

REGULAR MEETING OF FEBRUARY 14, 2012

Mayor Baratta called the meeting to order at 7:31 p.m.

In accordance with the Open Public Meetings Act, annual notice of all meetings of the Borough of Fair Lawn was published in the Record issues of December 16, 2011. Notices were also posted on the bulletin board located on the first floor of the Municipal Building and the Maurice Pine Free Public Library. Copies were mailed to The Community News and posted on the Borough of Fair Lawn Website. The annual notice identified the times and locations of the Council meetings and work sessions.

PRESENT: Mayor Baratta, Deputy Mayors Cosgrove and Trawinski, Councilmembers Peluso and Swain.

ALSO PRESENT: Acting Manager Metzler, Municipal Clerk Kwasniewski, Assistant Municipal Clerk Bojanowski and Attorney Mondello.

**PROCLAMATION: BLACK HISTORY MONTH
WOMEN'S HEART HEALTH MONTH**

Municipal Clerk Kwasniewski read both proclamations.

COUNCIL COMMENTS:

Councilmember Swain stated it was her hope and prayer that women's healthcare funding is fully met whether it is for an EKG or a breast exam to help detect breast cancer and so that women will always have a choice and will always be covered for what they need.

She said her heart goes out to the family of Whitney Houston, a fabulous singer. Thanks to the ADA Committee that there now is an automatic door to the building. Now anyone with any type of disability can enter this building. She thanked the members of the ADA Committee for making sure that these goals are met and achieved. She wished everyone a Happy Valentine's Day!

Councilmember Peluso stated since he and Deputy Mayor Cosgrove attended the Community Development meeting. They are looking to bring some funds to Fair Lawn to help ease the tax burden. They also went to the Shared Service meeting with the Board of Ed. They found a lot of areas where they can help each other out.

The State of New Jersey lost another hero, Lance Corporal Osbrany Montes De Oca from North Arlington, Fair Lawn will be following the proper procedures in lowering the flag and updating it on the website. He wanted to thank Lance Corporal and his family for his service to the Country.

Deputy Mayor Cosgrove spoke about the third party Ambulance billing which will begin March 1. He reminded the residents that the only people that will be billed are people that have insurance. He mentioned an incident that happened where a Senior Citizen waited an hour and a half for a family member to come and pick her up and take her to the hospital. He stated the residents will not be charged so the ambulance should be called right away. He advised the residents to not put themselves at risk by not calling. He wanted everyone to know that Fire, Rescue and Ambulance are all volunteers and not getting paid for their service. He asked that they get respected. This system is different for the Borough. Deputy Mayor Cosgrove said he would like the Council to review the revenue they project each month, he would also like a report from the President of the Ambulance Corps as well as the rank and file members. He would also like to get any complaints they may have. This is a new system. The Borough is trying to generate some revenue.

On Sunday night, the Fair Lawn Fire Department responded to a major structure fire in Glen Rock. Fair Lawn's units helped extinguish the fire. It was a cold night, they did a good job and everyone got home safe.

Deputy Mayor Trawinski joined with Councilmember Peluso in celebrating the life of Lance Corporal Osbrany Montes De Oca. He gave the ultimate sacrifice for all of us and our nation. He and his family are to be thanked at this time of loss. At the County they will also be recognizing his service.

He extended his prayers to Mayor Baratta and her mother who was rushed to the hospital today. He hoped that everything turns out alright.

Deputy Mayor Trawinski expressed his condolences to his wife, his brother-in-law, Don and his entire family. His 24 year old son passed away today after a four year battle with lung cancer. He felt they all tend to forget how precious life is and thought they should remember people who are special in their lives.

Mayor Baratta offered her condolences to Deputy Mayor Trawinski and his family on the tragic loss of their nephew. She also offered her condolences to the Sacchinelli family who lost their Dad.

Mayor Baratta stated that since our last Council meeting, the Giants won the Super Bowl which is very good news.

She mentioned Steven Silverman who is working on his Eagle Scout project. He has already built cabinets for the food pantry. Right now he was starting a food drive. The Food Drive will run from February 13th through March 2nd. Drop off areas are the Radburn Grange and the Fair Lawn library. He left boxes at those locations. Any support from the community will be greatly appreciated. She thanked him for what he has done for the Food Pantry.

Mayor Baratta announced that Neighbors Helping Neighbors will be coming to Fair Lawn on Monday, February 27th at 7:00 p.m. They will be offering their services to people who are out of work at the Fair Lawn Library. They will be there every other week. They are a terrific group.

Mayor Baratta noted that Bergen Benefactor Award this year from Bergen Regional Hospital is being presented to Deputy Mayor John Cosgrove on Monday, March 12th from 6:00 to 10:00 p.m. at Seasons in Washington Township for all the good work he does at Bergen Regional.

MAYOR'S APPOINTMENTS:

Mayor Baratta announced the following appointments: Historic Preservation Commission – Amy Hummerstone as Class A and Laura Lander as Alternate 2.

ORDINANCES ON FIRST READING:

Upon motion by Deputy Mayor Trawinski and a second by Deputy Mayor Cosgrove, it was unanimously agreed to read the following ordinance by title.

ORDINANCE NO. 2233-2012

“AN ORDINANCE TO PROVIDE FOR A CERTAIN CAPITAL IMPROVEMENT IN THE BOROUGH OF FAIR LAWN AND TO PROVIDE FOR THE RECEIPT, ACCEPTANCE AND DEPOSIT OF FUNDS THEREFORE”

Upon motion by Deputy Mayor Trawinski and a second by Deputy Mayor Cosgrove, Resolution No. 85-2012 introducing Ordinance No. 2233-2012 was discussed.

Deputy Mayor Trawinski stated it was always a pleasure to vote for an Ordinance where the funds are fully funded through the Department of Transportation Municipal Aid Grant and do not come out of the Borough's operating revenue or the capital funds.

There being no further discussion, Resolution No. 85-2012 introducing Ordinance No. 2233-2012 was unanimously passed.

Upon motion by Deputy Mayor Cosgrove and a second by Deputy Mayor Trawinski, it was unanimously agreed to read the following ordinance by title.

ORDINANCE NO. 2234-2012**"AN ORDINANCE TO AMEND THE CODE OF THE BOROUGH OF FAIR LAWN, 2000, SPECIFICALLY CHAPTER 241 "WATER" MORE SPECIFICALLY SUBSECTION 241.52 TO REVISE RATES AND CHARGES"**

Upon motion by Deputy Mayor Trawinski and a second by Deputy Mayor Cosgrove, Resolution No. 86 -2012 introducing Ordinance No. 2234 -2012 was discussed.

Councilmember Swain originally thought this was a good idea but she is not in favor of it now. She saw there was some compromise and upon further analysis of the numbers, she has decided not to vote for this ordinance because she felt with the increase in the water rates and then the fees on top would increase the burden on the taxpayer. This is not the right time to saddle the taxpayers with any additional expense.

Deputy Mayor Trawinski stated there was a very healthy discussion among the Councilmembers regarding this Ordinance. They listened to what the Manager had said but rather than imposing the recommended increases in one year, they decided to spread it out over a period of three years. Frankly, if they don't do this over three years, then in a subsequent year they will have to play catch up. Catch up would burden the taxpayers more. In addition, if they don't do this, the probability would be the water rates will have to increase because the water utility is a self liquidating utility and its budget must be balanced. While the Manager would have preferred to do this in one year, the discussion among the Councilmembers persuaded him to do it over a three year period which will have the least effect on the taxpayers and to keep it relatively stable over the three years.

He was pleased that the Manager showed them the rates from surrounding communities and even with these increases the fixed service charge will still be less than all of the neighbors. He will support this Ordinance for those reasons.

Deputy Mayor Cosgrove commented that although they don't like to raise rates, the problem is the large budget deficit that the Borough has. He will vote in favor of this because it is only being raised \$5.00 and thought the additional revenue will over \$200,000. They tried to do this gradually so it won't hurt the homeowners. He looked forward to the people who vote no on this to see what their suggestions are to cut the budget or increase revenue.

There being no further discussion, Resolution No. 86-2012 introducing Ordinance No. 2234-2012 was passed with Councilmember Peluso and Councilmember Swain dissenting.

PUBLIC COMMENTS ON CONSENT AGENDA ITEMS ONLY

Upon motion by Councilmember Peluso and a second by Councilmember Swain, the time for public comments on Agenda items only was opened.

There being no comments from the public, upon motion by Councilmember Swain and a second by Deputy Mayor Cosgrove, the time for public comments was unanimously closed.

RESOLUTIONS BY CONSENT #4-2012

Upon motion by Deputy Mayor Cosgrove and a second by Councilmember Swain, Consent Agenda #4-2012 containing the following items was unanimously passed.

- a. Resol. # 87-2012 –Approval of Minutes:
Reorganization Meeting 1/3/12
Work Session 1/10/12
Closed Session 1/10/12
- b. Resol. # 88-2012 - Interlocal Services Agreement with the Board of Education
- c. Resol. # 89-2012 - Extension of Bid: Emergency Water Main and/or Storm and Sanitary Sewer Repair
- d. Resol. # 90-2012 –Professional Services – Preservation Plan for Naugle-Vanderbeck House
- e. Resol. # 91-2012 –Amending Term of Contract for Insurance Only
Ambulance Services Collection Firm: Revenue Guard EMS Medical Claims Management, LLC.
- f. Resol. # 92-2012 - Amending Resolution No. 288-96 – Fair Lawn Borough Gardens Committee
- g. Resol. # 93-2012 - Refund of Overpayment of Taxes
- h. Resol. # 94-2012 –Recreational Facilities Review Committee
- i. Resol. # 95-2012 –Indemnification of Police Chief Rose: Hiram Taylor vs. Borough of Fair Lawn, Docket No. L-009672-11
- j. Resol. # 96-2012 –Indemnification of Captain Cook: Hiram Taylor vs. Borough of Fair Lawn, Docket No. L-009672-11
- k. Resol. # 97-2012 - Professional Services – Special Counsel for Specific Projects
- l. Resol. #98-2012 - Approving the 2011LOSAP Certification List
- m. Resol. # 99-2012 – Authorizing the Local Unit’s Participation in the Bond Financing Program of the Bergen County Improvement
- n. Resol.#100-2012 – Waive the Requirements for Demolition of Trailers at Memorial Park
- o. Resol. #101-2012- Appointment to the Advisory Committee on the American’s with Disabilities Act
- p. Resol. #102-2012 – Appointment to the Health Advisory Board

RESOLUTION NO. 103-2012 – AWARD OF BID: AMBULANCE CORPS SUPPLIES

Upon motion by Deputy Mayor Cosgrove and a second by Deputy Mayor Trawinski, Resolution No. 103-2012 was passed with Councilmember Peluso recusing himself.

PUBLIC COMMENTS

Upon motion by Deputy Mayor Cosgrove and a second by Councilmember Swain, it was unanimously agreed to open the time for public comments.

Felice Koplik, 6 Reading Terrace, thanked the Mayor and Council for working very hard on doing this resolution for the preservation plan for the Naugle House. This preservation plan is so important. It will set Fair Lawn on the road for the historic preservation of the Naugle House. It is going to set a plan for them so everyone will know what has to be done. They have waited many years for this to happen. Mayor Baratta thanked her and the Historic Preservation Commission for all the work they have done.

Diane Sare, 167 West Fort Lee Road, Bogota, spoke about the Glass Steagall Act. She passed out information to the Municipal Clerk. She is a LaRouche Democrat and a candidate for the Democratic nomination for U.S. Congress in the 5th Congressional District. She is running as part of a national slate because it is their view that there is actually no one qualified running for U.S. President right now. She felt that the Republicans agreed with President Obama on the bailout policy so there is no leadership for President.

Ms. Sare thought they urgently need to get the Glass Steagall Act re-instated. There are two New Jersey co-sponsors, Donald Pane and Frank Palone who have signed on to HR4189 which would reinstate this act. She explained that Glass Steagall was passed under Franklin Roosevelt. It separated the Savings and Loan Commercial Banks from the speculative banks. In 1999 this act was repealed. It was broken by Travelers Insurance and Citi Bank. The repeal meant that there is no firewall between the savings and loan banks and the speculative bank, thereby making it "legal" for the U.S. taxpayers to be saddled with \$29 trillion dollars in bailouts, while the States and Municipalities are bankrupt. They are proposing that Glass Steagall Act be immediately be reinstated. President Obama said he would veto such a thing. The reinstatement of the act would make the bailouts illegal and would make it possible to restore about \$17 trillion dollars of the bailout money to the Federal books and it would also make it possible for the Government to issue credit to go into great projects like what President Roosevelt did. Given what the floods have done in the State this is absolutely urgent.

Ms. Sare gave Municipal Clerk Kwasniewski literature urging Congress to sign as co-sponsors. She named towns that have signed on for this. She felt it is was important for

the Council to do something especially since everyone has seen what has happened in Greece.

Vinko Grskovic, 13-16 Eastern Drive, thanked Councilmember Peluso and Acting Manager Metzler for their response to his question about Eastern Drive only being paved half way. He felt they missed an opportunity as a Borough to share the expense with PSE&G and do the entire road at once. It highlights an example of inefficient government action and he hoped that the Council does not repeat this mistake in other areas. He suggested setting up a reserve fund to prevent this from happening again.

He objected to Mr. Metzler's proposed tax increase. To raise water rates is a tax increase. The residents do not have a choice of the water source. He did not think the Borough should be dumping 70 million gallons of chlorinated water in to the Passaic River. He referred to a comment on Patch that Mr. Metzler made that the Borough should be run more like a business. Mr. Grskovic said this Borough is run like a monopoly because the residents do not have a choice when the government is involved in setting the rates. They cannot even drill for a well because of the water pollution. He urged the Council to make a small change in the Ordinance which would be to not allow any profit applied to the standard budget or the operating expenses of the municipality. This is a tax increase that is looking to circumvent the two percent cap that Governor Christie has put in.

Acting Manager Metzler responded that he tended to agree with him that it is a tax increase because the driving factor behind the recommendation to Council is to get this Borough to a point where they are back on financially stable ground. The Council is at a disadvantage at this point because they have not received the budget presentation. When he presents ideas to them about how to generate revenue, they are taking a leap of faith in believing that revenue is needed.

He made a decision within the first couple of days of becoming Manager to use the press to get the numbers out there to the residents of Fair Lawn. This is the year they make it or break it. The Council is going to be forced to make some very difficult decisions. While he assumed that Mr. Grskovic was not a user of Memorial Pool, if the Council made the decision to close Memorial Pool forever, he would suspect that there would be a lot of people that would be against that. If they close the Library, Senior Center, Community Center they would be closed for good.

Acting Manager Metzler mentioned that in 2008 the surplus was \$9,952,337.00, in 2009 \$9,236,536, in 2010 \$6,920,899, in 2011 \$4,865,449.77. They anticipate that going in to 2012 it will go up to \$5,249,927.78 of which \$3,000,000 is anticipated to be used in the budget, leaving \$2.2 million dollars to run the Borough. While it is the easy thing to say is to cut services, they have done that. The Police Department is down, the Court is operating with 20% of the personnel it had before, Recycling is operating at 50% of

what they had before and there are people in this room that have asked if the Health Department was open because they have depleted personnel. They will continue to reduce expenses but at the same time, they need to increase revenue. If this Borough does not generate another \$1.5 to \$2 million dollars in new revenue this year, they will fail next year. That would mean cutting certain departments. He is faced with an opportunity to make the Council aware of choices they can make to raise revenue. He wants the residents of Fair Lawn to engage in the process. No one shows up at budget meetings. Tough decisions will have to be made with the emphasis on continuing revenue source. Once the surplus is gone, it is gone. What does this mean to the taxpayer – when CFO Palermo has to pay a bill, they won't have the cash to pay that bill so they would take an anticipation note out on taxes they may be collecting. Reluctantly he agrees with him but when he looks at where they are and where they need to go, that is a fix. He proposed to the Council an increase that puts Fair Lawn on an even playing field.

There will be some good news. Third party Ambulance billing is very controversial. It was not implemented by this Council, it was voted on by the prior Council but it will be a source of sustained revenue.

Acting Manager Metzler said the town has to decide what it would give up to prevent this new generation of revenue. Would it be to close the Senior Center or close the Community Center? If Council was not willing to do that, he would be faced with finding \$1.6 million dollars. If they do not generate the revenue, the surplus will be gone.

Mr. Grskovic said that he made a few points. In regard to Memorial Pool, there was a property that is competing against private enterprise. There are pools that are run by private industry. He wondered about his tax dollars that fund the pool although in order to use the pool, he would have to pay a membership. He suggested putting it out for auction to see who would want to lease it for five years. Get the town out of the business of subsidizing the pool and competing against local YMCA's and hotels and other establishments that have pools.

If they want to save \$10 million dollars over the next four years, shut down the Library. They spend \$2.2 million dollars a year costing each person in this Borough \$160. Technology has passed up the Library. They can solve immediate budget problems by auctioning off the assets. The Borough is about to pour another \$200,000 in the Library to repair the roof for a building that is used by a small minority of people.

He wondered why he was paying for the Senior Center and why the Senior Citizens were not charged a membership to use the facility. There are other services that are there for them to generate revenue. The answer is less spending. There are people that are hurting to make their mortgage payments by adding to their water bills and

tax bills. This town has thirty-nine employees that make over \$100,000 a year. There are 229 people on the payroll.

Mayor Baratta stated that she appreciated his comments. She pointed out that they should not confuse revenue and profit. This Borough is not making a profit. This Borough is not making a profit on the water rate. There are people that don't have any children that have to pay the Board of Education through their taxes, should they not have to do that. The school system, the pool, the Library, all of the volunteers, and the Community Center make Fair Lawn the town that it is. The Library sees more patrons now more than it ever did. People can't afford things so they do go to the Library. She thanked him for his comments. She invited him to the budget hearings and sit in on them so he can see the process.

Deputy Mayor Cosgrove repeated Mr. Grskovic's ideas about selling the pool, closing the library and closing the Senior Center. Mr. Grskovic said yes absolutely. In regard to the education, they are obligated under the Constitution to provide education. If the Council does not have the where with all to make these decisions, put it on the ballot. The Council had the chance to move the Board of Ed's election from April to November to save the Borough money, yet they punted it to the Board of Ed.

Larry Metzger, 18-18 Hunter Place, felt strongly that selling the Borough's assets would be selling Fair Lawn down the drain. People come here because of the amenities they have. It is a social situation. If they sold off these assets, the property values would go down.

Craig Miller, 5 Ramapo Terrace, wondered if a facility could be closed for one year and then reopened it the following year. He wondered if the Borough could do that with Memorial Pool. Mayor Baratta said that anything was possible.

Acting Manager Metzler stated that yes they could do that. A vote by the Council would be required. He pointed out that Walsh Pool was closed a few years ago and remains closed. He believes the Council will take that property in a different direction. Mr. Miller stated that at the budget meetings there are more Councilmembers than the public. Mayor Baratta stated they will get the budget dates out to everyone.

Deputy Mayor Cosgrove stated that he agreed with Mr. Metzger that these assets are part of Fair Lawn and what makes Fair Lawn what it is. He is a supporter of the Library, the Senior Center and those are tough decisions they will have to make to keep the foundation strong and move forward. They are in a situation with a shrinking surplus. They will have to do some creative things to preserve services and keep people happy.

Larry Koplik, 6 Reading Terrace, spoke about the discussion that took place tonight. It is highlighting what is taking place not only in Fair Lawn but in the County and the

world. It is a critical year. Things have gone on for years and years and things have come crashing down. It will be really challenging.

He wondered about the status of the revaluation and how will that impact the budget.

Acting Manager Metzler stated that based upon his last conversation with Tax Assessor Henderson, he anticipates that they will have the numbers by late March. In 2011, the Borough lost \$1,019,000 as a result of tax appeals. He has been told that based upon the tax appeals that are pending; the Borough stands to lose another \$1 million dollars. The short term answer is once the reassessment is in place, and then everyone will be paying their fair share.

Deputy Mayor Trawinski stated he disagreed to a limited extent with the Manager. What the reassessment will do is help shift the tax burden away from the residential back on to the industrial/commercial properties. Residential values have fallen in these economic times, commercial/industrial have fallen even greater. So in doing the reassessment and getting the values where they are more approximate of the true value, there will be an adjustment to the tax rate but it will shift to the industrial/commercial. This way the Borough will not get hurt by the tax appeals.

The Borough is not unique. There are 13 reassessments in the County right now. Those 13 over the last four years were done precisely because of what the Borough is facing. It will help in the sense that they will not have the tax appeal judgments to pay out; it will also help in starting to readjust the tax burden back to the commercial/industrial which has shifted away because of the tax appeals. Mr. Koplik hoped it won't make the commercial/industrial shift away from Fair Lawn. Deputy Mayor Trawinski stated if they stay in New Jersey, they would be better to stay in Fair Lawn. It will depend on what happens nationwide and statewide that is far beyond any municipality's control.

Mr. Koplik asked what the difference was between the revaluation and the reassessment. Councilmember Swain said the reassessment is less expensive than the revaluation, which is one major difference. Mr. Koplik said it was more efficient for the Borough.

There being no comments, upon motion by Councilmember Swain and a second by Deputy Mayor Cosgrove the time for public comments was unanimously closed.

Deputy Mayor Trawinski corrected Mr. Grskovic about the amount of water wasted in the Passaic River. The loss is not 70 million gallons of water; it is actually 30 million gallons of water. In 1996, 1997, 1998, the then Council put together a Pool Study, the overwhelming consensus of the people of Fair Lawn as a result of that study was the people wanted to keep the swimming pool. The people of Fair Lawn were equally

divided between a sand bottom and a hard bottom, and then it was broken down as to the type of pool facilities.

Councilmember Swain had proposed they revisit the Pool Committee. The Council was in the first steps of doing that.

Deputy Mayor Trawinski took issue with Mr. Grskovic's comment about the chemicals that go into the Passaic River. He does know that the Borough obtained a special use permit from the United States Environmental Protection Agency that allowed the Borough to use chlorine to treat the water at Memorial Pool. That water is almost like drinking water. Under the special use permit, which is monitored by the EPA, the only chemical they are allowed to put in the Passaic River is chlorine. He suspects they may actually be improving the quality of the river by putting that water in there.

In terms of the wells, he can seek approval to drill a well in the Borough. It is not pollution from Topps that is causing some of the deep water problems. Topps will take a period of time to be cleaned up through the DEP. All of the Borough wells have been cleaned up or in the process of being cleaned up. They do better on the water rates by supplying 65% on average from the Borough's wells as compared to purchasing water from United Water or Passaic Valley, which the Borough is forced to do depending on usage. They do not have a major underground water problem with respect to deep ground water with the exception of the area by Topps and previously the Hayward tract. That creates a gross misimpression for the people of Fair Lawn. He wanted to correct that.

Finally, he found himself, in complete agreement with Mr. Metzger on the topic. He would not support closing the pool, the Library, the Senior Center including the Recreation Center. Why there are 229 employees is because they are at the point to be able to deliver the services to the people of Fair Lawn which cannot be cut much below that. They can look at other ways they deliver service. Former Councilmember Joe Tedeschi said they as a municipality have to change the way they do business. Among the ways to change the way business is done is to explore shared services among municipalities. It is always met with resistance. Everyone likes home rule.

Deputy Mayor Trawinski stated the Manager was right. It is a fair increase because it is modest and is based upon the meter size. It applies across the board. He does not like increasing taxes. The choice will be that services would have to be cut. He agrees that if they limit the services of the Library, Memorial Pool, Senior Center and Community Center the values of the homes will be drastically cut. He will continue to look at ways to cut service. They have to continue to look at ways to increase revenue. He is in favor of raising the water rates because they have to pay for the zero tax increase last year.

ADJOURNMENT:

Upon motion by Councilmember Swain and second by Deputy Mayor Trawinski the meeting was adjourned at 8:43 p.m.

Respectfully submitted,

Joanne M. Kwasniewski, RMC,CMC,MMC
Municipal Clerk

The undersigned have read and approve the foregoing minutes.

Mayor Jeanne Baratta

Deputy Mayor John Cosgrove

Councilmember Kurt Peluso

Councilmember Lisa Swain

Deputy Mayor Edward Trawinski