

BUDGET MEETING OF THE MAYOR AND COUNCIL
HELD AT THE
MUNICIPAL COURT /COUNCIL CHAMBERS
10 LAWLOR DRIVE, OAKLAND, NEW JERSEY
WEDNESDAY MAY 21, 2008

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

ROLL CALL: Mayor Szabo called the meeting to order and the Clerk called the roll. Present: Mayor Szabo, Councilmembers Di Pentima, Pignatelli, Stagg, Visconti. Absent: Councilmembers Burns, Marcalus. Also Present: Lisa M. Duncan, Borough Clerk; Richard Kunze, Borough Administrator.

SALUTE TO THE FLAG:

MOMENT OF SILENCE:

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

Mayor Szabo advised that the purpose of the meeting tonight is to discuss the budgets of the Fire Department, Police Department and DPW. It is primarily informational.

Councilman Burns entered at 6:04 pm. Councilwoman Marcalus entered at 6:05 pm.

Councilman Di Pentima advised that he has handed out a new worksheet created for more visibility of line items and expenditures.

FIRE DEPARTMENT:

Fire Chief Sondervan explained that the Fire Department consists of 62 volunteers. The equipment that they have includes five pumper trucks, a ladder truck, a rescue truck, a utility truck, two Assistant Chief's SUV's and the Fire Chief's SUV. Last year the Fire Department responded to 409 calls. Chief Sondervan advised that this year's budget request is less than last year's request. The clothing allowance line is increasing from last year. The maintenance budget line item is one of the largest. This year, the Fire Department has spent \$ 14,000 on maintenance already not including preventative maintenance. Councilman Di Pentima questioned why the equipment maintenance line was high last year. Chief Sondervan responded that the Fire Department felt it was a necessity to take over the maintenance of vehicles because the garage is short-handed. Councilman Di Pentima commented that the garage does not have the capability to lift the bigger Fire trucks. Chief Sondervan advised that last year, the repairs included \$ 12,000 for a transmission and \$ 3,000 for a fuel tank. The expenditures on the maintenance line last year totaled \$ 34,000. Some of the unanticipated repairs included repairs to first line pumpers at a cost of \$ 7,000, pump and chassis maintenance at a cost of \$ 9,000.

Councilman Di Pentima commented that the single biggest increase is in the clothing allowance line. An agreement was made to remove the Fire Department members from the health benefits in exchange for an increase in the clothing allowance. Councilman Burns commented that a lot of the maintenance on the Fire Department vehicles cannot be done by the Borough. Chief Sondervan advised that the apparatus maintenance gets outsourced. The Fire Department does the scheduling of the maintenance. Councilman Burns commented that the Fire Department has

taken over the administration of the maintenance not the actual work. He questioned what the savings is the Borough if outsourcing the maintenance. Chief Sondervan responded the Borough is saving labor costs for the DPW garage.

Councilman Burns questioned the clothing allowance line and asked how much is for actual clothing allowance. Chief Sondervan advised that in the past, the clothing allowance was given to everyone. Now it is given by percentages and is pro-rated based on the number of calls and drills. Councilman Burns asked if the qualifications are the same as LOSAP and asked how many qualify for the full clothing allowance. Chief Sondervan responded the requirements were the same and close to 60 members qualify for the full clothing allowance.

Councilwoman Marcalus questioned if the Fire Department funds the budget with donations they receive. Chief Sondervan responded that the donation money received is used to renovate fire houses. Those funds are the Fire Association funds. Councilwoman Marcalus commented it would be a good idea to educate the residents about what those funds are used for. Councilman Di Pentima commented that the Fire Association is a non-profit organization so they must file forms with the IRS and State.

Councilman Pignatelli questioned if the security alarms and smoke detectors are being done this year. Chief Sondervan responded that the security alarms were included in the 2008 capital budget request and the smoke detectors were already done.

Discussion turned to capital requests. Chief Sondervan advised that the total 2008 capital request is \$ 128,367.60. Of that amount, \$ 54,459 is being requested for buildings and grounds work. The Fire Department took over the maintenance of buildings and grounds because they want to ensure that the fire departments are up to date with maintenance. Chief Sondervan advised that a fire alarm system was installed in 2007. In 2008, the Department would like to install a security system. He advised that they wish to purchase metal gear racks to replace racks that are rotting. The floors are in bad shape but they are willing to do one floor this year and one next year. The turnout gear is now being purchased on a need basis. Turnout gear includes helmet, jacket, boots, hood and gloves. The Scott air packs have expiration dates. Chief Sondervan found a company who refurbishes the packs which provides savings. Councilman Pignatelli questioned if firemen are required to get a physical before wearing the Scott pack. Chief Sondervan advised that OSHA requires testing but fire department members can go for free full physicals. Councilman Pignatelli is concerned that we know medical conditions of fire department personnel. Chief Sondervan requests a Doctor's note each year.

Chief Sondervan advised that for the past four or five years, the Department has been replacing the portable radios. That project is almost complete. Chief Sondervan would like to purchase a thermal image camera. He advised that the Fire Department received three cameras as part of a State grant program. The cameras are now eight years old and are having problems. This item is really important to firefighter safety. Councilman Pignatelli commented it is a good idea to replace those cameras because they are vital to safety. He asked if the Fire Department could look for surplus equipment from the military. Councilman Di Pentima questioned if Chief Sondervan has looked into the helmet with the built-in thermal imaging camera. Chief Sondervan explained that the technology has not been perfected yet. Councilman Burns questioned if turnout gear is only purchased for new members. Chief Sondervan responded that there is replacement gear purchased as well. He advised that there may be a mandatory replacement requirement imposed. Councilman Burns commented if the cameras last eight years, maybe it would be better to get a camera every two years. Then there could be a maintenance and replacement scheme set up. Councilman Burns questioned the status of the new sirens. Chief

Sondervan advised that the siren replacement project is being handled by OEM coordinator Roy Bauberger. Councilman Burns commented he doesn't know why the Fire Department does not have a more active role. He frequently gets requests from residents for the status of the sirens. Chief Sondervan advised that the Borough is federally mandated to have sirens. The Fire Department has tried to limit the times for testing and setting off the alarms. He advised that the alarms are not set off after 7 pm unless a structure fire is involved.

Councilman Di Pentima commented that truck replacement is included for 2009 capital. He advised that because of the 4% cap levy, there is no room in the budget to put money away for a fire truck. Councilman Di Pentima advised because of the 4% cap levy, the Borough is going to struggle on how to plan for future events. However, there is a need to talk about the truck now because there is such a great lead time. Chief Sondervan advised that the next truck due to be replaced was the one recently in an accident. The truck has been repaired and is almost back in service. The truck was supposed to be replaced in 2005 but the Department held off on the purchase of a new truck. The Fire Department can hold off another year to purchase a new truck if necessary. Councilman Di Pentima commented that the request in the capital budget for 2009 for a truck was \$ 600,000. He asked if this was a feasible number. Chief Sondervan advised the last truck purchased in 2002 cost \$ 480,000 fully equipped. He believes the \$ 600,000 is a reasonable number. Councilman Burns commented that next year's request is to purchase two vehicles. He asked for a breakdown on cost. Chief Sondervan responded the Department is replacing two old trucks with one new truck. However, he would like to keep the Mack pumper as a reserve piece of equipment. Councilman Burns commented he doesn't want to replace a lot of vehicles in one year. He commented that a truck for 2009 cannot be ordered in 2009 because it takes so much time to build. He questioned when the specifications are going to be prepared. He asked if Chief Sondervan needs money this year for that purchase. Chief Sondervan responded it won't cost money to spec out the truck. Councilman Di Pentima questioned if there is a time limit. Chief Sondervan advised that it takes almost one year from the time specifications are completed. Councilman Burns wanted confirmation that the Fire Department won't need money until next year. Chief Sondervan advised if the Department gets a commitment from the Mayor and Council, he would work on the specifications. Councilman Burns responded that Chief Sondervan could work on the specifications but this Council cannot commit for next year's Council. Councilman Di Pentima advised Chief Sondervan that the Borough cannot adopt the budget until the State finalizes the State Aid numbers.

POLICE DEPARTMENT:

Police Chief Kasper advised that the Police Department has 27 sworn officers including one officer in the Academy and Officer Madonna who is anticipating retirement this year. Councilman Burns asked if the Chief was looking to replace Officer Madonna. Chief Kasper responded he is looking for personnel to better serve the community.

Chief Kasper advised that the Police Department responded to over 6,000 calls last year. The summonses increased to 2,594 which was a 40% increase over 2006. The Police Department made 165 arrests last year which was a 35% increase over 2006. Chief Kasper anticipates the numbers increasing in 2008. Chief Kasper advised he has found some ways to save money. Last year the Police Department bought the oxygen equipment instead of renting as had been done in the past. The First Aid Squad is filling the oxygen tanks. Chief Kasper has been purchasing a different brand of police cars that are less expensive to buy, are more fuel economic and have a better warranty so the Borough should save on maintenance costs. The Police Department is trying to save money as best it can.

Councilman Di Pentima advised that the request for operating expenses, \$ 165,350, is less than last year. The clothing allowance line is down from last year. Chief Kasper advised that last year's budget included clothing for three new hires. This year, the request is for one new hire. The remainder of the clothing allowance is contractual. He advised there is a token amount in the line for replacement of damaged uniforms. Councilman Di Pentima questioned if the two new vehicles that were purchased this year came in yet. Chief Kasper responded they would arrive in June. Discussion ensued over the equipment maintenance line item. Chief Kasper advised there are certain mandated costs such as the contract with the Bergen County Prosecutor's office which provides access to the Bergen County Police Office network. He advised that there are maintenance contracts on the telecommunications recorder and computer software. He also advised there are costs related to the MDT system such as the internet service for the five MDT units and the software license for the five MDT units and the front desk unit. Chief Kasper advised that there is a monthly charge from Cablevision for internet service for the Police Building. Chief Kasper is working with Verizon to get free internet service for the Department. Councilwoman Marcalus advised that we need to get a handle on cable issues for the entire Borough. Mr. Kunze responded that he has sent a technology survey to employees to get an idea on what equipment the Borough currently has and what equipment is needed. Councilman Di Pentima spoke to the Communications Commission about standardizing Borough email. Chief Kasper advised he is looking at a different computer system. He may need an additional server. Councilman Burns questioned why the department needs email. Chief Kasper responded that a lot of the resources and information is now sent via email. Councilman Di Pentima commented that the Borough needs a network. Chief Kasper advised there are issues where the Police Department cannot be networked with anyone else. Chief Kasper advised that the internet from Verizon for the MDT system used to be free but now the Department must pay for the service.

Councilman Visconti questioned the motor vehicle reimbursement. Chief Kasper advised that the State pays the Borough to provide the service at the Motor Vehicle office. Councilman Di Pentima questioned if the Chief built in overtime costs for dispatchers. Chief Kasper advised in the past, the cost got absorbed through the officers' overtime. Since a grievance filed several years ago, the procedure if a dispatcher is out is to call in an off-duty dispatcher to work. If there is no off-duty dispatcher to work, a per-diem dispatcher is called. If there is no per-diem available, an off-duty officer is used.

Councilman Burns questioned why there was such a large percentage of increase in salaries and wages. Chief Kasper responded that most of the figures put in salary and wages were done by the CFO and Administrator. Councilman Di Pentima responded that Mr. Kunze put together detailed salary information. Part of the increase was due to retirement payments to former Chief O'Connor and to Captain Haemmerle. A vast majority of the increase relates to the contract. He advised that the civilian portion of the budget includes money for overtime hours for dispatchers as well as salary for a part-time dispatcher.

Discussion ensued over capital requests. Chief Kasper advised that when he put in the request for an automated fingerprint system, he was under the impression it could be used for all fingerprinting. However, the State has advised that the machine can only be used for criminal fingerprinting. Chief Kasper advised that responses come back in hours with the automated machine instead of weeks or a month. He advised that the Department could do without it now if it needs to be cut from the capital budget. However, he commented that an automated machine will probably be mandated within five years. Councilman Di Pentima asked about background checks for Recreation. Chief Kasper advised the Recreation Commission put the background checks on hold for now. All volunteer fingerprinting must be done through an outside firm. The

question is how to pay for these background checks. They must be paid by credit card or money order. Chief Kasper did advise it is cheaper to use the outside firm than to use the State police. He did remind the Council that we no longer have the Kanka foundation funds to offset the cost of background checks.

Chief Kasper commented that he requested a bar code reader. The Police Department can function at this time without the bar code reader but will need it in the future. Chief Kasper advised that the Traffic Officer is requesting to replace two stalker radar units and is requesting purchase of an enclosed utility trailer to transport safety equipment. Mr. Kunze asked if the Chief could get a trailer from State surplus. Chief Kasper responded that he didn't see one. Councilman Burns questioned the total number of radar units to be purchased. Councilman Di Pentima commented that the supporting documentation requests a total of 10 units over the next five years. Councilman Burns questioned how many units the Department has now. Chief Kasper responded there are eight units but some are starting to fail. The units that would be purchased are state of the art and have a three-year warranty. Chief Kasper commented he does not know the life expectancy. Councilman Burns commented the Department could purchase two radar units every other year. Chief Kasper responded that if he buys two units every year, he will be replacing units beyond the life expectancy if the expectancy is eight years. Councilman Burns commented that while it is better to buy units over several years, if all are on the verge of failing, it would be reasonable holding off in order to replace them all. Chief Kasper responded he is not going to request that many units at one time because it is a financial issue. Councilman Burns asked if we have that many units in use at one time. Chief Kasper explained there are units in each of the five primary cars. There are spare vehicles that should be equipped as well. Councilman Burns commented that if there were hand-held units, they could be moved from car to car. Chief Kasper responded that the hand-held units are not as effective as the mounted units. Councilman Burns questioned if we need a total of ten units. Councilman Di Pentima commented that if the Council can agree on the purchase for this year, it can worry about future years in the future. Mr. Kunze suggested that the Chief provide a current inventory including age of units.

DEPARTMENT OF PUBLIC WORKS:

Assistant Superintendent Anthony Marcucilli discussed the Garbage and Recycling Budget. He explained that lines 078 and 081 cover the collection of garbage and recycling. Line 079 is costs for the compost facility located on Skyline Drive. Line 082 covers tipping fees. Mr. Marcucilli advised that the Borough averages 6200 tons per year at a current cost of \$ 79 per ton. The Borough does not have a set rate or contract for tipping fees. He advised that the increase in that line item is for garbage removal for a flood event. Councilman Di Pentima advised that the increase in the budget this year is due to the fact that the salary for the employee who is the recycling coordinator is now going to be charged to the garbage and recycling budget. Councilman Di Pentima asked if that employee is eligible for overtime while working in that capacity. Mr. Marcucilli responded that the employee works overtime in certain situations. For instance, when the tub grinder is rented, it is for a short period so overtime may be necessary to complete the work that needs to be done. Councilman Di Pentima questioned if the garbage and recycling contract is up for renewal this year. Mr. Marcucilli responded the contract expires on March 31, 2009. Councilman Burns commented he does not want to wait too long to go out to bid for this contract. He asked if we use the same vendor for garbage and recycling and was told we do. Councilwoman Marcalus questioned if we anticipate the State shutting down the landfill. Mr. Marcucilli responded that the State has issued permits for that site and the State performs inspections. He does not anticipate any problems with the compost facility.

Councilman Pignatelli left the meeting at 7:56 pm.

Discussion turned to the Building and Grounds budget. Councilman Di Pentima advised there is a slight increase of 2 ½% to this budget. Mr. Marcucilli advised that in 2000, it was discovered that there was a water meter at the Recreation field that had not been read. There was a \$ 150,000 bill. The payments were spread over five years to pay the bill. Mr. Marcucilli advised that the bill is paid but he would request that same money amount be left in the Buildings and Grounds budget to be added to park and lawn maintenance which is money used to care for the Recreation fields. Mr. Marcucilli feels the additional amount would cover what was spent on the Recreation fields in 2007. Councilman Burns questioned if the DPW has control over sprinkler usage at the Recreation fields. Mr. Marcucilli responded the sprinklers are equipped with timers. The DPW can control the timers. Councilman Burns commented that the Borough has to pay for its own water usage. He questioned if the DPW is monitoring how much water is being used on the Recreation fields. Mr. Marcucilli responded he is monitoring sprinkler usage. The new systems have rain sensor. He advised a big use for Recreation water is the summer camp.

Councilman Di Pentima turned the discussion to the repairs and maintenance line. He asked if there is anything that can be done to control costs. Mr. Marcucilli responded he can't give an accurate figure on expenses because it depends if the equipment holds up or not. He advised that one area that he has cut expenses on is fertilizer usage. Councilwoman Marcalus questioned if parents have asked about fertilizer on the ball fields. Mr. Marcucilli responded the areas that have been fertilized are flagged and they are always done first thing in the morning and watered. He advised that the fields need the grass to stop soil from compacting. He commented that we don't have the luxury of resting the fields. Councilwoman Stagg advised that the type of fertilizers will change. Mr. Kunze responded that there are phosphorous free fertilizers. He commented that fertilizer does have a measurable affect on the quality of fields.

Councilman Burns asked about the situation where a vendor has submitted old bills for payment and questioned if money was included in the budget to pay these old bills. Councilman Di Pentima responded that the Council has not decided what to do with those bills. If those bills are to be paid, the money will have to be taken from somewhere else in the budget. Councilman Burns commented that these invoices were from before the Borough had the new financial system when we didn't require a Purchase Order. He believes some accommodation should be made for the vendor.

Discussion turned to the Streets and Roads budget. Councilman Di Pentima commented that purchased services are up \$ 16,000. Mr. Marcucilli explained that the Borough does not do its own street sweeping. Due to stormwater requirements, there has been an increase in the street sweeping contract. Mr. Marcucilli also advised that two additional snowplowing contractors have been added because two employees resigned and were not replaced. Councilman Di Pentima questioned if anything could be done to cut the maintenance line. Mr. Marcucilli advised that since the diesel mechanic resigned, some of the larger equipment now needs to be sent out for repairs. Currently, one of the dump trucks is in for repair of the transmission which could cost between \$ 5,000 and \$ 15,000 for repairs. Another dump truck needs a \$ 5,000 repair for head gasket. The large trucks need to be sent out for tire replacements because they have split rims. Councilwoman Marcalus questioned if Mr. Marcucilli solicits quotations on-line. He responded he does for parts and materials.

Councilman Di Pentima commented there has been an increase in the tire line. Mr. Marcucilli advised that the backhoe tires need to be replaced and they cost \$ 1,200. Those tires are only replaced every five years. The garage now needs to stock 15", 16", and 17" rims with tires for

the police cars. The police cars average 45 to 50 tires per year. The police cars cannot ride on plugged tires.

Councilman Di Pentima commented that Mr. Kunze and Mr. Marcucilli went through the salaries. They have decided to move the recycling coordinator salary to the garbage and recycling budget. Councilman Burns questioned if the budget includes anticipated promotions. Mr. Marcucilli responded yes. However, Mr. Kunze advised that is not included in the numbers the Council has. Councilman Di Pentima asked for justifications for the promotions.

Mayor Szabo left the meeting at 8:19 pm.

Discussion turned to the Capital budget. Mr. Marcucilli responded that he requested a 61" mower to replace a 1994 mower which has deck rot and is too pricey to maintain. However, Mr. Marcucilli would like to keep the old mower for a spare. Mr. Marcucilli would like to keep up with the annual road program and has requested that for this year's capital budget. Councilman Burns questioned if the amount requested is for road and sidewalk. Mr. Marcucilli responded it is only for road and that there is a separate ordinance for sidewalk. For Buildings and Grounds, Mr. Marcucilli requested money for the DPW building renovation as well as money for renovations in the Police Department. However, Mr. Marcucilli believes there is money left in another ordinance for Police renovations.

The request for the Water Capital budget is for a backup for Well 8 and the Long Hill Road water main. Councilwoman Stagg advised that if Pinnacle is approved, we have to put money in for a pumping station and water tank. Councilman Di Pentima responded we can do an emergency appropriation. Mr. Marcucilli commented that in the last two years, the Borough has refurbished two water tanks. He advised there are many issues with the infrastructure. Councilman Di Pentima questioned the backup for Well 8. Councilwoman Stagg responded that a separate well must be drilled. It must then be connected to the rest of the infrastructure. She commented that the water at the north end of town is the best. She advised that eventually, the Borough will get rid of Wells 4 and 5. Discussion ensued. Mr. Marcucilli advised that the Borough is currently not using Well 4. The functioning Wells are 5 through 10. He commented that Well 8 is the best and this would be a backup for that well.

Councilman Di Pentima commented that the Borough spent a lot of money on electricity for the Water department. Mr. Marcucilli responded it depends on what equipment is running. The system has grown with the addition of Ramapo River Reserve. The tanks are monitored electronically. Councilman Burns commented that the rates have gone up. Councilman Di Pentima responded that other departments did not experience as much increase as the Water department. Councilman Burns asked if there have been an unusual number of water main breaks where the Borough has been pumping more water. Mr. Marcucilli responded that the number is in line with the average amount per year. Mr. Marcucilli advised there was a Sewer force main leak on Tuscarora. He estimated the incident cost the Borough \$ 12,648. That is an unanticipated expense. Councilman Di Pentima questioned if the 2008 budget numbers need to be changed to account for this. Mr. Marcucilli responded it needed to be adjusted for overtime costs.

Councilman Visconti advised he asked Mr. Marcucilli to put together an inventory of Borough buildings. He commented we have to look forward and have a more concise program for building repair and maintenance like with the road program. Councilman Di Pentima commented he is not opposed to putting money in the capital budget for building projects. Councilman Di Pentima explained that the new cap law forces municipalities to put more into

capital budgets. He commented that the infrastructure needs to be worked on. Councilman Visconti advised he would like a facility study done professionally by an architect and engineer. He advised that he would like to put money aside for this next year. Mr. Marcucilli advised that the Borough right now only does repairs. Councilman Burns commented that the Borough is reactive rather than proactive.

OPENED FOR PUBLIC DISCUSSION:

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

ROLL CALL: All yeas, Councilmembers Burns, Di Pentima, Marcalus, Stagg, Visconti.

No comments made.

CLOSED FOR PUBLIC DISCUSSION:

On motion of Councilwoman Stagg, seconded by Councilman Visconti, this portion of the meeting be closed to public discussion.

ROLL CALL: All yeas, Councilmembers Burns, Di Pentima, Marcalus, Stagg, Visconti.

Councilman Di Pentima advised the Council that he has crafted a plan to mitigate a portion of the money for the BAN issue. The \$ 3.8 million was derived from five capital ordinances. Those ordinances were an authorization to spend money. As of December 31, 2007, \$ 2.4 million was the actual amount spent. Councilman Di Pentima asked auditor Frank DiMaria if the Borough could cancel any projects not done under the old ordinance and close out any unspent balances. The Council could reappropriate any projects that still need to be done under a new ordinance. Councilman Di Pentima will work with Mr. Kunze to detail the old ordinances and determine what can be cancelled. If we cancel the money in old ordinances, use proceeds from sale of property and use some money built into the budget, this can significantly reduce the amount that needs to be raised from taxes. Councilman Burns questioned if the \$ 1.4 million that would be cancelled would be used toward the \$ 3.8 million. Councilman Di Pentima explained that the \$ 3.8 million assumes we spent the entire amount on capital projects. The Borough has created a credit line of \$ 3.8 million but has only spent \$ 2.4 million of that. If we cancel the \$ 1.4 million, then we only have to deal with raising the \$ 2.4 million. Councilman Burns commented he thought we could not bond if we didn't do the project. Councilman Di Pentima advised that we did not bond the projects, we did short-term financing with the Bond Anticipation Notes. At some point, we would have bonded for these projects. However, we would only have bonded for the amount that was spent. Councilman Di Pentima advised that we have to replenish cash in the capital reserve. Mr. Kunze commented he will look at the old improvement authorizations.

MEETING ADJOURNED:

On motion of Councilwoman Stagg, seconded by Councilman Marcalus, the meeting be adjourned at 8:53 pm.

ROLL CALL: All yeas, Councilmembers Burns, Di Pentima, Marcalus, Stagg, Visconti.

Lisa M. Duncan, Borough Clerk

Mayor John P. Szabo, Jr.

Date Approved: June 11, 2008