

FLORENCE TOWNSHIP COUNCIL EXECUTIVE SESSION

April 14, 2010

8:10 PM

CALL TO ORDER & FLAG SALUTE

Council President O'Hara called the meeting to order and led the Salute to the Flag.

SUNSHINE STATEMENT

The Opening Statement was read: Notice of this meeting has been given in accordance with the Open Public Meetings Act. Notice was published in the Burlington County Times on January 10, 2010; given to the Register News for information; posted on the municipal bulletin board.

ROLL CALL

Present: Frank Baldorossi, Jerry Sandusky, David Woolston, Dennis O'Hara

Also Present: Mayor William Berry; Richard A. Brook, Township Administrator; Thomas Sahol, Assistant Municipal Administrator; William John Kearns, Jr., Township Solicitor; Joy M. Weiler, Township Clerk

Council President O'Hara announced that Council Member Ryan was away on business for his full time job.

PUBLIC COMMENT

Mitchell Sullivan, 5 Acorn Court, asked if there has been discussion regarding sending police dispatch to a central dispatch? Council President O'Hara stated that there has been some discussion on that. Mr. Sullivan asked if the public had any input on the decision? Mr. Sullivan would like to oppose dispatch going to central dispatch and believes it should be put before the public before a decision, which affects the whole community, is made.

Administrator Brook noted that by reading the newspapers, Mr. Sullivan knows what is happening throughout communities. Most members of the public do not really understand, because they do not live it everyday, the magnitude of what is happening in the State of New Jersey and what the state is forcing municipalities to do, which is why so many dispatching services are going to the county.

Administrator Brook stated that there will be a Resolution on the Agenda next week. Everyone has very heavy hearts. The township is in a tremendous financial bind. He explained that the State of New Jersey has created a tax cap levy, which states you can only raise so much money by taxation. The state advises the public that the issue is not a revenue problem, it is a spending problem on the part of the townships but fails to advise the public on the tax cap levy; municipalities can only raise taxes by a certain amount of money. Administrator Brook explained that with the drop in the revenue that has occurred over the past year or two (2), the drop in the surplus and this tax cap levy townships have no way to continue operating.

Administrator Brook said it was very difficult but if it is not dispatchers, it's how many police officers, if its not how many officers, its how many in public works, how many in water & sewer. Right now the township is down five (5) employees: two (2) in water and sewer, one (1) in public works, one (1) in court. All are positions not being filled and one (1) police officer that is not being replaced. Administrator Brook offered for Mr. Sullivan, or any resident, to come in and review the

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budget. He stated that it is striking for a homeowner to see exactly what it is happening throughout the state.

He stated that the state says that they want municipalities to consolidate services; the state created this tax cap levy within the last two (2) years to force municipalities to lay off employees because there is no other choice. If municipalities do not have the surplus and they do not have the revenue coming in because building time is slow, there is now this tax cap levy, which penalizes municipalities that have kept their local purpose tax low and have not raised it for years, like Florence Township.

Florence Township's tax rate has stayed very stable for the past 10 – 12 years. Now the township does not have the revenue and the state creates this tax cap levy that says municipalities can only go 4% above what was raised last year. In Florence Township's case, the state is requiring the township to reduce the levy, the amount of taxes that are collected. Therefore, there are no options because there is no cash. Administrator Brook stated that he has never seen layoffs in the public sector like this and has been in this business for 25 years. This is as painful as it gets because every person is not a number, every person is an individual with a family and a mortgage. However, the state is pushing municipalities and school districts to layoff, through the tax cap levy, which strangles municipalities.

Administrator Brook affirmed that there are no options. The township is already down five (5) employees, now the township in all likelihood will be down even more and they still have to be extremely worried about next year. In the newspapers, there are so many municipalities that are laying off police officers and other employees.

When Florence Township switched to privatized trash it did it through attrition not through layoffs. If Florence Township really wanted to go to Central Communications with dispatchers, we would have done it five or six years ago when the opportunity was there. The township is now at a point where there are no financial options.

Administrator Brook stated that this is gut wrenching for anyone that cares about people and offered to show the numbers to anybody that wants to see them. This is why so many municipalities are laying off and they are going after the highest salaries, the police officers. Administrator Brook stated that Florence Township has cut out the summer help as well as the Patriotic Celebration. He explained that the township is bidding the purchase of electricity in May to see if 5% or 10% can be saved. There are just no options when you see this tax cap levy and how strangling it is; taxes cannot even be raised to save jobs. There are two (2) choices; go for a referendum to the public or go to the state and asked for a cap waiver. The state has made it known that they will not approve cap waivers. The state wants to know how many people the township is laying off. The state asks like the employees are numbers, which Administrator Brook disagrees with; employees are human beings that are working for a living. Administrator Brook stated that it is agonizing and wishes he could come up with another alternative but there is none. Even this does not solve the financial problem.

Administrator Brook explained that moving police dispatch to Central Communication will cause some service disruption for a short period of time but the township will be able to adapt, but it is very sad. There is much more to it than meets the eyes. Administrator Brook stated that the bottom line is that every town that is laying someone off is laying off a person with a mortgage and a

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family. Administrator Brook stated that the township's budget is not done. All non-union salaries are frozen at last years rate. The township has approached all three (3) unions and asked them to open up their contract, which legally they do not have to do, but all three (3) unions have expressed a willingness to work with the township to close the gap on the difference. The only other choice will be additional layoffs and furlough days, which the township is trying to avoid. Administrator Brook stated that they have frozen or reduced everything and anything possible, but there is still a gap. One of the issues is the tax cap levy.

Administrator Brook reiterated his offer to show and review the budget with anyone that wants to see it. Administrator Brook noted that he saved a paper clipping from last week where a representative of the state said that the problem is municipalities are over spending. He stated that Florence Township is spending \$1.2 less then last year and the township still has a problem. Nothing is worse to him and the Mayor and Council then laying off dispatchers. There is simply no other choice and it does not mean that next year will be better. He is asking the unions for their help but had to tell them that he cannot guarantee what next year will bring. Administrator Brook explained that the state took \$350,000 in aid away from Florence Township; aid the township used to collect, in addition the state says that they are giving the municipality "tools" to make that up. Administrator Brook stressed that there are no "tools" yet; if there were tools the township would use them. The state wants to know from municipalities how many people are you laying off, which he knows from attending the seminars. Administrator Brook apologized and stated that there are just no options. There was \$1.4 million in surplus, they are using \$1 million and in all likelihood they will be using \$1.2 million or more. Now the township has to worry about next year; he is trying to work to be sure that next year is not as bad or worse than this year.

Administrator Brook explained that the storms in February and March hurt the township; that money has already been paid out but the township may get some reimbursement back from FEMA. Administrator Brook stated that the township may have to hire one (1) person to cover the police department window; history tells that most towns have to hire someone. He stated that if he could do more by attrition, he would. One suggestion was to talk to the older workers and ask them to leave. Administrator Brook is not doing that; he is not a big believer in that type of philosophy. A lot of times the older workers are the superb workers and they have a right to earn a living. Administrator Brook has spent countless hours trying and has not reached a point to close the full gap; he is still working on it.

Council President O'Hara assured Mr. Sullivan that Mayor and Council have wrestled with this; it was not an easy decision. Mayor and Council acted in unity and hates to see anyone lose their job. Mayor and Council believe going to Central Communication the service will be there even though there will be a temporary transition period.

Mayor Berry stated that ultimately the responsibility of the budget is his. He is the elected official and he is the one to be held accountable. Mayor Berry met with the county, along with Administrator Brook and the Chief of Police, and came back and made a recommendation to Council, based on that meeting. He has wrestled with this decision and has laid awake many nights. It seems to be the area where the township would be the least impacted. After meeting with the county, they assured him that the transition would be fairly painless and almost seamless; when residents call in they will not know if they are talking directly to the township or to the county. The timing of calls will not change. Mayor Berry understands Mr. Sullivan's concerns. He feels that if the township were to lay off police officers it would impact the public safety tremendously; laying

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off in public works would impact what is done in the community to make it what it is today, such as storm water management, keeping the streets clean, picking up leaves and all of the other things. There will be no summer help hires this year. They have spent many nights trying to be creative in trying to bring the budget together. This pains Mayor Berry more than any decision he has had to make publicly and he served on the Florence Township School Board for nine (9) years before becoming Mayor.

Mr. Sullivan asked if there were figures on the true savings? Administrator Brook stated that the overall savings will be approximately \$250,000 or more, which will help next year's budget. What the public does not hear is that by laying off it is less money getting paid into the pension system and less money getting paid into the health benefit system through the state. It also means that the township will have to absorb unemployment for a period of time. There is a significant savings upfront but the township will not see the savings until 2011; not this year because when employees are laid off the reality is that they do get paid for unused sick time and vacation time in accordance with their contract. They are entitled to health benefits for thirty (30) days from the date that they are laid off. There will not be a significant savings this year. If they wait until next year, the problem is next year could be potentially worse. There is no way to know if the governor will take even more money away from municipalities. Administrator Brook reiterated that there are no tools, like the state says, which he will say in front of anybody, even the governor. The state is taking \$350,000 from Florence Township, increasing the pension and health benefit payments. He explained effective the end of May all non-union employees will start paying 1.5% of their salaries into it, which Administrator Brook agrees with. With the unions, the township is asking for everything and anything they can do to help the township by opening up their contract. The township asked with compassion and the union agreed to do anything possible.

Administrator Brook does not want to lay off more people or go to a four (4) day workweek as some towns are doing; he is really trying for it not to get to that point. He is hoping going to Central Communications is the only thing the township needs to do, in addition to all of the other cuts. The township is looking everywhere and anywhere they can to save money but still maintain the services to the public.

Mayor Berry noted that the county has been dispatching for Florence Township's Fire Department and ambulance for several years, so they are familiar with Florence Township. He stated that this is what the state wants municipalities to do; they want municipalities to share services and explore creative ways of saving the taxpayers money without reducing services.

Mr. Sullivan expressed his appreciation for their time this evening and will take Administrator Brook up on his offer of reviewing the budget. Administrator Brook stated that he would be happy to meet with Mr. Sullivan.

Administrator Brook explained the Reserve for Uncollected Taxes. Municipalities are required by law to collect the taxes for the school district, fire district, the county and the library and pay those entities whatever their levy is, even if the township does not collect that money. The township has to set aside money for uncollected taxes and this year it goes up a minimum of \$76,000 so far. If the township does not collect the money, the township has to go out to borrow it.

Mr. Sullivan will call Administrator Brook to set up an appointment.

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Don Kamienski, 10 McCay Drive, stated that he attended this evening's meeting in order to follow up on an email he sent to Assistant Administrator Sahol regarding the circle where Oak Street, E. Fifth Street, Grove Street intersect. There are five (5) roads going into the circle and there are no stop signs. Assistant Administrator Sahol brought this up to the Chief of Police and Chief Fazekas recommends yield signs be placed on E. Fifth Street and Oak Street. There was no mention in the recommendation about Grove Street. Mr. Kamienski offered to meet with Assistant Administrator Sahol at the circle to review Chief Fazekas's recommendation. Chief Fazekas, who was also present at the meeting, explained that the Traffic Safety Sergeant reviewed the law and recommends yield signs. Chief Fazekas will meet with Mr. Kamienski on site along with the Traffic Safety Sergeant.

Mr. Kamienski stated that eleven (11) volunteers met with him last Saturday at the Roebling Park and collected a large bag of trash and a large bag of recyclables. He has an additional two more volunteers since last Saturday. Mayor and Council thanked Mr. Kamienski and those volunteers working with him.

Joseph Csik, 45 E. Fifth Street, discussed union and non-union salaries. Administrator Brook explained that all non-union salaries were frozen at last year's rate as soon as it was clear that there were going to be budget problems. He explained that he has to continue paying all of the contractual employees at the raise they are entitled to as of January 1, 2010. If he did not pay by the contract, the township would be charged with an unfair labor practice, go to arbitration and lose. The only thing the township would be paying is legal fees.

Administrator Brook stated that the township did the right thing; they sat down with the union and explained that there is a crisis and asked for their help. The township is asking that the unions open the contract to help avoid more layoffs, furlough days or going to a four (4) day workweek. Administrator Brook is asking the unions to freeze their salaries and to look into their contracts and work together for a common cause in trying to close the gap. All three (3) unions have agreed to do that. Administrator Brook showed the unions the budget and is waiting for them to report back to him. In response to Mr. Csik's question, Administrator Brook stated that the township went right to the non-union personnel first. He stated that effective May 21, 2010, all non-union personnel will pay 1.5% of their salaries towards their health benefits. The township then went to the unions asking for help to close the gap in the budget. Union employee salaries have not been touched.

Council President O'Hara and Mayor Berry explained that the school board budget is a totally separate budget. The school board prepares that budget and it is presented to the voters at the school board election. The Mayor and Council are responsible for the municipal budget.

Richard Lotter, 3 Walnut Court, stated that Administrator Brook has given a good explanation and appreciates his compassion and work on the budget.

In response to the discussion last week regarding the water tower on Florence-Columbus Road, Mr. Lotter did some research and was told that the water tower is not in the best location. Administrator Brook explained that the township tried to put the water tower on the other side of the NJ Turnpike but there was opposition to where the township wanted to place it. The township had to have a second water tower and had to reach a compromise. That is why the water tower is where it is located.

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Mr. Lotter discussed the recreation programs and how much they pay back to the township for the use of the fields and the lighting. He asked if it covered the expenditure? Administrator Brook will have Assistant Administrator Sahol address that question but noted that there will be cuts to all of the recreation groups this year and that all of the fees will be reviewed. Assistant Administrator Sahol explained that the recreation organizations serve the township; the township does not serve the organizations. They are actually providing a service for the children. The township provides the organizations with funding so they can provide the recreation opportunity for the children; the organizations do not pay the municipality back. Mr. Lotter stated that his issue is that the taxpayers pay for the ball fields at the high school and the township; he believes the taxpayers are paying double but do not have a say. Mayor Berry explained that a majority of the recreation programs are for 8th grade down; they are not high school age. The township is providing recreation for the children that do not have the opportunity because they are not in high school. Assistant Administrator Sahol explained that the municipality does not fund high school sports; the municipality only has recreation, which is completely outside of the school. Assistant Administrator Sahol explained that the recreation organizations have been cut substantially. All of the organizations have agreed to do much more fund raising so they do not have to offer fewer services to the children. Recreation is an outlet to have children involved in an activity and keep them off the streets.

Mr. Lotter questioned the need for a water and sewer employee to work overtime every Saturday and Sunday? Administrator Brook stated that the water and sewer department has an employee scheduled on the weekends as part of the employee's workweek and is paid straight time.

Council President O'Hara noted that the lights on the recreation field were on at 7:00PM this evening. He stated that it is staying lighter later and asked Assistant Administrator Sahol who was in control of the lights on the recreation fields? Assistant Administrator Sahol agreed that the lights are being turned on too early and will speak to the league official. Mr. Lotter has seen where the lights are on after the teams have left the field. Council President O'Hara stated that will also be addressed.

All residents having an opportunity to be heard, MOTION by Sandusky; seconded by Baldorossi to close the public portion of the meeting. All ayes - motion carried.

ASSISTANT MUNICIPAL ADMINISTRATOR

Recycling Ordinance

Assistant Administrator Sahol provided a copy of the Draft Recycling Ordinance for Council to review in case there were any questions.

Assistant Administrator Sahol reviewed the changes:

- Definitions are being changed
- Additional recyclable materials are being added such as electronics, fluorescent bulbs, textiles, rechargeable batteries and lead acid batteries.

Assistant Administrator Sahol stated that the township is ahead of the curve. The only thing the township needs to address is fluorescent bulbs, which is a difficult matter. The township will have to have something in place by January 1, 2011 to deal with fluorescent bulbs. Assistant Administrator Sahol is working with a vendor on fluorescent bulbs.

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Solicitor Kearns asked if the county is going to stop taking fluorescent bulbs at their facility? Assistant Administrator Sahol stated that the county has to stop taking them; fluorescent bulbs have to be considered hazardous waste. The township either has to have the bulbs recycled or pay a hazardous waste tipping fee. It is cheaper for the township to recycle, plus it is more environmentally responsible.

Assistant Administrator Sahol stated that there is a provision on misuse and theft of recycle buckets. Taxpayers pay for the recycle buckets and there are residents that use them for waste cans or take them when they move. The township is not encouraging recycling if the recycle buckets are allowed to be used as a waste can. Council President O'Hara asked how it would be enforced? Assistant Administrator Sahol stated that there are basic fines built into the Ordinance and it would be based on complaint.

Assistant Administrator Sahol explained that there are regulations dealing specifically with the wheeled toters. The regulations are to protect the investment of the toter as well as the way it should be used.

Assistant Administrator Sahol addressed the land use issue. He explained that in some gated or semi private communities there are bylaws that state that nothing can remain outdoors. The residents are faced with having to recycle, which is required by regulation, but they have nowhere to store the toter. Burlington County is working with the State of New Jersey to require developers to build cubbies into the structures to house collection containers.

Assistant Administrator Sahol stated that there are also provisions for multi-family, private communities and commercial areas where there would be one central location for recyclables. The area would be lighted and secured. With just one (1) pick up, this would save time and money.

Assistant Administrator Sahol believes that the township is four (4) or five (5) years from single stream recycling. The wheeled toters will be acceptable for single stream recycling.

Assistant Administrator Sahol stated that there may be more recycling opportunities and he has already offered to Burlington County for Florence Township (at no cost) to be a pilot community.

Assistant Administrator Sahol explained that Governor Christie is looking to take \$7 million out of a dedicated recycle fund and use it, which could cut the township's recycle grant by 25% to 50%. Assistant Administrator Sahol uses that grant to be sure that the township is sustainable on the toter program as well as the incentive program; the grant also helps operate some of the recycle center.

Council Member Woolston asked if the township gets any reimbursement from recycling? Assistant Administrator Sahol explained that steel, electronics and textiles are the only recyclables sent out. Electronics is one of those commodities that you have to pay to recycle. Assistant Administrator Sahol was able to find a vendor that was in need of material, due to high demand, and was able to come to an agreement where the vendor picks up and takes the material free of charge. The township does not get paid for textiles, but does get a minor reimbursement for steel. For bottles/can and paper/cardboard, Burlington County collects and the township receives a grant at the end of the year.

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Council Member Woolston asked if it was worthwhile for the township to collect recycling and take it to the county for them to purchase? Assistant Administrator Sahol explained that there is an agreement where the county operates the convenience center free of charge. The township would have to compact the recycling, ship it and guarantee that they are clean loads. Assistant Administrator Sahol does not believe that the township has the ability to accomplish those tasks with the manpower they have now. Council Member Woolston wondered if there is someone who would be willing to pay the township for the recycling? Assistant Administrator Sahol stated that the township has a contractual agreement with the county that prohibits the township from diverting recycling away from the county.

Assistant Administrator Sahol will work with Solicitor Kearns on finalizing the Draft Ordinance for next week's Agenda. Assistant Administrator Sahol noted that the state has advised that the municipality's 2008 funding, which is the grant year the township gets paid in 2010, could be in jeopardy if the township does not guarantee implementation of the new regulations.

Council President O'Hara, on the behalf of Mayor and Council, expressed appreciation to Assistant Administrator Sahol for the efforts he puts forward.

ACTION

RESOLUTIONS

RESOLUTION NO. 2010-91

**AUTHORIZE THE ASSISTANT MUNICIPAL ADMINISTRATOR
TO DEVELOP PLANS AND SPECIFICATIONS AND TO OBTAIN BIDS
FOR LEASING SPACE FOR CELLULAR ANTENNAS
ON PUBLIC PROPERTY, CEDAR LANE WATER TOWER**

RESOLUTION NO. 2010-92

**AUTHORIZE THE ASSISTANT MUNICIPAL ADMINISTRATOR
TO DEVELOP PLANS AND SPECIFICATIONS AND TO OBTAIN
BIDS FOR LEASING SPACE FOR CELLULAR ANTENNAS ON PUBLIC PROPERTY,
FLORENCE-COLUMBUS ROAD WATER TOWER**

RESOLUTION NO. 2010-93

**AUTHORIZE THE ASSISTANT MUNICIPAL ADMINISTRATOR
TO DEVELOP PLANS AND SPECIFICATIONS AND TO OBTAIN BIDS
FOR LEASING SPACE CURRENTLY USED FOR CELLULAR ANTENNAS ON PUBLIC
PROPERTY, FLORENCE-COLUMBUS ROAD WATER TOWER**

RESOLUTION NO. 2010-94

**AWARD OF BID FOR RENEWAL OF LEASE
FOR SPACE ON WATER TOWER #1 WITH
NEW CINGULAR WIRELESS PCS, LLC by
AT&T MOBILITY CORPORATION**

It was on the MOTION of Baldorossi, seconded by Sandusky to approve Resolution No. 2010-91 through 2010-94.

On the Question

Nothing at this time.

Upon roll call Council voted as follows

YEAS: Baldorossi, Sandusky, Woolston, O'Hara

NOES: None

ABSENT: Ryan

Unanimous approval.

9:25PM MOTION by Woolston, seconded by Sandusky to adjourn to Closed Session. Roll call vote - all ayes.

ADJOURNMENT

9:25PM: Meeting adjourned.

Respectfully submitted,

JOY M. WEILER, RMC/MMC
Township Clerk

/mab