

BUDGET MEETING OF THE MAYOR AND COUNCIL
HELD AT THE
MUNICIPAL COURT /COUNCIL CHAMBERS
10 LAWLOR DRIVE, OAKLAND, NEW JERSEY
MONDAY MARCH 28, 2016

MEETING CALLED TO ORDER: By Mayor Schwager at 6:03 pm.

ROLL CALL: Mayor Schwager called the meeting to order and the Clerk called the roll. Present: Mayor Schwager, Councilmembers Biale, Coira, Jensen, Kulmala, Talamini, Visconti. Absent: None. Also Present: Lisa M. Duncan, Borough Clerk; Richard Kunze, Borough Administrator; Donna Mollineaux, Chief Financial Officer.

SALUTE TO THE FLAG:

MOMENT OF SILENCE:

MEETING ANNOUNCEMENT: Mayor Schwager announced this meeting is being held in accordance with the Open Public Meetings Law duly announced and included in the schedule of regular meetings.

DEPARTMENT OF PUBLIC WORKS:

DPW Superintendent Anthony Marcucilli gave an overview of the Department. There are 7 main divisions with 19 full-time personnel, office staff and several seasonal employees. There are 60 miles of road and 3 miles of sidewalk to maintain and remove snow. The water system has 70 miles of water main, 5,000 service connections, 600 hydrants, 6 wells and 3 tanks. The sewer system has 230 residents and 30 businesses connected. The Buildings and Grounds crew maintains 20 buildings total. There are 200 pieces of equipment that are maintained with the Vehicle Maintenance budget. There is one employee that operates the compost facility and oversees the Garbage and Recycling contracts.

Mr. Marcucilli advised there is a reduction in the Road budget due to a change with street sweeping. Councilman Visconti commented that the Borough is not getting what we used to with recycling fees. He asked if there will be any changes soon. Mr. Marcucilli responded that the contract expires at the end of the year. We are going to explore options. Mr. Kunze advised that the Borough pays \$ 30 per ton to dispose of recyclables but that is still less than the cost of \$ 70 per ton to dispose of garbage. He explained that China is no longer accepting the plastics that they used to take. Right now, we are able to utilize the tonnage grant money to pay the disposal costs for recycling. There is still a net benefit to recycling. Mr. Kunze advised that the collection contract expires at the end of the year. We will redo the bid and look at different options to spec out. He explained we had saved money in the past by going to single stream. Councilman Visconti asked if there is anything that can be done preemptively that can offset costs to average over a longer period. Mr. Kunze responded that he left extra in tipping fees so there is some leverage built in. The tonnage grant will cover another year and a half or two years. The Council can also consider building in additional money. Councilman Biale asked if the \$ 30 per ton fee fluctuates or is it locked in. Mr. Kunze responded that we are paying month to month for disposal. Councilman Talamini asked if there is any possibility of adding another day of recycling. Mr. Marcucilli responded that we can look at options with the next bid but they would have to send additional crews out and that would increase the cost.

Councilman Jensen commented that the compost line has been under budget but Mr. Marcucilli is still requesting the same amount. Mr. Marcucilli responded that the State requires sampling of the monitoring wells. The sampling requirements could change at any time. Also, there is no way to know how much grinding is needed. Right now, we get material trucked out for free. If that ends, we would need to pay to dispose of the material. Mr. Kunze asked if we did not need as much grinding this past year. Mr. Marcucilli responded that it is done twice-once early in the season and once late in the season. Councilman Kulmala questioned the monitoring wells at the compost facility. Mr. Marcucilli responded that the DEP has requirements to ensure there are no contaminants.

Mr. Marcucilli advised there is no increase in the stormwater budget. Councilman Biale asked if the catch basins are cleaned annually. Mr. Marcucilli responded that they are inspected annually and cleaned as needed. The inspection is visual. Mr. Kunze advised there is money in the budget for repairs instead of waiting for capital. Mr. Marcucilli advised that there is no increase in the snow removal budget. He thanked the firemen who help the Borough snow plow. They get paid a lower rate than the contractors the Borough used to hire and they use the Borough's equipment. The firemen are a tremendous asset. Councilman Kulmala asked how the fleet is doing. Mr. Marcucilli responded that the vehicles have come a long way in the last couple of years. The Department recently replaced three larger trucks. This year, Mr. Marcucilli is requesting replacement of a dump truck. He is also requesting two pickup trucks per year to get the fleet up to date.

Mr. Marcucilli advised there is an increase in the Buildings and Grounds Maintenance budget. There are increases in basic services and the Borough is also hiring another cleaning service at an increased cost. There is no increase in the Vehicle Maintenance budget.

WATER UTILITY:

Mr. Marcucilli advised there is an increase of \$ 10,000 in the Maintenance of Water System line item. He advised that the Borough is going to hire an outside vendor this year to do leak detections. This will be money well spent to ensure there are no leaks. Councilman Jensen asked if the Borough's pipes contain lead. Mr. Marcucilli responded that the pipes are cast iron, ductile iron or transite. Our fittings are slip fittings and we do not have lead joints. The water is neutral based and not corrosive. Councilman Kulmala asked if we are proactive in replacing mains. Mr. Marcucilli advised that he has looked at problem areas and have replaced mains in those areas such as Lehigh and Stone Fence Road. He advised that there is an application for a grant for a meter replacement program and to upgrade the water system. Councilman Visconti advised that for the past 8 or 9 years, the Water and Sewer Committee has been looking at capital projects and trying to keep the system in good running order. He advised that they are also being proactive in looking at water quality. Councilwoman Coira commented that the State had said a couple of years ago they might require fluoride to be added to the water. Mr. Marcucilli responded he has not heard anything about that requirement. Councilman Talamini questioned new meters. Mr. Marcucilli responded that we are looking to get a new system with grant money. Mr. Kunze advised the new system would give us real time consumption. The data would be sent daily to Borough Hall. Mr. Marcucilli advised it would show us any leaks. Councilman Visconti advised that water meters turn slower as they get older so new meters will help recoup lost water costs.

SEWER UTILITY:

Mr. Marcucilli advised there is no increase to this budget. Mr. Kunze advised that we were able to keep both utility budgets flat and keep rates flat.

CAPITAL:

Mr. Marcucilli is requesting a new 4x4 dump truck, two replacement pick-up trucks and a replacement utility truck. The utility truck will replace the wrecker and the 1992 mechanic's van. Mr. Marcucilli is requesting an asphalt recycling hot box. This will make paving operations more efficient. He is also requesting a Toro Workman utility cart. This is replacing a 1981 cart that is used to transport clay and mulch at the Recreation fields.

The Road Repair and Sidewalk Repair program are annual programs. Mr. Marcucilli advised that the entrance ramp to Borough Hall needs to be done this year. It has been patched for years but needs to be replaced this year. The Senior Center needs sprinkler system repairs. There have been problems with alarms and leaks so the system needs to be replaced. Mr. Kunze advised that the Borough had filed a Community Development Block Grant application for this project. We are not going to get the full allotment. We may look at this project again and prioritize costs for the Senior Center. Councilman Kulmala asked about a fire alarm in Borough Hall. Mr. Marcucilli advised that he needs to look at Borough Hall and the Police Department. Mr. Marcucilli advised he is requesting funding for storm sewer repairs.

Councilman Jensen asked how the punch list is going for the DPW building. Mr. Marcucilli advised that the punch list is down to a few items. However, the building is fully functional. Councilman Jensen asked if there will be an open house for the public to see the building. Mr. Marcucilli responded there will be once the punch list items are done. Councilman Biale asked why there are still items outstanding. Mr. Kunze advised that the company went bankrupt and the Borough had to call the bond. The bond company had to pay sub-contractors. Some of the subs did not want to come back to do the work. The bond company had to bring in a new company.

LIBRARY:

Library Director Peter Havel advised he made adjustments to full-time salaries and wages which brought the amount to \$ 411,500 which is lower than originally reflected in the budget documents. He explained that unused vacation is used to help fund retirement payouts.

Mr. Kunze explained that the Library budget is different than other Department budgets. The Library has a Board of Trustees and a separate funding structure. The Library budget shows costs for liability and health insurance and salaries and wages. The funds that are left after those costs are used to fund everything else the Library needs.

Mr. Havel explained the Library funding comes from the 1/3 MIL formula from the tax levy. Those funds must cover salary and wage costs for staff as well as pension and health benefits costs. It also covers liability insurance and utilities. After that, they are left with the general funds which are used to purchase supplies and run programs and cover costs of the cleaning service and professionals such as the auditor and attorney. He advised that the Library is requesting additional funding to help purchase more supplies such as movies and books. He explained it is difficult for Oakland to compete with Franklin Lakes and Wyckoff. Their budgets are \$ 1.5 million and \$ 1.9 million while Oakland's budget is \$ 766,000. The Library Board had decided to make certain changes in order to have more money to use to increase the Library collection. He explained that the Library is at its lowest level of staffing in a decade.

Mr. Havel explained that the Library pays \$ 30,000 to participate in BCCLS. This provides computer connectivity, software, and digital content. The BCCLS fee is worth it for what you get. The cleaning service costs \$ 10,000. Mr. Havel explained that the Library Board is committed to giving the public what it wants. Mayor Schwager questioned how much it would cost for the Library to open on Sundays. Mr. Havel responded it would cost \$ 13,000. He thinks

it would be a good idea but maybe not for this year. Councilwoman Coira asked if it is possible to share the services of the attorney and auditor. Mr. Havel responded that the Library uses the Borough attorney. However, the auditor they use is an expert in Library audits. Mr. Kunze advised that the Borough provides payroll services for the Library and the DPW provides services to the Library that are absorbed in the DPW budget. Mr. Havel commented that he cannot thank the DPW enough for what they do for the Library.

Councilman Jensen advised the public that the Library gets a percentage based on the average assessed value. That means Oakland's Library gets less than our neighbors in Franklin Lakes and Wyckoff. Mr. Havel advised the funds are down \$ 130,000 from 2008. Councilman Talamini questioned usage. Mr. Havel responded the number of people in the Library are on the rise. The Library is offering more programs. The circulation is about even. There is no correlation for people coming in for programs and then taking out books. Councilman Visconti explained that the Library is trying to get the message out that there is more to the Library than just books. He asked Mr. Havel if the Borough gives more than \$ 50,000, can the Library do a trial of opening on Sunday. Mr. Havel responded he can do a trial and report back to the Mayor and Council. Councilman Visconti advised that the Library Board has been working hard with less money and he thanked them.

OPENED FOR PUBLIC DISCUSSION:

On motion of Councilman Biale, seconded by Councilwoman Coira, this portion of the meeting be opened for public discussion.

ROLL CALL: All yeas, Councilmembers Biale, Coira, Jensen, Kulmala, Talamini, Visconti.

No comments.

CLOSED FOR PUBLIC DISCUSSION:

On motion of Councilman Jensen, seconded by Councilman Biale, this portion of the meeting be closed to public discussion.

ROLL CALL: All yeas, Councilmembers Biale, Coira, Jensen, Kulmala, Talamini, Visconti.

MEETING ADJOURNED:

On motion of Councilman Visconti, seconded by Councilman Jensen, the meeting be adjourned at 7:38 pm.

ROLL CALL: All yeas, Councilmembers Biale, Coira, Jensen, Kulmala, Talamini, Visconti.

Lisa M. Duncan, Borough Clerk
April 27, 2016

Mayor Linda H. Schwager

Date Approved