-year-old daughter. And on her behalf, I'm counting on you to bring life to the recommendations of the task force. I have seen the dramatic impact of sprawl in our area in the years since I was five years old. I do not want to be having to explain to her, when she's 10, why we, as a State, have known since 1907, as was referred to in the report, what needs to be done to protect the Highlands and the water. I don't want to have to explain to her why instead, even though we've known this, that instead of leaving her a legacy of clean water and a beautiful environment, we have

given in to poor planning and self-interest, and we have done too little and too late.

Thank you.

ASSEMBLYMAN McKEON: Thank you.

Steve Caporaso, please come forward.

Jad Daley, please get into the on-deck circle.

Mr. Caporaso, you identify yourself as from Bridgewater, New Jersey. You didn't indicate your organization you represent or your employer, would you please do so?

STEVE CAPORASO: I am a self-employed home builder for the past 20 years.

ASSEMBLYMAN McKEON: Great. Thank you, sir.

MR. CAPORASO: And for that reason, I strongly oppose this bill. But I also strongly oppose destroying the environment. What this bill lacks is balance. A lot of people speaking before me want to completely stop development. That is irresponsible planning. We need to plan, not only for the environment, but we need to plan for people, and ask the question, where will the people live? We've heard a few people talk about their children and how they'd like to preserve the area for their children. I'm a life-long resident of New Jersey, a large portion of that directly in the Highlands area. I have two children. I would love for them, some day when they get to college, graduate, be able to reside in the State of New Jersey, and hopefully in the Highlands area, close to where I live. But if this bill goes through, I will assure you there will be no homes built in the Highlands. Not only my children, but people in this

audience, their children, their grandchildren, will not be able to find a home that is affordable, and probably not even being able to find a home at all in this area.

And again, I'm not advocating destroying the environment. The DEP currently has the stormwater rules, the C-1 regulations, and are heading in the direction of protecting the environment. But we do need to think, before we push this bill through, balance. Where will the people live? This will also hurt the commercial and the economic development of this area, along with the rest of the state. So, again, I would encourage everyone to remember the word balance.

Thank you very much.

ASSEMBLYMAN McKEON: Thank you very much.

Mr. Daley.

And on deck would be former Mayor of Ringwood Jerry Holt.

JAD DALEY: Thank you very much for the opportunity to testify today on behalf of this important legislation. My name is Jad Daley. I'm the Mid-Atlantic Conservation Director for the Appalachian Mountain Club. I'm also a native of Mercer County, New Jersey, and a current resident of Lawrenceville.

Our organization cares deeply about the important protection the New Jersey Highlands provide for public water supplies, as well as critical wildlife habitat. I know that other speakers will and, in fact, have already covered this ground in great detail. As a result, I would like to focus my brief comments on the importance of the Highlands as one of the New Jersey's foremost outdoor recreation areas, the aspect of these lands of most importance to our 7,000 members in New Jersey, and also to our more than 28,000

members in the neighboring Highlands states of Pennsylvania and New York and Connecticut.

New Jersey is now 40 percent developed land, which is the highest percentage in the nation and leaves our state more intensively developed than India or Japan. In such an urbanized landscape, high quality, outdoor recreation can be pretty hard to find. The forested ridges, pristine waterways, and open country of the New Jersey Highlands provide a notable exception for hikers, paddlers, cyclists, hunters, anglers, and countless other residents of New Jersey and surrounding states who flock to the Highlands for a green respite.

According to the U.S. Forest Services recent study update of the Highlands, these recreational visits number more than 14 million, annually, just to the public lands in the New Jersey-New York portions of the Highlands region alone. These recreational experiences are not only critical to New Jersey's quality of life, but also to our economy. Just outdoor gear alone is now an \$18 billion industry and related expenditures and high-profile recreation areas, like the Highlands, for food, lodging, and tourism related outlets, are many billions more. Maintaining our outdoor recreation resources will also keep New Jersey a great place to live and prevent the flight of businesses and residents to greener pastures that has afflicted many eastern states.

I would like to close with just a few concrete examples of the outstanding recreational opportunities in the New Jersey Highlands that would be protected and enhanced by the passage of this legislation:

Hiking -- the New Jersey Highlands boasts long-distance hiking on both the Bi-state Highlands Trail and the famed Appalachian Trail, which extends from Georgia to Maine. Appalachian Trail, through hikers, who traverse

the entire length of the trail, consistently rate New Jersey as the most surprising section of the trail thanks to beautiful vistas provided in areas like Mahwah and the State Park. Numerous other outstanding hiking opportunities abound in the Newark watershed lands and other areas.

Paddling -- many outstanding paddling opportunities exist, such as the Walkill River, through the Walkill National Wildlife Refuge and the Delaware River, as it passes through the lowest reaches of the New Jersey Highlands.

Biking -- the Highlands boasts New Jersey's premier mountain biking destinations, Allamuchy State Park and Round Valley Reservoir, as well as world-class road cycling throughout the entire region. And as a cyclist who competes internationally, I can testify on this last point.

Hunting and Fishing -- the State forests and other public and private lands across the Highlands provide excellent hunting and fishing opportunities, including the trout waters of the Muskenetcong River and South Branch of the Raritan River, where I fished with my father when I was growing up.

I want to close with the admonition that just protecting a trail or river greenway is really not enough. An outdoor recreation area is, in many ways, defined by its broader context. And if we allow the high-quality outdoor recreational areas in the New Jersey Highlands to become surrounded by urban sprawl, then the places we all love to visit will lose much of their mystery and charm. Open vistas will become cluttered with development and the pleasing silence of our open spaces will be filled with unwelcomed noise. The legislation that you are considering would provide more expansive protection to preserve

the green buffer areas around these well-known recreational gems and maybe even enable us to create more public recreational outlets to meet the rapidly growing demand.

On behalf of the Appalachian Mountain Club and recreationists across the Garden State, I urge you to pass this important legislation, noting one important issue. The legislation does not currently provide any new resources for land preservation beyond the 50 million that the Legislature and Governor McGreevey generously generated for the Highlands through the passage of Ballot Question Number 1, and either the legislation must help to generate new resources, or companion measures should be drafted that would supply funding for land preservation.

The Appalachian Mountain Club is deeply involved in trying to secure passage of the Federal Highlands Conservation Act, and this would provide matching funding to do land conservation projects here in the New Jersey Highlands and, actually, throughout the entire four-state Highlands region. I'd just like to see New Jersey be well-poised to take advantage of the opportunities that would be generated, hopefully, through passage of the Highlands Conservation Act. So I urge you to think about funding for land conservation as part of this legislation.

Thank you.

SENATOR SMITH: Thank you, sir.

Mr. Holt, if you'd come forward.

Joanne Atlas, if you'd get in the on-deck circle.

Just for the information of the audience and the Committee members present, we so far have heard testimony from 36 different individuals,

which means everybody is doing their very best to keep within four minutes. We are now at 9:00. We have 22 more people who have indicated a desire to testify. So let me ask that if you would please try to condense your remarks to those points that are new -- stuff that we haven't heard before and that you want us to consider with regard to this bill.

Now let me point out that we have another three hearings scheduled. So, if anybody would like to come back, especially after you've read the bill, to make comments, we'd appreciate it.

Mr. Holt.

JERRY HOLT: Thank you. My name is Jerry Holt. I'm the former Mayor of Ringwood. You've heard a great deal of support, here tonight, from our elected officials and from others who've set a high priority on the protection of the Highlands. I want to address you on the cost or the compensation side of this issue. I have a few copies of a little math refresher, here, for some of you -- I'd like for you to take a look at when you get a chance.

Like most of the other towns in the Highlands area, Ringwood is a small community. It covers 26 square miles, has 12,000 residents, and 4,300 homes. And the average home is assessed at \$177,000. This year's Ringwood Municipal budget is up about \$260,000 or 2 percent. However, even with a 40 percent reduction in the capital improvement budget, the amount to be raised from local taxes is up almost 7 percent. The expected tax increase on this mythical \$177,000 homeowner is in the range of \$425 to \$450 a year, from schools, local, and county taxes.

Now why do I bring this to your attention? The bill under consideration reportedly will provide property tax stabilization aid. But if this

bill merely provides money for acquisitional land, it doesn't even begin to address the problem that municipalities will face as land is removed from the tax rolls. I want to peg an actual number to this concept.

One reason our local tax increase is not worse than it is, is because this year we experienced a rateable growth of \$7.2 million from the construction of 19 new homes in this 26-square-mile area. Plus there was an additional increase of \$4.3 million from lots that have been earmarked for future development. This \$12 million in new rateables generated \$458,000 in new tax revenue this year, about three-quarters of which stays in the community for local and school taxes. Whether it's preserved or developed, we realize that there is only a finite amount of land left in Ringwood. But if we assume that over the next five years another 19 homes is built in each of these five years, the tax revenue from those new homes would be added to the tax revenue from the ones that were just built this year. And assuming a modest tax increase of 3 percent a year, this land or this new development would generate \$21.5 million in tax revenue through the year 2013. And notice that I'm not referring to \$21 million in rateables. This is \$21 million in lost tax revenue that will need to be made up by the Ringwood taxpayer or municipal services will be dramatically reduced.

Now, my calculations on the table on the back of the sheet that I distributed cover a 10-year period. And obviously, with new homes that are built, taxes will go on forever. Now those who downplay the net value of this \$21 million in tax revenue, because of the rateables chase argument, fail to acknowledge that the types of homes that we are experiencing being built in Ringwood are large, widely dispersed, expensive, and typically they house

mature families. It's not like having 3,000 new homes built, as we just heard about what happened in Mahwah.

The tax revenue from the new development that we've seen does not come with the baggage that you would incur with high-density, lower-cost housing. Shutting down future development in this community will have a disastrous impact on local taxpayers. Now, what's the bottom line? It's imperative that any legislation that aides the removal of land from the tax rolls, includes a commitment for on-going compensation for the effective community. This doesn't mean payment for acquisition. It means payment in lieu of taxes on the opportunities that we've lost. Whether this payment comes from the users of the water supplies that we're protecting or from the general revenues of the State, they must carry a constitutional or a statutory commitment that will not allow a change in an administration's priorities to pull the plug on funding.

Our friends in West Milford recently lost a million dollars in State aid that they'd been receiving for watershed protection. We cannot allow that to happen to the large number of communities that will be affected by this sweeping legislation. We don't argue against the need for Highlands protection, but we do demand just compensation for shouldering the burden of that protection.

Thank you very much.

ASSEMBLYMAN McKEON: Thank you very much.

Councilwoman Atlas.

On deck is Joy Farber of the Planning Board in Ringwood.

JOANNE ATLAS: My name is Joanne Atlas, and I'm a Councilwoman in Ringwood. My occupation is a grant writer for environmental organizations, the American Littoral Society, New York/New Jersey Baykeeper, and the Delaware Riverkeeper. I stayed up late last night reading the draft Highlands legislation. And I believe that you are doing the right thing. And tonight you have come to the right place.

Ringwood is at the very center of the Highlands, and the Highlands is everywhere in Ringwood, from the Weyanokes to my log cabin on Erskine Lakes. Although much has changed, it is remarkable how much has survived since 1923, when the American Geographical Society published its New York Walk book. The chapter on the Weyanoke Plateau begins: "Discovery is popularly supposed to involve distance. You can surprise even a governor in Nebraska," it goes on to say, "by telling him that there are nearby areas in New Jersey that" -- and this is a new concept -- "that are too wild and too worthless to be taxed, and that in these areas it is possible for a man to get thoroughly lost, while still within the sight of the Woolrich (phonetic spelling) Building."

Now, I don't know about the taxation part that seems not to have survived, but we still have incredible wilderness here, and it is worth preserving. And I thank you for recognizing that.

Last year, we nearly lost one of our treasurers, West Brook Mountain. Thanks to a year of concerted action by Skylands CLEAN and the Wimping (phonetic spelling) Fishing Club, Sierra Club, and a well-timed visit from the DEP Commissioner, we won that battle. But the property owner has vowed to return, and our resolve will be sorely tested. That is why the legal shield is so important and must remain in the legislation. I had hoped for

eminent domain powers. I had hoped that would have survived. But the right of first refusal, hopefully, will be useful.

Barring total revamping of the property tax system, I feel that a water surcharge is fair and, in that regard, I agree totally with Mr. Holt, who preceded me -- although he is still under the sway of the ratables chase.

All in all, I'm encouraged by this legislation, and I cheer you on.

Thank you.

SENATOR SMITH: Thank you.

Let me ask if it would be possible to try and condense our remarks down to about two minutes, if it's possible. Please hit the information we haven't already received. The hour is growing late.

Jay (*sic*) Farber, from the Ringwood Planning Board; and in the on-deck circle, Doris Aaronson.

J O Y F A R B E R: Hi, the name is Joy Farber.

SENATOR SMITH: I'm sorry.

MS. FARBER: I am the Chair of the Ringwood Planning Board. Welcome to Ringwood.

I just want to go on record to say the comments that I'm about to make are mine, and mine alone.

I don't know about you, but I'm a little tired of hearing about special interests, and they're dominating our political landscape. I suppose it's a reality, but in my book--

UNIDENTIFIED SPEAKER FROM AUDIENCE: We can't hear you.

MS. FARBER: In my book there is no *us* and *them*, there is only us. We need to act in the best interest of everyone, and that action is to protect our water.

We can't protect the water supply without, somehow, limiting development of the land in and around the water. However, leaving that job to disparate local governments is an inefficient way to provide protection. To do this right requires consideration of a great deal of data and careful drafting of local ordinances. And I can speak personally to that. It's not an easy task. It's expensive, it's difficult. How many houses with septic systems and wells can land of environmental sensitivity endure without contaminating the water? We just don't know. And it's very difficult for people on the local level to figure that out.

So I welcome your legislative initiative, and I think it's appropriate.

Again, I haven't had the opportunity to read the hundred pages, but I have spoken to some people about what's in it. And from what I hear, it is striking a fair balance. And I commemorate you on that effort. I'm sure it wasn't easy.

And two things stand out. First of all, with respect to control, there is a going to be a regional planning entity, and that makes sense. But it does include local representation, and does give us a fair shake at seeing how that development is going to move forward, and that's a good thing.

With respect to compensating local communities, especially someone like us -- Ringwood -- where we will probably be prevented from developing if we're in the core area, there is payment in lieu of taxes. That is also fair, its appropriate, and I commend you for it.

It makes sense to protect, with a regional planning entity, our water. And it also makes sense to have a temporary, short-term moratorium on development while that regional planning entity is going to be in place.

I just want to make a quick comment about this ratables chase. There is a problem of funding in municipalities. And there's this blame that control on development, somehow, is responsible. And I think that's a red herring. I think when people come from Egg Harbor, and they say, "We have tons and tons of housing, and our taxes are going up, and up, and up," that should really end the debate. When you connect a lot of very big houses with really long roads, and you have to maintain the roads, the taxes just don't cut it. And it's not to say that we don't deserve our fair share of giving up the right to develop and having payment in lieu of taxes, but I do acknowledge that it is a fantasy to think that if we just put some more houses, everything would be okay. I wish that were the case, because then I'd just approve them, and I'd go home happy. Unfortunately, the solution isn't that simple.

And so I commend you for your patience in listening to all of us into this late hour. I wish I could have spoken more specifically to the points of the legislation. But what I want to say to you is, good for you. Move forward. And I will read the legislation. And if you stay the course, and make it something that's fair and reasonable, then I will be there in Trenton. You will see my face. And I will make it a point -- I'm a busy woman -- but I will make it a point to visit you and the other Senators, and to make this thing happen, because it's the right thing to do.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much.

Doris Aaronson is up.

I'd like to just note, Phyllis Stewart will be on deck.

D O R I S A A R O N S O N: I'm Doris Aaronson, elected environmental trustee for over 20 years for the Pinecliff Lake community -- 500 homes. I'm also Co-Chair of the West Milford Well Study Committee; past member of the West Milford Groundwater Contamination Committee. I know all too well how much commercial development pollutes our groundwater. And I'm author of a successful DEP nonpoint source pollution mitigation grant for West Milford. I'm a past member of the Passaic County Water Quality Advisory Board.

I'd like to make some comments on two aspects of the proposed legislation, along with an example of each from West Milford.

We certainly need a regional plan to control planning and land use, because home rule in West Milford and other Highlands towns simply does not work to protect the water in the Highlands -- for half of the water supply of New Jersey. We need far more stringent permit requirements and enforcement procedures than the DEP currently has in order to protect our water and other natural resources. So I'd like to address home rule and DEP permitting requirements.

An example of how home rule has not worked in West Milford is the current zoning on the Stanford tract of 220 acres. It's currently zoned as a planned neighborhood, plus inclusionary zoning. Planned neighborhood means four houses per acre, based on gross density -- gross area, resulting in 880 homes for the 220 acres. The COAH bonus houses -- Council for Affordable Housing

-- bonuses brings that number up to 1004 houses. This (indicating), I'd like to show you, is some photos of where they want to build these 1,004 houses.

The proposed Stanford tract is about, has about, 90 acres of extra resource value: Belcher's Creek wetlands, and about 60 acres of steep slopes -- over 15 percent State guidelines right now. Almost all of them over the 20 percent specified in the current legislation. The tract is adjacent to Wawayanda State Park for about a mile-and-a-half, and is about a third of a mile from trails that lead to the Appalachian Trail. The Stanford is in a DEP macro site for threatened and endangered species. It includes rattlesnakes, wood turtles, barn owls, red-shouldered hawks, and habitat for Federally endangered bog turtles. Residents have also documented, on that tract, blue spotted salamanders, nesting osprey, and bald eagles.

The water from the wetlands, the Belcher's Creek wetlands, on that tract, flow through Pinecliff and Greenwood Lake, and shortly thereafter to the Monksville and Wanaque reservoirs. This Belcher Creek has been nominated by the DEP and environmental organizations for C-I classification. If we consider the 300-foot wetlands buffer in the proposed Highlands legislation, and subtract the area subsumed by the wetlands and the steep slopes, we have left only about 25 acres remaining for development of 1,004 houses.

How is it that the Stanford tract, with its importance to the Highlands water supply and other environmental resources, has been zoned 1,004 houses on about 25 acres? Clearly, home rule in West Milford has not been appropriate in this case, and many other cases.

As an example, relevant to the DEP permitting, is Hovnanian's Eagle Ridge development in West Milford -- proposed development -- with

about 280 proposed houses. Based upon the research of four independent New Jersey licensed hydrologists and hydrogeologists doing four different independent studies, this tract should never be developed, because it does not have sufficient, long-term groundwater yield to supply its proposed development.

Indeed, in 1987, we had a study by the Malcolm Pirnie engineering corporation -- environmental engineering group -- that said, 17 years ago, there was not enough water for the neighboring individual homes in that area. During the recent drought, wells throughout that area had partial or complete water outages in their wells.

Our Well Study Committee found that about 20 percent of the wells in that area were 400 to 800 feet deep, and about half of the neighboring wells were getting less than five gallons per minute. Some of the wells in that area were getting a quart a minute. Not very good. But yet, enough water to build 280 houses on the Hovnanian tract--

But the developers -- how did they claim they had enough water? They submitted fraudulent data to the DEP Water Allocation Bureau in order to show there would be lots of water. This data, supposedly, represented their tract.

What did the developer do? Hovnanian's hydrologist had to give the DEP a so-called *base-flow stream sample* to provide evidence for sufficient, long-term water yield. The amount of water in a stream provides an indicator, during a drought year, of the estimate for annual groundwater recharge in the area.

Eagle Ridge has a stream on its tract. But the developer's stream sample was taken from a different watershed over the ridge and a mile away,

just 200 feet from the spillway of the Pinecliff Lake Dam, which the dam operator maintains at an artificially high level in order to keep the fish alive between Pinecliff and Greenwood Lake. Isn't that a nice place to take a base-flow stream sample so that Hovnanian's group could show lots of water on their property?

The result of this fraudulent base-flow stream sample is that the developer reported to the DEP about twice the groundwater recharge, as we've seen reported this past November by Matt Muhol (phonetic spelling), a hydrologist licensed by the township--

ASSEMBLYMAN McKEON: Mrs. Aaronson, I don't mean at all to be--

MS. AARONSON: --to be the average.

ASSEMBLYMAN McKEON: --disrespectful, but if you could wrap it up, we'd appreciate it.

MS. AARONSON: Yes, half a second more.

Currently, DEP's procedure to accept whatever data the developer's engineers submit is not sufficient. The DEP should clearly have more stringent water permitting and reviewing procedures for the Highlands.

I thank you. Many residents in West Milford would like to see both more stringent DEP review of water allocation permits and that the Highlands council takes over home rule for planning.

ASSEMBLYMAN McKEON: Thank you very much.

In speaking with Senator Smith, we've decided to take the following procedural action. We did call on Phyllis Stewart, which we're going to call to

-- who's on deck, and former mayor of West Milford, Carl Richko, will be after that.

The remaining number of people who have signed up to testify, give or take, is about 25. We are going to cut off the hearing at or about 10:00. As opposed to continuing to call names beyond the two, if you'd like to speak, please just line up so we can get a handle on how many are there. And no cheating; don't sit and then jump back in line.

The other thing to denote is that everybody who remains that had signed up was to testify in favor of the bill. So we do want to hear what you have to say and are sorry if we don't get to you tonight. We encourage you to submit your testimony in writing, which you have all of our word that it will be read and strongly considered not only by the legislators, but by our staff.

So with that, let's start with Ms. Stewart, followed by Mr. Richko. And after that, anybody else that wants to speak, please line up, and we're going to cut it off very close to 10:00, which is only about 30 minutes from now.

C A R L R I C H K O: I don't think she's here.

ASSEMBLYMAN McKEON: We're making progress. (laughter)

MR. RICHKO: I'm Carl Richko, former mayor of West Milford.

Thank you all for coming here this evening, and thank you so much for your patience.

I'd like to just show you two of West Milford's most recent -- or in the last couple of years -- our calendar that we pass out to all of the residents. They both say, "West Milford Township, Heart of the Highlands." We truly are the heart of the Highlands. We have thousands of acres of watershed land, five large reservoirs, many, many streams, rivers, and lakes.

We also supply -- the Wanaque and the Pequannock watershed supply over two million people with their water. You would think that development in this area would be severely curtailed, but we have always been under the threat of development, even from the city of Newark. Twenty-five years ago, Newark proposed 5,200 units of development on the shores of one of their reservoirs. West Milford spent over a million dollars fighting this in the courts. We were fighting to preserve their water supply.

Three years ago, the city of Newark entered into an agreement with an entertainment company to look at the feasibility of developing an amphitheater with 8,000 parking spaces. Can you imagine how many acres of forested watershed land would be devastated with 8,000 parking spaces? We need permanent protection for the Highlands, and we should never be under the threat of development in this core area.

I applaud what you're doing. I applaud your bipartisan effort, and I hope that it becomes a reality.

I'm going to keep my comments very short. I don't want to repeat what other people said. I had a lot more to say, but I know it's late. And you're doing the right thing, and it will benefit not only the people of West Milford, Ringwood, Wanaque, and this area, but all of the Highlands and all of the people in New Jersey.

Thank you very much.

SENATOR SMITH: Thank you.

ASSEMBLYMAN McKEON: Thank you, Mayor.

When you step up, please give us your name, occupation, and address.

CELESTE BYRNE: Celeste Byrne, 1114 Macopin Road, West Milford, New Jersey. My occupation: I'm a teacher. I'm also one-third of what remains of the West Milford Open Space Advisory Committee. I'm also a board member at Long Pond Ironworks, which is a 650-member organization located here in the heart of the Highlands and supports this hearing.

Words will not protect your water, words will not save your trees, words will not bring back the habitat of our wildlife. I hope, folks, that the State directs both eyes to what's going on in West Milford. We are the crux of your whole argument; 80 square miles, 100 percent located in the Highlands. We are your main source of water.

Home rule has got to be bypassed. My mayor and council, pro-development all, have done a variety of activities to discredit what you are attempting to accomplish here. For example, their first order of business -- their platform, in fact, for running and for changing the government of West Milford -- was to stop a sale of 466 acres of pristine forest, which had been landbanked in my town for many years in the hopes of creating a golf course that would generate some revenue. The funding issue has got to be addressed. You must provide a funding mechanism for our cash-starved communities. It was their platform, and they won with a landslide.

They failed to make any contribution to the State's water allocation permit for K. Hovnanian's Eagle Ridge development in my town, which is proposing 288 homes, despite three different water studies that verify we don't have the water to sustain this development. Surrounded by water, we don't have the water for our own town's needs.

They have refused to appoint the Open Space Advisory Committee, except for me and two of my junior colleagues. It's a 15-member board. They've appointed three members.

They're violating the town's own ordinance requiring an Open Space committee. And what happens to the open space tax moneys has yet to be determined.

Their main concern all along has been with providing a funding mechanism. And you do need to address that issue. That is true. But if this isn't proof that home rule is not going to protect your water supplies, I don't know what is. My council's view has been: The only good environmentalist is a silenced environmentalist. (laughter) They have refused to appoint members of our boards and commissions that have 30 years of records of protecting the environment. West Milford has the first Open Space master plan in the state. They didn't appoint the people who helped write the state's first Open Space master plan. They have silenced us in every way they can possibly attempt.

I applaud your efforts. We need you. You've got to bypass home-- There's no getting around it. Not everybody thinks like you. And if you really intend on protecting this land, home rule is not going to work.

Thank you for your time.

SENATOR SMITH: Thank you.

ASSEMBLYMAN McKEON: Thank you very much for your comments.

Sir, just your name, address, and occupation.

I H O R M U L Y K: Yes, my name is Ihor Mulyk. I live at 140 Fountain Drive. I'm in commercial sales. I pay close to \$16,500 in property taxes. And I'm sure, within the next couple months, it will be close to \$19,000.

I have my cell phone up here to be fair. It's 9:33. If I'm not done in two minutes, I'll let the next person go.

Over 12,000 Ringwood residents -- 40 to 45 percent of them may be children -- are bearing the burden of protecting the water for over two million users, yet, we do not even use any of the water from the Wanaque Reservoir ourselves. Many of those two million water users may travel to Ringwood to use the parks and open spaces, yet, how much do they financially contribute to the residents of Ringwood, Wanaque, and West Milford? Do they buy the occasional cup of coffee at the Dunkin' Donuts, do they volunteer in our towns, do they coach our local sports, do they attend local community fund-raisers, do they attend comedy and Italian nights for the volunteer firemen, do they volunteer at our local ambulance squads, did they attend the recent Ringwood Education Foundation dinner? I know many of our local residents of Ringwood did that. Yet, those who do not live in this region want the power to decide as to how we can use our lands.

The same two million beneficiaries of the clean water we protect do not even pay a usage fee for that water. If they pay just \$1 per person who uses that water every year, that would be \$2 million in tax revenue. Again, local residents don't drink the water, yet pay to preserve it.

If the supporters of this legislation are so confident that local residents would prefer to allow a bureaucratic committee to decide how local lands are used, why not put it to a vote? Let local residents vote on the issue.

I'm sure that Newark and Trenton would not let the residents of Ringwood, West Milford, and Wanaque decide as to where they can build their sports stadiums. Let the local residents decide between increasing property taxes and dictated land use. Are we not a representative republic, or are we on the path to becoming a socialist state?

Will the State and county government compensate our communities for the lost tax revenues, or will they fail us as the State lottery system has? The State lottery was supposed to help us pay for a portion of our public school funding, yet, again, the entire burden has fallen on the homeowner in the form of higher property taxes. How ironic that there is both Federal and State legislation that supports a woman's right to choose as to what she can do with her body, yet this proposed legislation will not allow that same woman to decide as to what she can and cannot do with a privately owned property.

It's 9:35.

SENATOR SMITH: Thank you.

ASSEMBLYMAN McKEON: Thank you.

ANN BENEDETTO: Good evening.

Ann Benedetto. I'm the president of a local Ringwood road association. I'm going to condense all my comments and be very brief. So pay attention, because if you talk, you might miss what I want to say. But it's going to be very brief.

Protection of our water supply is not an option, it's a necessity. And the way water is the common bond between all living things -- and that is not debatable. I'm sure everybody knows that without water, there's no life. We went to Mars and that's what we figured out -- one thing. (laughter)

But what I want to say -- the wedge issue is money. So the way water is the common bond between all living things, unfortunately, the solution is about money. So I'd like to present something, since we have legislators here -- even though the man dissed the lottery there -- why not have a State lottery or a tri-state lottery to raise revenues for the Highlands?

Thank you.

TIMOTHY TRAINOR: Good evening.

My name is Timothy Trainor. I reside at 28 Highland Road, in Bloomingdale, New Jersey. I will also make my comments very brief. I have a bit of an eclectic pedigree, if you will. I was a member of the Bloomingdale Borough Council. I served as council president, liaison to the environmental commission, I was chairman of a grassroots environmental organization that successfully stopped the siting of the Passaic County landfill next to the Wanaque Reservoir. So WATER was the name of our group. It stood for Watershed Area Towns for Environmental Responsibility. And, interestingly, I'm part owner of a wholesale distribution firm that supplies and markets building specialty products. (laughter) So I actually make part of my living from development. So I can hardly be called anti-development. So that's my pedigree.

I want to make a statement from the head and then, if you'll permit me, a very short statement from the heart. First of all, I'm all in favor of heavy development on Mars. I think that's a really good idea that was just previously brought up. (laughter) That could solve quite a few of our problems.

My statement from the head, is that you need to look no further than the borough of Bloomingdale to find out what is wrong with the home rule

system as it applies to the Highlands. And that is that we have the first town in the State of New Jersey trying to stretch its town border three-and-a-half miles outside town -- so they could literally have one foot in neighboring Wanaque and one foot in Bloomingdale -- taking a PA-5 designated horse farm of bucolic property and putting high-density housing on there, without any regard for what it is you're trying to achieve. So I suggest that that should serve as the poster child for what it is you're trying to do, and I applaud this task force for what you're trying to do.

My final comment, I speak from the heart. And I would ask that you all listen to me. Very, very few people have an opportunity in life to do something that makes a true difference in the world around us. And you have that opportunity. I don't know that I'll ever get that opportunity. So I look at you and say, take what has been given to you and do what our forefathers and foremothers have done. Without them, we might have builders advertising the great view in Yosemite, where you can look on El Capitan or Half Dome, or you might get 700 condos all over the nice view of Yosemite and Old Faithful.

We are the stewards of our lands. And you truly, truly have a chance. And I pray that you will take that chance, create the balance that is indeed required, and save the Highlands for generations and eons to come.

Thank you very much.

RICHARD W. MEANY SR.: Good evening.

My name is Richard Meany. I'm from West Milford, New Jersey, and I'm a semi-retired accountant, and a former environmental commissioner from West Milford Township. My term expired December 31, 2003. I did give

somebody a copy of my prepared remarks. I'll try and just digress from them quickly.

Basically, it was my finding-- When I first started 30 years ago, we developed a natural resource inventory from the U.S.D.A. agricultural soils maps, the U.S. Geodetic Survey maps, NASA photos, and things like that. And the funny thing is, everything stopped at the community and municipal line: all the regions, all the roads, all the rivers, all the watersheds.

And I'll just skip all the in between, but 30 years later, I was also the municipal member to the WMA 3, Watershed Management Area 3. And we really started to see a watershed -- more watersheds rather than communities, rather than counties, and rather than states. But if you look at WMA 3, 4, and 5, it's just an awesome site. Those things don't stop at municipal boundary lines. And you just can't take something like that and use a cookie cutter to cut it up.

So I just don't believe that the municipalities, towns, counties, and other state subdivisions have the ability to fight the development on their own. I think only an organization, such as this Committee, would have that possibility. And I implore you to go forward with your thinking.

Thank you.

ASSEMBLYMAN McKEON: Thank you, sir.

BOB SZUSZKOWSKI: Good evening, and welcome to, as they say, our neck of the woods.

My name is Bob Szuszkowski. I'm a former West Milford town councilman until as recently as this past December, when I decided not to run,

because I wanted to spend more time with my family, because that's extremely important. I know that each one of you can respect that.

I actually ran for town council. My entire platform was to stop -- to put a halt to some of the development in the Highlands and in West Milford, where I was from. As a matter of fact, I think your plan was a little better than mine. Mine mentioned something about concertina wire, and a fence, and electricity. (laughter) Your plan is much, much better than mine was.

I was wondering if anyone here tonight on the Committee has kept tallies how many for, how many against. It just seems to me that just from sitting out in the crowd since about 7:00 tonight -- it seems that there are a lot more people for this plan than against the plan.

I, too, have shortened my six pages. I've whittled it down. I'm going to give you a copy of my entire report.

As an environmentalist, a parent, and an educator -- I'm also a teacher in the State of New Jersey -- I urge you to pass the Highlands Water Protection and Planning Act to help protect the undeveloped land in the Highlands from the effects of further degradation, sprawl, and destruction.

As a fourth-grade teacher last year, and a fifth-grade teacher this year, I was going to-- I was going to actually do a lesson plan here -- about 45 minutes -- I didn't think it was going to fly with the crowd behind me. But to interest fourth and fifth graders in water, which sometimes could be pretty boring, it took me a lot of research to look things up online. I found just a couple of interesting facts. Things like: 75 percent of a living tree is water; a New Jersey tomato, as opposed to a regular tomato, is 95 percent water; 75 percent of the human brain is water; 66 percent of the human being is water;

apples contain 85 percent water; hotdog contains 56 percent water; about 1.2 billion gallons of potable water are used in New Jersey each and every day. This I found kind of odd: It takes 2,072 gallons of water to make four new automobile tires. Who would have ever thought, four rubber tires-- And it takes 39,000 gallons of water to produce the average domestic automobile. You think it's just made of steel, but water is extremely important.

Sorry for the digression, but this area of the Highlands, where we currently are -- and then encompass most of western Passaic, northern Morris, and Sussex counties -- contains some of the last true wilderness, and provide for thousands of acres of surface recharge for local wells, as well as runoff for potable water for communities east and south of here. This Highlands region is also an important part of the health and well-being of half the State of New Jersey and, if protected, will provide our children with your legacy and our legacy.

These protections, if afforded, will provide a source of clean drinking water for future generations, and will help preserve the rural character and quality of life as equal to anything that you would find in New England, with the exception of our rush hour traffic, which may be beyond the scope of this Committee. (laughter)

As a former elected official, I urge you to also provide for a source of stable funding to offset any loss of tax revenue for lands that need permanent protection. Having had to balance budgets the last two years, after the loss of watershed moratorium offset aid of over a million dollars-- Let me tell you, it's not an easy task. I know you deal with money in your districts, too. But as a

local elected official, it's pretty hard to take a \$1.3 million hit. So, please, make sure that that is part of the legislation.

It's great to preserve the land and protect the water. But when good people try to make a choice of protecting land or building on it to lower their taxes, unfortunately, even a few environmentalists misinterpret ratables, and cross ranks. We need to keep those people on our side and show them, "Look, we can protect our water, our quality of life, and make it affordable."

Thank you, from the bottom of my heart, for taking your concerns on the road to listen to the residents of the Highlands. Once passed, the Highlands Water Protection and Planning Act is going to be your legacy. As a former elected official, I know we have many things on our plates: balance a family, business, work, your work in your districts. You're always going out to meetings. There are so many votes and so many issues, but only once in a great while does something of such great importance come before us. I trust that as members of both Houses in the State Legislature, you all feel the importance of this task that, if supported, will provide something of such great significance for future generations of residents of the great Garden State.

Thank you, and good night.

ASSEMBLYMAN McKEON: Thank you very much.

Ma'am, before we call you, there's a gentlemen who, I understand, is 90-years-young -- Mr. Wyckoff -- who actually walked here today and couldn't stand in line. So I'd like to call upon him to speak, using the prerogative of the Chair. You'll be next. I'm sorry.

Thank you.

JEROME WYCKOFF: Thank you very much for the work you are doing. It is very important, and will be long remembered.

My name is Jerome Wyckoff. I have lived in Ringwood for 30 years. I'm a writer on earth science, having done several books on geology. I have hiked the Highlands and walked the Highlands for about a half-century, observing not only geology but natural history and, in general, what humankind is doing to our environment.

We've heard a great deal tonight, but I think I can make a few points here, which are well worth mentioning, especially for people who see forest preservation as a financial liability.

By holding water in wetlands and in the ground, forested land reduces the drainage problems in Highlands' towns, and reduces flood hazards in adjacent lowlands. The more development, the more flooding, period. In lake communities, streams that feed the lakes are purer if they come from forested, undeveloped lands. Open space with woodlands, streams, and lakes increases the attractiveness of a community, and thus supports property values. Forests help to keep our air fresh and clean. Our Highlands have the cleanest air in New Jersey -- and it is clean. Woodlands moderate extremes of weather, winds, and temperatures in both winter and summer. Forests provide habitats for wildlife and help to maintain diversity of species. Preservation of forests can reduce the numbers of animals such as deer and bear invading residential areas in search of food. Finally, forested open space in our Highlands offers opportunities for relaxation and spiritual renewal at the edge of the most densely populated, most intensely industrialized area in the United States.

Conservation, sometimes, may hurt, but lack of conservation will surely hurt more.

Thank you very much. (applause)

ASSEMBLYMAN McKEON: Thank you very much.

LAETITIA MUNRO: Laetitia Munro. I'm a citizen of West Milford. I'm a manager in the music industry, by trade. I'm also a former appointed -- I was formerly appointed to the zoning board, but I was not allowed to be reappointed because I'm pro-open space.

Thank you very much for coming tonight, and I urge you to pass this bill.

I try to say something different. I think towns don't have the strength to fight a lot of these developments. They'll come in with expert, after expert, after expert. We don't have the resources to counter their experts. If we turn them down, they sue, or they threaten to sue. So, so many of the Highlands towns, things are thrust upon them that not even the pro-development officials want anymore.

Another item I'd just like to bring up is that economic health need not be sustained at the expense of open space. We have plenty of cities that need redevelopments, and plenty of people would like to live in those cities if they knew they were safe, and nice, and clean. So this could be a win-win situation for everyone. I don't see it as a win for the tree-huggers, and the developers can be kicked to the curb, or whatever. So I hope you consider-- Redevelopment is an important piece of what you're considering.

I just want to conclude with: Keep in mind that this legislation is really for our future generations. Don't fall prey to scare tactics. We wouldn't

be here unless you all realized the urgency of this situation. Sometimes the right thing to do is not the easy thing. More often, strong medicine can be a bitter pill to swallow. But I think you all know what the right thing is. Please, seize this opportunity and just go for it before it's too late.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much.

We're down, so we know-- We have our last four witnesses, starting with Mr. Pringle. That's where we'll end things.

DAVID PRINGLE: Thank you, Mr. Chairman.

I'll just be one brief minute.

I'm David Pringle, New Jersey Environmental Federation.

I'd like to ask, if it isn't part of the plan, to put into the record all the folks that were planning on testifying but weren't able to stay, or whatever. And also note, for the record, that I did a head count and counted -- I stopped counting at 300 people. So there were at least 300 people here, and I think it's clear that the overwhelming majority of them are in strong support of this legislation.

I'd also like to note that, yes, the Passaic River is polluted. It's polluted because of the overdevelopment upstream, including in this town, in the wrong places. There are actually over 50 sewage discharge outfalls on the Passaic, upstream of drinking water supplies. And it's a major problem for our water quality throughout the region.

I'd also like to applaud the Chairs, the Committees, for taking the time tonight, and throughout this process. As somebody who has been an environmental advocate for over 15 years, I've seen four administrations, two

Democratic, two Republican, six different versions of the legislative makeup, in terms of who controlled which branch, etc. And this process: the Task Force, the Governor's efforts, these hearings, the fact that there's a draft of the bill available to the public at large before the bill was even introduced, is totally unprecedented and is a commendation to all of your work and the true bipartisan nature of this.

I'm also particularly pleased to announce that Senators Codey, Vitale, and Palaia have also joined as co-sponsors as of yesterday. I'd also like to particularly note Senator Martin and his leadership. The criticism of him tonight was totally uncalled for.

And, finally, I'd just like to add, I'm still waiting for builders to build affordable housing instead of McMansions.

We've heard a lot about balance tonight. And I just urge you to factor in everything before those balance scales are weighed. We have a lot of work to do. We look forward to working with you. And remember, the greatest environmental accomplishment in the State's history is within grasp. Grab it.

ASSEMBLYMAN McKEON: Thank you.

B E T S Y K O H N: Betsy Kohn. I'm Chair of the Sierra Club, North Jersey Group, which has 3,400 members in Bergen and Passaic counties.

I'm really trying very hard.

This is essential legislation. What's at stake is protecting our water resources and protecting one of the state's most beautiful regions, one that retains a sense of place.

I live in Bergen County, which has -- where seemingly endless housing subdivisions, roadways, commercial strips, malls, parking lots, and

traffic congestion have eroded a sense of place. And all the many hills and valleys, of which there are many in Bergen County-- They're all now unrecognizable. They're hidden beneath the sameness of suburban sprawl. And this happened in the span of about 30 years.

And now it's all about in-filling. And that's where -- when the last parcel of open space down your street is developed, or when a park is used for a new school -- once it begins, sprawl is unrelenting. We can't let this happen in the Highlands. We can't have more Camp Todds. I'm referring to the Oakland Planning Board's controversial four to three vote last fall to approve development of the former Boy Scout camp atop the Ramapos. This happened despite a Category I trout production stream, exceptional wetlands, vernal pools, and steep slopes on the property. And despite the bill, they're not complying with the town's steep slope ordinance as he had agreed to do in 1991, and despite the huge public outcry. This legislation can only help planning boards to do their job right.

For some perspective, I want to quote Theodore Roosevelt. He said, in 1907: "To waste, to destroy our natural resources, to skin and exhaust the land instead of using it, so as to increase its usefulness, will result in undermining, in the days of our children, the very prosperity which we ought, by right, to hand down to them amplified." And in 1910, he said, "Every man holds his property subject to the general right of the community to regulate its use to whatever degree the public welfare may require it." I hope these words will inspire you not to relent in the face of the pressures ahead. Please resist attempts to weaken this legislation. Please reject mandatory growth areas.

You have an opportunity to be pioneers and chart a new and bold course to ensure that the water and unique character of the Highlands are saved. If you accomplish this, future generations will always be grateful to you.

Thank you.

ASSEMBLYMAN McKEON: Thank you.

MICHAEL J. SEBETICH: Good evening.

I'm Mike Sebetich. I'm a professor at William Paterson University. I live in Hawthorne, Passaic County. And I'm Chairperson of the Passaic County Open Space and Farmland Preservation Trust Fund Committee. And my hardworking, volunteer committee has charged me tonight to come to you and say that we fully support the recommendations of the Task Force. We have not read the bill yet, but from what I hear about it, I think we'll probably support the bill, also.

During the last three years, we have given funds to buy open space in up-county area of Passaic County and West Milford, Ringwood, Bloomingdale. And we plan to continue to do that, and we encourage the preservation of the areas in the Highlands.

Thank you so much.

ASSEMBLYMAN McKEON: Thank you, Professor.

And saving the most profound for last. (laughter)

LAURA ANDERSEN: Good evening.

I'm Laura Andersen. I'm an account executive for Wachovia Insurance Services by trade, and I'm a former member of the West Milford Open Space Committee.

ASSEMBLYMAN McKEON: I'm just going to ask you, because we don't have you signed up, if you could please give us your full address.

MS. ANDERSEN: Okay, it's 1860 Macopin Road, West Milford, New Jersey 07480.

ASSEMBLYMAN McKEON: Thank you much. Please continue.

MS. ANDERSEN: I'm here as a concerned resident, asking you to pass the proposed legislation for the preservation of the Highlands. I'm one of the people here tonight that actually read the legislation.

And moving to the Highlands region only 10 years ago -- when I moved here, I didn't realize how important it is to preserve and protect the area, not only from an aesthetic standpoint, but from the standpoint of protecting the potable water supply for half of the residents of New Jersey. Most of the residents don't even know that approximately 3,000 acres a year are being developed.

The plan is a perfect complement to the voters' way of thinking in West Milford and, it seems, the whole region here. Our residents in West Milford passed the open space tax two years ago, and our council subsequently appointed a special committee. During our time on the committee, we worked hard over the past few years and came up with an Open Space Plan, part of our Master Plan. And I believe that our open space plan, as it is in West Milford, now, would complement your plan.

I've read the draft, as I said, of the proposed legislation. I'm very pleased that it appears to be comprehensive, and the regulations contained in it appear to be strong. For example, I'm glad to see that one of the strong points of your plan include that the municipalities in the preservation area would be

required to conform their master plans to the legislation. Also, by requiring the DEP to adopt, within nine months, rules and regulations establishing a permanent Highlands permitting review program and setting strict standards for reviewing major development in the preservation is a step in a positive direction towards preserving our water supply.

Third, the new requirements of the DEP permitting program, in which any major development in the preservation area is required to receive Highlands preservation area approval, is also a very strong point of the legislation. The 300-foot buffer, in which major development would be prohibited, should keep the Category I streams and other waterways fresh and pristine. And I do believe that all the streams in the Highlands region should be deemed as Category I.

One of the most important sections of the legislation that I believe is the mechanism under which a municipality in the preservation area would be entitled to State aid, to compensate for any decrease in aggregate property tax revenue -- and the established council would transmit these directly to the State Treasurer, to budget requests for State aid. This is a critical point in the passage of the bill, as you can see from our legislators in West Milford. And I know that they've been looking for ways to be compensated for the lack of watershed aid. And I think that this would help offset our rising taxes. And I commend you for those two sections of the legislation.

To those of us who have served on the Open Space Committee in West Milford, and I'm sure in all Highlands regions in the past, this is a dream bill. It's actually everything that we could have hoped for to preserve the Highlands, including preservations to protect equity in the land of landowners

or farmers who may decide to sell their land to the State. There's very few farmers left in the state, and I commend you for actually putting that in as part of the bill.

Home rule hasn't necessarily worked up here in the Highlands to keep the large developers out, so we really need help. And these regulations will help towards creating sound planning for the future.

We will help you -- we, the voters, will help you if you help us by passing the proposed legislation.

Thank you very much for your time. (applause)

ASSEMBLYMAN McKEON: Okay, thank you very much.

Ms. Mottola, the Senator will make the final decision, as I'll defer. But it is after 10:00, and we did make rules.

D E N A M O T T O L A: Give me a half a minute.

ASSEMBLYMAN McKEON: I promise not to change my cell phone number and not to screen your calls. (laughter)

SENATOR SMITH: If you can do it in 20 seconds--

MS. MOTTOLA: I want to read four names.

ASSEMBLYMAN ROONEY: Is this the speaker we've all been waiting for, the last speaker? (laughter)

MS. MOTTOLA: Hi, I'm Dena Mottola. I'm the Executive Director of New Jersey PIRG. And I'm just here to support the legislation and congratulate the local folks who came out here today to speak in support of the legislation.

My colleagues and I actually talked to people in the room, and we wanted to make sure that a couple of people who didn't have the opportunity

to speak -- that their names were put into the record as supporters of the legislation. So I'm doing this on their behalf. And those four people are: John Capozucca, who is a former environmental commissioner in Bloomingdale; Sandy Lawson, who's with Wanaque Reach; Bob (*sic*) Weisbecker, who's an ex-West Milford mayor; and Bob Paulo, who is with a group called Citizens for Public Responsibility.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much, Ms. Mottola.

The Senator is going to give the Assembly portion of this joint Committee the deference. As I suggested at the beginning of the meeting, that all of our members hold their comments until the end -- I'm now going to give everyone that opportunity.

I do denote for the Committee's sake and for the Committee as a whole, that we will be engaging in a conference call among all of us to share our thoughts. I know this bill takes a lot to digest. So know that that will happen before our next public hearing of April 12.

So with that, I'll defer to the ranking -- I was going to say ranking member -- but the person with the most experience on this Committee, who I have a lot of respect for, Assemblyman John Rooney.

ASSEMBLYMAN ROONEY: Oh, thank you very much. I didn't know who he was talking about. (laughter)

Actually, I'm the dean of the Assembly now, which only means I'm getting old. I'm not going to bore you with that. I'll wait until we finish our hearings. Down in Trenton, I think I'll make my comments then.

I think most of you know my background. The original moratorium on the watershed was my bill, signed by Governor Florio. It also said that there shall be buffers around the watershed, and that's when the moratorium will expire. Well, that's also been my bill for 11 or 12 years. Steep slopes is my bill. I've had a bill in regarding the right of first refusal for not only the State, but also county and municipalities. That's been in for an average of about, I think, 12 to 15 years.

So as he says, I'm a veteran of these wars to preserve the environment. And I continue to work to preserve the water and the water quality.

Thank you.

ASSEMBLYMAN McKEON: Thank you, Assemblyman.

Assemblyman Gregg, who's substituting in. And we appreciate you again being here and giving us your time.

ASSEMBLYMAN GREGG: Thank you, Mr. Chairman.

As a substitute, I'll be brief. I may or may not be visiting back, depending on what occurs, but I'll be watching.

I am the only one up here who lives in the Highlands, as a legislator. My town is Washington Township, in Morris County.

I'm appreciative to all of the folks who testified in favor of this. But our world is a little different than the local world. Our world revolves around hard words in this bill. And, quite frankly, while I heard an awful lot of positive things about open space, protecting water, ensuring that the quality of life in your communities are important to you, you can be sure they are to me and everybody up here.

Unfortunately, as we move forward -- and I hope these hearings will become more graphic -- that we begin to take apart this legislation as it has to be. Because there were a lot of questions brought up tonight, and I'll remember the questions, because all the good things are easy. The ice cream is easy to eat, it's always the devil is in the details. And the details that I hope you all go away with when you read the bill -- because very few folks had an opportunity to, because it only came out on Friday -- I noticed some very stark things that need to be addressed.

There is no stable, guaranteed funding mechanism or fund, to speak of, in this bill. And for anyone to believe it will achieve its goals, that will have to happen at some point.

There is no budget in this bill. There is no: how the money will be spent, who it goes to. We have any number of municipalities who are involved in this -- how it will come to them, in what form, in what framework -- I do not see at this point, as well.

There is no guarantee of in lieu of tax payments for anybody, no protections for tax appeals, or lawsuits, which are very important issues and questions that were brought up today.

No guarantee of the preservation of individuals' property rights. It's not in the bill. It's been in the statements, but it's not in the bill. There are, shall we say, illusions that there will be assessed values prior and after this takes effect, but there is no guarantee in the bill that the higher of the two will be the actual number used. And home rule starts in your home. And it's the value of your property -- is also very important.

And the last thing I note that needs to happen, as well -- and this was brought up by people -- is there is no map. This does include a lot of towns. And while West Milford clearly has made an indelible imprint on my brain (laughter) on how important it is to you, because you are the heart of the water supply, you also are the individuals that have no guarantees that it will be successful when it's over.

So I hope you keep your mind open that this is a fluid document, just like the water you wish to produce. And the quality of it is as important as the quality of the water.

It's good to be here.

ASSEMBLYMAN McKEON: Thank you, Assemblyman.

Assemblyman Manzo.

ASSEMBLYMAN MANZO: Thank you, Mr. Chair.

I also want to comment about one thing that we need to make sure that happens in this bill, and that is we, from all different areas of this state, are asking this region, and the people of it, to make a great sacrifice on behalf of our environment and on behalf of the people of this state. And there should be, with that, the compensation. And that should be mandated in this bill. And we have to work diligently to get this legislation done to make sure that's a part of it. And it shouldn't be a sacrifice that is born on the shoulders of the Highlands people. And I can say that as someone who has benefited -- Jersey City has -- by some of the reservoirs here.

But I also want to address some comments made about the stewardship of cities. I don't know-- I can't speak on behalf of the city of Newark, but I certainly can speak on behalf of the city of Jersey City, who has

preserved some of the land and the borders of its reservoir and, in fact, fought, when they attempted to build a landfill on an aquifer up in this region, in Rockaway Township -- and, in fact, fought even to give you funding up here to do a sewage treatment plant. So we recognize the environmental importance of this thing.

Just at first blush, one of the most important things we need to make sure in this bill is that that council has a little bit more recognition of the Highlands people. It's one person -- it's a one-person advantage to representation from this region. I think that needs to be expanded. I also think that we need to hone in the regulatory authority of law itself, and not the DEP in this matter, because they have been poor stewards, at times, of their very own rules and regulations.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much.

Assemblyman Gusciora.

ASSEMBLYMAN GUSCIORA: Mr. Chairs, I want to just thank you for holding these hearings, and I also want to thank the citizens of the Highlands for coming out here, because this has been a well-informative hearing, especially for me.

I've always considered myself a New Jersey legislator, rather than just a Mercer County legislator. I think we're all in this together. This is our state, this is our future. So what we decide here will have a lasting impact.

I just-- The person who testified -- that I thought was brilliant was that all the development in the world that occurred in Egg Harbor Township did not bring down property taxes. So there is a ratable chase and development

does increase the need for more roads, more sewers, more schools, more police, more parks. So while you bring in 17 houses, you'll bring another 17 next year, you'll bring another 17, it's not going to stabilize property taxes.

This is an important piece of legislation. We have a long way to go. And I think the residents of the Highlands deserve to have just compensation for anything that we do. But there is an example that was set with the Pinelands. We can learn from any mistakes that we made. But I think there should be just compensation for the Highlands people for hosting this. And I look forward to the testimony ahead.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much, Assemblyman.

Assemblyman Gordon.

ASSEMBLYMAN GORDON: Thank you, Mr. Chairman.

I, too, would like to thank everyone who came out tonight, and who spent these long hours here.

I've spent much of my public life, going back about 25 or 30 years, dealing with environmental and land use issues. But I can tell you that I learned a great deal tonight. I really do appreciate that.

I will tell you that as the Mayor of a town that gets much of its water from the Highlands, and which had to spend millions of dollars to build air stripping systems and other mechanisms for removing a few parts per million of pollution-- I can tell you from my own personal experience, it costs a lot more to clean up the water than to preserve it, and preserve its quality in the

first place. And so I know that this legislation will be probably one of the most important things I deal with during my public life.

I will also add that I share my colleagues' concerns about finding a stable funding mechanism for making sure that there's equity, that the towns are compensated for giving up their development rights. And I'm sure we'll be dealing with all those issues and getting that into the final version of the bill.

I also want to thank you all for providing some really important evidence for the need for some fundamental changes in our tax system in New Jersey.

Thank you all very much.

ASSEMBLYMAN McKEON: Thank you very much.

Mr. Panter, our Vice Chairman. Michael.

ASSEMBLYMAN PANTER: I think the one detriment of going last, sometimes, is that so much of what needs to be said has already been said, so I'll be very brief.

I represent Monmouth County and Mercer County. And it is particularly meaningful for me to come up here and hear from so many residents and local officials in the Highlands that will be affected as much or more than anyone in the state by this legislation. And I think that the sensitivity we need to have to the concerns that have been voiced here tonight, to make sure that the towns that are really on the front lines, and have these resources within their boundaries that we're trying to protect, are given paramount importance by us.

In Monmouth County, it's interesting-- I drew one parallel tonight, listening to some of the folks from South Jersey. Monmouth County has the distinction of being the fastest-growing county in New Jersey. From 1990

through 2000, the population rose by about 23 percent. And I often think that, in going through Monmouth County and seeing how much the landscape has changed, and how much farmland and open spaces has gone to developers, there seems to be a consensus now that many folks wish, myself included, that we can turn back the clock in many senses to bring it back to the way that it once was. And, unfortunately, we've lost that opportunity in Monmouth County. We continue to focus on the limited resources that still exist and try to preserve those for our children and grandchildren. But we don't have the opportunity that everyone has, here in the Highlands, to really make a proactive step to preserve this land and this precious resources that we have in this area before it's too late.

So I'll just say that it was very enlightening for me, tonight, to hear the input from the local communities. We'll certainly continue to seek it, as our Committee deliberates on this legislation. And I think it is very much to the credit of Chairman McKeon and the other members of the Committee to give the public this opportunity while legislation is still being drafted, rather than, essentially, drop something in your laps, which has already been framed, and polished, and doesn't undergo much change in the legislative process.

So it was an honor for me to be here tonight, and we welcome your continued input.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much, Vice Chairman.

And before I turn it over to Chairman Smith, I would just like to thank all of you. I know everybody has at least an hour or more to go home, and I appreciate all of your efforts as very wonderful public servants.

And, most certainly, I appreciate everybody being out here this evening, certainly those who are with us no longer, having gone on home. (laughter) There were a couple--

But from the levity of that comment to one very, very serious point to be made-- The gentleman to my left, Senator Smith, is a public servant that you've only scratched the surface to see him in the way that he's articulating, and has such a handle on all of these issues. He's working such incredible numbers of hours to do his best, to go with that key word, *balance*, to come up with something that's palatable to all and fair to everyone.

And I respect you, and admire you for that, and look forward to continuing to work together.

I just have some very, very brief comments, overall. The only thing that will get me passionate here is when someone starts to refer to this as North Jersey versus South Jersey, versus Central Jersey. I mean, we can never be so foolish to think of this as a regional issue, not when we're dealing with the drinking water for over half of us in the state.

What will also get me passionate, beyond just the need to preserve the property, is when we talk to this partisan issue. I mean, there are some things that become partisan. But if we can't all look through the prism of what's fair and what's in the best interest of our children, then shame on all of us to let those usual boundaries get in the way.

What I was struck by today is, that in a lot of ways, I always think that we, kind of, live the same lives, we're just in different places. I heard people -- "Yeah, I was on the zoning board, but the new administration kicked me out because I was pro-development." Someone else got up and said, "Yeah, I'm the Republican, and we're with that group." And, you know, it's the same, regardless of whatever town or city you're in, anywhere in the State of New Jersey.

The difference is that those that aren't within what we've designated to be the core -- and make mistakes -- like in my own community, in West Orange, where I'm the Mayor-- Our mistakes are translated, maybe, into a loss of the quality of life, maybe more traffic, air not as clean as it could be, probably extra taxes because of the school children that come in. And there's permutations of the debate over condos -- they're not going to have school children, we'll make money, whatever it might be. But if we make a mistake, that's where the transgression goes to, our own individual quality of life, ergo home rule.

If there are mistakes made by local government, relative to the core that's remaining, the entire State of New Jersey will suffer, not to mention Pennsylvania, New York. This implication goes beyond even New Jersey. And this is why, in a way, I pray for wisdom for all of us, as we go through this evaluative process, to make certain that we do the right thing, because we can't afford not to.

And with that, we look forward to working hard together. And thank you all, again.

I'm going to turn it over to Senator Smith. (applause)

SENATOR SMITH: Thank you, Chairman.

The Assembly Environment Committee and Chairman McKeon, have worked long and hard on this. And we're going to be working longer and harder. We've got a pretty hectic schedule ahead of this. But your comments tonight make all the difference in the world.

If there was one lesson tonight, it was the voice in the background from Tom Cruise, "Show me the money." (laughter) And Chairman McKeon and I pledge to you that we will show you the money. We're currently working with the Governor's Office to put together the dedicated and guaranteed source of funding so that the Highlands, which is making a sacrifice for the rest of the state, is properly compensated. We will show you the money.

And let us not lose track of the fact that this is a bill about water. It's about a lot of things, but it's the water supply for the future of the State of New Jersey. We can't have-- Are there any builders left in the room? There will be no residential housing if there's not water. There will be no building, no factories, no anything if there isn't a good, clean, sufficient water supply.

If you look at the Task Force's report, it indicated that the cost of water treatment is estimated to increase \$30 billion if we don't protect this water supply. What more do we need to know? How many times do we have to be hit in the side of the head with a 2x4? This is one of our last chances to keep New Jersey's future bright.

Now, some comments that you need to know: If you would like to supplement our record or send in comments that you'd like us to consider, please take this address: Assembly and Senate Environment Committees, State House Annex, P.O. Box--

UNIDENTIFIED SPEAKER FROM AUDIENCE: Wait a minute.

SENATOR SMITH: Too fast?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Yes.

SENATOR SMITH: State House Annex, P.O. Box 068, Trenton, New Jersey, 08625-0068.

Our next hearing is on Monday, April 12, 7:00 p.m., at the Haggerty Center, in Morristown. We'd love to see you all again if you have some additional comments, especially after having a chance to familiarize yourself with some of the items in the bill.

Thanks to all for attending. God bless, and safe home. (applause)

(MEETING CONCLUDED)