

BUDGET MEETING OF MARCH 1, 2008

Mayor Weinstein called the meeting to order at 8:45 a.m. Municipal Clerk Kwasniewski read the following statement of compliance:

In accordance with the Open Public Meetings Act, notice of this special meeting of the Borough of Fair Lawn was published in the Record issue of February 28, 2008. 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 notice identified the time and location of the special meeting.

PRESENT: Mayor Weinstein, Deputy Mayor Swain and Deputy Mayor Tedeschi, Councilmembers Baratta and Trawinski.

ALSO PRESENT: Municipal Clerk Kwasniewski and Borough Attorney Rosenberg.

Closed Session:

Upon motion by Councilmember Baratta and a second by Deputy Mayor Tedeschi, the following closed session resolution was adopted at 8:45 a.m., with Councilmember Trawinski dissenting.

WHEREAS; the Open Public Meeting act of the State of New Jersey permits the public to be excluded from certain matters to be discussed by the Governing Body; and

WHEREAS; the Mayor and Council of the Borough of Fair Lawn desire to discuss Personnel – Actions as the result of the Fact Finding Report; and

WHEREAS; these matters are ones which permit the exclusion of the public from such discussions; and

WHEREAS; minutes will be taken during this closed session and once the need the confidentiality no longer exists the minutes will be available to the public.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Fair Lawn that the public be excluded since these matters as set forth above are ones which permit the exclusion of the public from such discussions.

Mayor Weinstein reconvened the meeting at 9:15 a.m. at which time Borough Attorney Rosenberg was excused and Manager Metzler and CFO Eccleston arrived.

CONCLUSION OF BUDGET OVERVIEW

CFO Eccleston reviewed the surplus schedule. The largest surplus generator is the amount to be raised by taxation and the reserve for uncollected taxes. The number of summonses decreased but the amount of revenue increased. He will be using 100% of the amount raised in 2007 for the 2008 budget in the Municipal Court line item. Deputy Mayor Tedeschi pointed out that by doing that CFO Eccleston has taken away the ability to raise surplus.

CFO Eccleston indicated that he used more surplus this year. Deputy Mayor Swain wanted to know if they can use some of the surplus to offset the debt of the George Frey Center for Arts and Recreation. CFO Eccleston stated he could do that and in fact he did do that this year. There may be other sources of revenue from the Center which he may be able to use to offset those costs. Deputy Mayor Tedeschi stated that the next year the expenses will increase \$200,000 because the 501(c)3 will not be giving that money to the Borough. CFO Eccleston explained he does not anticipate items that fluctuate so that they become surplus generators.

Deputy Mayor Tedeschi believed that the revenue from the cell tower contracts should be anticipated as revenue even though that will not generate surplus. This budget has over \$9 million in surplus. CFO Eccleston stated that they will be starting 2009 with \$5,000,000 in surplus but he does not anticipate at the end of 2009 generating \$2 million in surplus again. The budget will go up. He believes it is imperative to have the amount of surplus increase as the budget increases. He wants to maintain 19 percent surplus. They are losing State aid. They are losing \$140,000 of homeland security funding. He will get the certification sometime this week. Municipal contra aid will remain the same. He will have to use \$140,000 more in surplus this year to keep the tax increase at \$80.

He would like to introduce the budget on March 11 but if he does not get the numbers they will not be able to do so. The director generally gives the municipalities some leeway. He does not anticipate an increase in any State aid but he also does not anticipate any other loss but the \$140,000. He is more concerned with the budget cap. He thought there should be more items outside the cap.

Water surplus - CFO Eccleston stated that in 2007 there was a deficit in revenues. The law says if there is a deficit in operation, it must be raised in the next year's budget. Surplus cannot be used so the rates must be increased. He proposed a 9.22 percent increase. There is \$124,000 in the budget for the emergency appropriation because they had to buy water from Hackensack Water Company which is more expensive.

The largest amount of expenses is the purchase of the water. They are trying to look at ways to decrease labor costs. Manager Metzler reminded them that the Water Utility is a 24 hour seven day operation which means that there are people working around the clock. CFO Eccleston added that the surplus has not grown with the budget. Years ago \$50,000 was included in the operating budget to help pay for the water used for the pool. That was taken out by subsequent Councils.

Councilmember Trawinski stated that at the time they suggested that they eliminate the sand bottom pool and replace it with a concrete pool. Several studies have been done over the years. He remarked that it was the environmentally sound thing to do, but it did not happen. Deputy Mayor Swain thought this issue should be revisited. Councilmember Trawinski suggested that they also need to revisit Walsh Pool.

CFO Eccleston suggested that even if they do not introduce the budget, he wants to introduce the ordinance increasing the water rates on March 11 so that the new rates take effect on April 1. The Council concurred.

Manager Metzler indicated that there will be economies proposed for 2009 which he expects to have ready for discussion in June.

DEPARTMENT OF PUBLIC WORKS

Ron Conte was present and indicated that he understand the Council's goals and he believes that he has prepared his budget to do that. He thought further cuts would be detrimental to the services they provide.

Buildings and Grounds – CFO Eccleston explained that originally all the maintenance staff was charged to Buildings and Grounds but this year the Manager decided that the Superintendent of Parks and Recreation should be in charge of the two people who are working at the George Frey Center for Arts and Recreation. Those salaries have been reallocated to the Recreation Department. CFO Eccleston explained that the overtime is a product of emergencies, particularly snow removal and police emergencies and covering the night shift.

CFO Eccleston explained the increase in the contractual services is due to the continuing problems with the heating and air conditioning system. Superintendent Conte added that all heating and air conditioning repairs and maintenance are under Buildings and Grounds now.

Councilmember Trawinski wondered why the line item for equipment maintenance was so much lower. Manager Metzler stated that they look at prior year expenses to see if there is a singular event that caused the line item to spike and then they average it out.

Mayor Weinstein inquired about the system for tracking gasoline usage. Superintendent Conte stated that the system was upgraded last year so that they can keep track of the gasoline usage for each vehicle. CFO Eccleston stated that he is now able to charge the gasoline used by the water vehicles to the Water Utility.

Manager Metzler advised that through shared services they were going to service the school buses, but apparently some problems have arisen so that is not happening. A school bus came into the garage for an oil change. The mechanic does a safety check on every vehicle. During that safety check numerous things were found to be wrong with the bus that were repaired at a cost of \$700. No other buses have come in for service. It was not an issue of cost. It is on the agenda for the next shared services meeting. They are down one mechanic and he did not budget to replace him. Deputy Mayor Tedeschi stated that he had been told by the person responsible for the program for the Board of Education that the program did not work out and it was over. He then reported this information to Joanne Wilson who then called Manager Metzler. Manager Metzler felt it was not the decision of the administration. He was not sure that the Board of Education is aware of what is going on.

515-20-17 – All supplies are charged to this line item. Superintendent Conte has started keeping track of the supplies that are used at the George Frey Center for Arts and Recreation.

CFO Eccleston distributed a summary of revenue and costs for the George Frey Center for Arts and Recreation.

Shade Tree – Superintendent Conte explained that the contractual service line is for the tree company to do removals and pruning. He indicated that this department is composed of six employees. Mayor Weinstein inquired if they have collected additional fees because of the new tree ordinance. Superintendent Conte indicated that he and the Assistant Zoning Officer have been working very closely on this issue. He has looked at between 15 or 20 requests. They have turned down a few requests. They are going to fine one person who cut a Borough tree without permission.

Electrical Division – Superintendent Conte indicated that they maintain one traffic light at Plaza Road and Berdan Road. The unit is outdated. They are going to rebuild it instead of replacing it. This department has two employees.

DPW Administration – There were no questions.

Maintenance Garage – CFO Eccleston explained that contractual services covers the cost of work they cannot do in house. Superintendent Conte added it is also for tires. The cost of tires has dramatically increased. They maintain 35 to 40 tires for the police cars. Deputy Mayor Tedeschi suggested that they look at reducing the inventory. Deputy Mayor Swain wondered if the purchase of tires was something that could be done through shared services. Manager Metzler explained that there are several opportunities to participate in shared purchases, but since Fair Lawn is one of the largest municipalities, the smaller communities benefit more from the large amount the Borough purchases.

Roads - This department has seven employees. CFO Eccleston stated that 78 percent of the overtime is for emergency response, i.e. snow removal, leaf removal and water main breaks.

Recycling – Councilmember Trawinski recused himself.

CFO Eccleston stated that they eliminated seasonal help in most of the departments, but this is one of the departments that needs seasonal help although they are only getting four instead of seven. Superintendent Conte stated that there is no more Saturday pick up which saves a great deal of overtime. There was about \$40,000 saved in overtime of which some can be attributed to eliminating the Saturday pick up.

Sewer – Superintendent Conte indicated that the cost of the chemicals used has increased. The amount used depends on the weather.

Manager Metzler indicated that the radio services has been moved to maintenance. They are working on outfitting the radios with a channel guard so that they can only hear communication in Fair Lawn.

Superintendent Conte indicated that last year they had problems with the pumps so they had to be rebuilt. He does not anticipate the same problems this year.

Deputy Mayor Tedeschi stated that \$125,000 is included in the Mayor and Council's budget which is for a sewer study. He believes those funds should be in the sewer department budget. CFO Eccleston indicated that if the funds remain in the budget and the project is going to be undertaken, he will move it into the Sewer Department. Deputy Mayor Tedeschi pointed out that

it is an engineering study. He wondered if it could be included in the capital budget. CFO Eccleston advised that the only time a study can be in the capital budget is if there is a project. A study is not bondable. Councilmember Trawinski wondered if as a result of the study there is a capital improvement that the Council will make, can the cost of the study be recaptured. CFO Eccleston indicated that they could not do that. They could eliminate the funds from the operating budget and adopt a bond ordinance which would include the cost of the study, but once they have the study they would have to complete the project.

Councilmember Trawinski wanted to know the total of State permit fees that have increased. CFO Eccleston estimated that there was \$30,000 in those fees. He will change the line item to Special/State mandated fees.

Water Utility – This department has 16 people. CFO Eccleston indicated that he allocates a percentage of the administrative salaries of certain departments that do work in the Water Department, i.e. the Tax Office, Purchasing, the Manager, the Municipal Clerk. The utility is self-liquidating so the operating expenses should be charged to it.

Water Generating – This is the operation of the wells and pumps.

Special – This line item is for the permits paid to the State. The Council wanted to know a total of the permits paid.

Office Equipment Maintenance – This line item is the computer for the SCADA system and the copier.

Water Distributing –

Department Materials – Superintendent Conte explained that this line item is for the cost of the stone used for backfilling water main breaks, the cost of recycling macadam and the purchase of macadam to patch roads.

Water Purchases – CFO Eccleston explained that this is just the number of gallons used with the rate increase.

CAPITAL BUDGET

Superintendent Conte assured the Council that having to do without the items not recommended by the Manager Metzler will not impair the Department's function.

Mayor Weinstein stated that one resident requested that the recycling area be graveled. Superintendent Conte advised that they are not allowed to do that because it is a 100 year flood plain.

Buildings and Grounds -

BLDG 15.02 Improvement to Municipal Buildings – This request was for a defuser for the heating and air conditioning system and upgrades to the lighting system to include sensors.

Maintenance Garage –

MGT 30.4 Shop Management System – Manager Metzler explained that this is a software system that will allow them to manage the fleet by tracking the repairs. Councilmember Trawinski stated that two years ago they were told that they wanted to have a five year plan for capital requests. He asked if the requests were consistent with the five year plan. Manager Metzler replied that for the most part they were, but sometimes there are new items. He concluded that they are sharing trucks between departments.

Roads -

RDS 2.07 Salt Spreader with stand – There were no questions on this item.

RDS 2.08 Storm Drain Improvements – There were no questions on this item.

RDS 2.09 Overhead Door for Salt Dome – This item is mandated to stop the run off of the salt. Superintendent Conte indicated that Glen Rock has included funds in their capital budget to pay for their share of the cost of this project.

RDS 2.11 Safety Equipment – Superintendent Conte indicated that he has consolidated the divisions so that they purchase all of this equipment for his Department through the Roads Division.

Recycling

RECY 19.15 Furniture for Employee Lunchroom – Manager Metzler explained that this furniture is for the new Maintenance garage to replace what is there now which are castoffs. They hold seminars in that room.

Sewer

SEW 20.02 Improvement to Sanitary Sewer Lines – These funds are used to maintain the infrastructure as needed. Superintendent Conte explained that the homeowner is responsible from the foundation of the house to the edge of the curb. The Borough is responsible for the edge of the curb to the main line in the middle of the street.

SEW 20.03 Improvement to Pumping Stations - This is infrastructure maintenance. Superintendent Conte had asked for more but Manager Metzler cut it. The difference was the plans are not ready for the upgrade to a pump station on Prospect Street so that project has been eliminated for now.

Councilmember Trawinski noted that Manager Metzler did not recommend the installation of the third pump in the dry pit even though it would eliminate the problems on Arcadia Road. He wondered why that was not included in the capital budget. Superintendent Conte indicated that it would require a redesign of the pump station so it is quite complicated and costly. They have made an arrangement with Saddle Brook so that they can bypass the system.

The Mayor and Council wanted to see the list of items that shared and what the savings are to the Borough. CFO Eccleston pointed that the shared service is only outside of the cap for the municipality that receives the service. Both municipalities should receive the exemption from the cap.

SEW 20.07 Underground Fuel Tank Removal - The Borough cannot abandon the tanks but must remove them.

SEW 20.09 Landscaping Equipment – Deputy Mayor Swain wanted to know if this equipment is being shared by Parks.

Shade Tree

SHTR 16.12 Stump Cutter – Superintendent Conte indicated that they take out 250 trees a year. It would not be cost effective to outsource it.

SHTR 16.13 Improvements to the Shade Tree Garage – Manager Metzler advised that they had considered taking it down and putting up a prefab building. It needs to be repaired. There is no alternate facility available.

Water Utility

WATD 18.12 Safety Equipment - Superintendent Conte indicated that this line item includes storage cabinets outside the building to secure chlorine cylinders for a total of \$5,000.

WATD 18.14 Digital Depth Line Chaser – Superintendent Conte explained that this piece of equipment will be used to find water and gas lines as long as they are not plastic. It will tell them exactly the depth within a quarter of an inch.

WATD 18.15 Pick up Truck – The current vehicle has 127,000 miles on it. It is the vehicle used by the second and third shift of the Water Department. It will have a snow plow and a hydraulic lift gate. The vehicle it is replacing will be going to auction.

Mayor Weinstein thanked Superintendent Conte for his presentation.

POLICE DEPARTMENT

Chief Erik Rose, Captain Joseph Cook and Lt. Glen Callows were present.

Chief Rose indicated that he presented a tight budget. The Manager has already made cuts which they will live with, but there is no fat in it. There are 78 employees in the Department. There are nine dispatchers. They try not to schedule police officers as dispatchers, but it does happen.

Deputy Mayor Swain questioned overtime. Chief Rose explained that Captain Cook does a great job searching for and obtaining grants for traffic enforcement on overtime. They have minimum staffing which means they have to have a certain number on the road. They must be able to respond to emergency calls. They have a contract that does not allow them to change

schedules without 45 days advance notice. Many of the officers adjust their hours for training or to participate in special things. Minimum staffing is five officers on the road. The new police officers have gone into traffic so there has not been an increase in minimum staffing on the road.

CFO Eccleston added that the contract contains built in provisions for overtime for court time. They try to schedule the officers on their regular schedule to save overtime. The overall overtime is usually around 5 percent of salaries. There have been some economies made over the years. The Police Department spent less than budgeted last year.

Wages – This line item includes the cost for all crossing guards. Mayor Weinstein stated some of the crossing guards have asked to have reflectors on the handheld stop signs. CFO Eccleston added that when school is closed they can collect unemployment.

Chief Rose requested four additional officers. Manager Metzler approved two consistent with Council policy.

521-20-32 Clothing Uniforms and Shoes – Deputy Mayor Tedeschi wondered why the Chief requested \$90,000. Chief Rose replied that he asked for four officers and three replacements. He has sufficient money in the amount recommended by the Manager for two officers.

Mayor Weinstein asked if they were still doing the SRO with the High School. Chief Rose indicated that it is working very well. He started in September 2007.

521-20-78 Radio Service – Chief Rose explained that they have a maintenance contract but there are some things that are not covered by that contract. Yearly maintenance cost \$1,696 last year. Under the new bid it will be \$2,600.

5212-20-22 Acquisition of Police Cars – This is the year to replace six cars. They are looking at Chargers. Lt. Callows explained that the car is safer, handles better and brakes better. The only flaw is the visibility out of the rear window. It is faster which helps them apprehend speeders. He always looks for the safer options. They buy it without equipment for \$21,000. He anticipates that in a few years the Crown Vic will not be available.

Councilmember Trawinski indicated that one force in California has purchased hybrids. Chief Rose stated that he and the Manager have discussed it. He spoke to the Chief in Westwood who has purchased one as an experiment. It is more expensive to buy. It is smaller. It gets 19-20 miles per gallon. It is not possible to put a cage in it or put anyone in the back seat. They do not use it for prisoner transport. There is a problem with hesitation. The battery is expensive although they had had no repairs in the 7,000 miles they have driven it. They are going to look at the Toyota hybrid which may be better since it is bigger.

CFO Eccleston added that the hybrids are inside the cap. Manager Metzler asked Senator Gordon to work on having the four cylinder cars be outside the cap.

Lt. Callows indicated that the police mechanics are currently doing the outfitting of the cars. Sometimes the State contract is not the cheapest and may take too long to get the equipment.

CAPITAL BUDGET

POL 9.03 Digital Audio & Video Recording Equipment - Chief Rose requested \$150,000, but the Manager approved \$98,000. Councilmember Trawinski wondered if there were problems with the VHS systems. Chief Rose indicated that they are old and have to be replaced. Lt. Callows indicated that the unit is smaller. It records the same although it has many more features. It automatically downloads to a server so that it can be viewed from any computer in the network. It comes with a DVD jukebox so it is very ease to save the data to a DVD. The system he has been looking at has the capability to look at car stop in real time through meshing although they would not be using that now. It is constantly recording although it is not always saving data. There are two cameras; one is on the windshield and the other is recording the prisoner. Chief Rose indicated that they had 15 units, but only nine are working. He is asking for 20 so they can replace them and add some new ones.

Manager Metzler indicated that he made cuts to the capital budget requests because he had a target figure of \$2.8 million. He presented it as a two year project. Chief Rose felt that although he would like it all in the first year, he can work with it. He will replace the cameras now and in the second year they would add more cameras. The rear camera will cost about \$300 to \$400 per car. He has a minimum of five cars out on patrol but he may have 12 cars out on any given day. These cameras are a valuable tool.

Councilmember Trawinski asked if it was detrimental to the officer's safety or to the prosecution of cases by making it a two year project. Lt. Callows indicated that it was not. It is the officer's testimony that will make the case in court.

POL 9.06 Computer Related Equipment – This is the second of three years to replace six or seven and also to increase the number of lap tops in the cars.

POL 9.07 Portable Radios/vehicle Radios - This is the scheduled replacement for the batteries and adding some more portable radios since they have added officers.

POL 9.12 Speed Display – They have one which has been used successfully to gather traffic information. It can be placed on the sign pole.

POL 9.20 Telephone System – The Police Department's module is maxxed out so that it has to be expanded.

POL 9.26 Radio Equipment – Officer Lonnie Mergler has been gradually replacing the outside Infrastructure. This is for the back up frequency which is the primary repeater for EMS.

POL 9.29 Office Equipment – This is a request for office furniture for the new space and for work stations for the Detective Bureau. Manager Metzler advised that the Police Department

has made a request for major upgrades to the communication center which must be addressed in either 2009 or 2010. He will be recommending that they have an architect look at the entire space.

Mayor Weinstein thanked them for their presentation.

OPEN TO THE PUBLIC:

Harvey Rubinstein, 28 Rutgers Terrace asked if the Borough's rate for unemployment would be raised because of the crossing guards. CFO Eccleston explained that the Borough is self insured so that does not apply to the Borough of Fair Lawn.

RECREATION AND PARKS

Jim Graff, Scott Homa and Bob Young were present.

Parks:

Overtime – Councilmember Trawinski expressed concern that they had requested \$52,000 and it was cut to \$47,900. Manager Metzler explained that he will be meeting with the Department Heads every quarter to review the overtime. Obviously, the hours spike in the summer months for this department. There are nine full time employees in Parks and five full time employees in Recreation.

Mayor Weinstein questioned the cut in seasonal employees. CFO Eccleston indicated that last year a full time employee left so they kept the seasonal employee longer than normal. The full time person has been hired. They will still have less seasonal employee.

Contractual Services – Superintendent Graff explained that the geese round up, portajohns in the park, pool testing and sprinklers.

Department Supplies – This line item includes clay, sand, soil and chlorine. Deputy Mayor Swain questioned the spike in this line item. CFO Eccleston explained that the spike is due to replacing the sand due to flooding.

Recreation:

Wages – This line item includes the maintenance staff and building supervisors for that building in addition to their normal programs. Deputy Mayor Tedeschi wanted a detailed list of the allocation of expenses of the George Frey Center for Arts and Recreation.

Overtime – Deputy Mayor Swain questioned the increase in overtime. CFO Eccleston explained that it is due to the two employees that were transferred last year. Last year was the first full year of operating the George Frey Center for Arts and Recreation.

CFO Eccleston explained that the revenue from the George Frey Center for Arts and Recreation is in a dedicated by rider account.

CAPITAL BUDGET

REC 11.01 Improvements to Municipal Building – Deputy Mayor Swain wanted to know what the new railroad ties are made of since the old ones were not safe. Bob Young indicated that they are plastic. The old railroad ties are over 15 years old.

REC 11.03 Improvements to Parks/Rubber Mulch – The mulch is completely rubber.

REC 11.04 Improvements to Parks/Tables - The tables are rubber coated and maintenance free. Deputy Mayor Swain questioned the cost for each table. Assistant Superintendent Homa indicated that the cost included shipping and handling.

REC 11.09 Hockey Court Paving – The Mayor and Council were glad to see this item included since the work is badly needed.

REC 11.16 Safety Equipment – This line item includes cones, barriers and safety vests.

REC 11.17 Turfcut Riding Mower – The old machine mows but it cannot be used for snow plowing.

REC 11.27 Garbage Containers – The new ones are made of sturdier plastic.

REC 11.29 Improvements to Pools Various Beach Sand – There were no questions on this line item.

ADJOURNMENT:

Upon motion by Councilmember Trawinski and second by Councilmember Baratta, the meeting was adjourned at 2:10 p.m.

Respectfully submitted,

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

The undersigned have read and approve the foregoing minutes.

Mayor Steven Weinstein

Councilmember Jeanne Baratta

Deputy Mayor Lisa Swain

Deputy Mayor Joseph Tedeschi

Councilmember Ed Trawinski

