

**TOWNSHIP OF PARSIPPANY-TROY HILLS  
TOWNSHIP COUNCIL SPECIAL MEETING**

**March 21, 2009**

**Public Invited with Public Participation**

**MEETING CALLED TO ORDER by Council President Cesaro at 9:08 a.m.**

<b>Roll Call:</b>	<b>Barberio</b>	<b>-</b>	<b>Present</b>
	<b>dePierro</b>	<b>-</b>	<b>Present</b>
	<b>Fox</b>	<b>-</b>	<b>Present</b>
	<b>Grossi</b>	<b>-</b>	<b>Present</b>
	<b>Cesaro</b>	<b>-</b>	<b>Present</b>

**OTHERS PRESENT:** Mayor Luther; J. Lim, Business Administrator; J. Silver, Township Clerk

**FLAG SALUTE**

**PRESENT DURING PORTIONS OF THE MEETING:**

J. Walsh, Superintendent, Dept. of Parks and Forestry; E. Corcoran, Construction Official; G. Schneider, Director, Dept. of Public Works; J. Lizza, Municipal Engineer; M. Pucilowski, Former Municipal Engineer; C. Martin, Director, Parsippany Child Day Care Center; S. Dickens, Board President, Parsippany Child Day Care Center; R. Strechay, Director, Dept. of Municipal Utilities; P. DeFalco, Golf Superintendent; P. Bober, Acting Superintendent, Sewer Utility; F. Lorito, Asst. Superintendent, Sewer Utility

The agenda of this meeting, to the extent known, is as follows:

**Review of the Mayor's 2009 Budget Recommendations**

**FORMAL ACTION MAY OR MAY NOT BE TAKEN.**

Adequate notice of this meeting has been provided in accordance with the requirements of the Open Public Meetings Law by filing the notice in the Office of the Township Clerk and by posting the meeting notice on the bulletin board at the Municipal Building on March 3, 2009 where it has remained posted since that date. Copies of this notice were mailed by fax to The Daily Record, The Star Ledger and various other newspapers and local radio stations on March 3, 2009.

The Township Council continued its review of the Mayor's 2009 budget recommendations.

**DIVISION OF PARKS AND FORESTRY (170)**

Present for this portion of the budget review: J. Walsh, Superintendent of Parks and Forestry

Ms. Lim noted that this division is down one position; it won't be filled. Ms. Grossi questioned why several employees have a proposed increase of 4.20% when everyone else is getting 2%. Ms. Lim explained that this increase is part of the Blue Collar Supervisors' Contract, which was settled last spring. In response to an inquiry from Council President Cesaro, Mr. Walsh advised that the position of General Supervisor is still necessary, even though it has been vacant for a long time; an employee will be promoted into that position. Mayor Luther explained that, last year, this was not a budgeted position. Additional review of the salary and wage portion of the budget was conducted.

Relative to operating expenses, Council President Cesaro questioned if Mr. Walsh could cut an additional 5% from his budget, rounded to \$29,500. Mr. Walsh explained that the Administration has already cut approximately 15% from his original budget request. Council President Cesaro pointed out that Mr. Walsh's request relative to the line item entitled "Electricity, including Craftsman Farms" was increased by \$32,000. He asked if this amount can be reduced to his original request, which would cover the 5% cut. Mr. Walsh explained the reason for the increase, noting that electricity bills were received late. Ms. Lim noted that Mr. Hardie has confirmed all of the utility numbers. Mr. Walsh commented that he is comfortable with the budget as presented to the Council. Mr. Walsh explained that the reason for the increase in Computer Hardware/Software (261) is for the purchase of a time clock system to streamline payroll and record keeping requirements. Ms. Grossi commented that the Council is not trying to hurt anyone's budget; every department is being treated equally. She is trying to be responsible to the residents who are having a hard time paying their bills because of the economy. We must do more with less. Her feeling is that anything that isn't necessary to be done this year should be put off. It is incumbent upon the Council, per Ms. Grossi, to reduce the budget in any way possible, especially by cutting anything not essential to providing necessary services; this automated system is not necessary in order for the Township to continue to operate.

**Council President Cesaro made a motion, seconded by Ms. Grossi, to cut \$6,600 (the cost of the time clock system) from Computer Hardware/Software (261).** Mr. Fox commented that this system would prevent a waste of manpower in addition to providing a way to more accurately keep track of our employees which, in turn, enables us to be more accountable to the taxpayers. He felt it is worth \$6,600 to achieve this integrity. Mr. dePierro agreed, further noting that the employee assigned to watch everyone come and go could now be doing something more productive. This is a one time investment, per Mr. dePierro, eliminating wasted manpower. Mr. Barberio commented that, in his opinion, this will not affect the operation of this division; perhaps, next year, this could be reconsidered.

**Roll Call:**     **Barberio**     -     **Yes**  
                  **dePierro**    -     **No**  
                  **Fox**           -     **No**  
                  **Grossi**       -     **Yes**  
                  **Cesaro**       -     **Yes**

**Motion passed.**

In connection with Tree Stock and Beautification (501), Council President Cesaro noted that, as far back as 2006, only between \$7,000 and \$9,000 per year was spent. However, this budget appropriates \$14,000. Mr. Walsh explained that the Division is doing more planting this year in our parks, noting that, at some point in time, the vegetation cannot just be pruned or maintained any more. Plant material has already been removed at Lake Parsippany, Smith Field, and Volunteers Parks. The extra funding is to replace the vegetation and to keep our parks green. Council President Cesaro questioned if this can wait until next year. Mr. Walsh explained it could wait, but right now these parks are not very nice looking. Plus, because bushes have been removed, vehicles can access Lake Parsippany Park.

**Ms. Grossi made a motion, seconded by Council President Cesaro, to cut Tree Stock and Beautification (501) by \$5,000.** Mr. dePierro pointed out that if there is no way to block vehicles from access to Lake Parsippany Park, property damage could result. Mr. Barberio reiterated that this cut doesn't affect operations. Council President Cesaro suggested that, rather than a \$5,000 cut, Ms. Grossi could, perhaps, amend her motion to cut only \$4,000 and \$1,000 could be used to install a fence to prevent vehicle access. Mr. Walsh explained that Lake Parsippany Park is just one of the parks affected. Mr. Barberio noted that he realizes this budget is lean as it is.

**Roll Call:**     **Barberio**     -     **No**  
                  **dePierro**    -     **No**  
                  **Fox**           -     **No**  
                  **Grossi**       -     **Yes**  
                  **Cesaro**       -     **Yes**

**Motion failed.**

Ms. Grossi commented that replacing bushes is not essential to the operation of the Township. She stated that she finds this process to be a waste of time if unnecessary items are not cut. She expressed her opinion that this is an absurdity. Council President Cesaro agreed.

Mr. Walsh explained the need for his budget requests for Education (300) and Irrigation Supplies (341).

Ms. Grossi indicated another problem she has with the 2009 Budget is that the encumbered amount is never really the encumbered amount. This makes it difficult to ascertain what has actually been spent the year before in order to decide what to appropriate in the current year. Mr. Barberio concurred with Ms. Grossi, noting that bills are still coming in. Ms. Grossi stated that the encumbered amounts are not accurate, claiming that, in her opinion, this is a "bogus" budget. Council President Cesaro indicated that it may be helpful if, in the future, the Administration provided an estimate of anticipated expenses. Ms. Lim

explained that the encumbered column comes straight from our Vital Program. She advised that we can change this next year and have the departments estimate what they will expend. She stated that this is not an attempt to deceive the Council; this is the way the budget has been done for the past 15 years. We can “tweak it.” It can be changed. Discussion ensued relative to the budget format and the manner in which the document is produced. Suggestions were considered for improving the format. Mr. Walsh addressed how the encumbrance system works and explained the use of blanket purchase orders.

**PARKS AND FORESTRY CAPITAL IMPROVEMENTS** – Mr. Walsh explained the need for a bucket truck and tub grinder. It was noted that the cost of the tub grinder has been allocated between Parks and Forestry and the Road Department.

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**Council President Cesaro opened the meeting to the public relative to this portion of the budget, noting a two-minute time limit per speaker, including questions and responses.**

**Samuel Poff, 24 Lake Stockholm Terrace, Stockholm**, indicated that the Council touched upon a salary and title revision in this department, the reinstating of a General Supervisor, an \$82,000 per year position, which he believes has been vacant for about 5 or 6 years. There are only two departments with General Supervisors left, Parks and Forestry and the Road Department. All of the other departments have eliminated General Supervisors through attrition. Now, however, we are looking to reinstate a General Supervisor for \$82,000 a year in tough economic times. He felt that this is unnecessary.

**Seeing no one else come forward to speak, Council President Cesaro closed the public hearing on this portion of the budget.**

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Mr. dePierro indicated his understanding that the individual being promoted to General Supervisor will be doing two jobs, the job he is now doing plus the supervision job. It's not an \$82,000 increase. Mr. Walsh explained that this employee is earning \$74,000 per year now. He will get a \$6,000 raise to do the job of another employee. Ms. Grossi indicated that it appears that the job title is getting changed, calling for an increase in salary based on the new job title. It was confirmed that this is not a new \$82,000 position; the difference is \$6,000.

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**DIVISION OF CONSTRUCTION INSPECTIONS (290)** – Present for this portion of the budget review: E. Corcoran, Construction Official

In connection with operating expenses, Council President Cesaro noted that a 5% cut, rounded, amounts to \$42,000.

Relative to the items in which he has input, Mr. Corcoran indicated that, in most cases, what was appropriated in 2008 was expended. We needed every cent and we are not asking for much more in this year's budget. He pointed out that, in fact, a few of the line items, such as Consultants (271), have been cut. Council President Cesaro noted that \$35,000 was appropriated last year for the replacement of a microfiche machine, but only \$16,731 was expended/encumbered. He asked for an explanation. Mr. Corcoran explained that he was not satisfied with the machine. He and his staff researched available products and purchased a different microfiche system, at a cost of \$17,000, for reproducing records. He also noted that there is a savings in the cost of paper as the new system uses plain paper. Ms. Grossi questioned whether the new hybrid replacement vehicle budgeted under the line item entitled Vehicle Replacement (229) is staying in the Construction Inspections Division. Mr. Corcoran explained that when he gets the hybrid vehicle, which is paid for out of the fees generated from the issuance of permits, he will give up one of his older vehicles to another department to replace a vehicle in that department that needs to be replaced. Mr. Corcoran also explained the need for the amount budgeted for Computer System Maintenance (262).

Ms. Lim advised that the Division of Construction Inspections brings in more revenue than its total cost. She explained that the State Department of Community Affairs allows the Township to make certain charges against the Construction Office, but monitors how much more the fees exceed the budget. Mr. Corcoran explained that he is supposed to run a zero budget. His office is not supposed to become a burden on the municipality, but he is also not supposed to make money. Mayor Luther indicated that the way this office is run is very similar to the way a utility is run.

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**Council President Cesaro opened the meeting to the public relative to this portion of the budget, noting a two-minute time limit per speaker, including questions and responses.**

**Seeing no one come forward to speak, Council President Cesaro closed the public hearing on this portion of the budget.**

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#### **DEPARTMENT OF PUBLIC WORKS**

Present for this portion of the budget review: G. Schneider, Director; J. Lizza, Municipal Engineer; M. Pucilowski, former (retired) Municipal Engineer

**STREETS AND ROADS (370)** – Ms. Lim indicated that this Division is down one position, Road Superintendent, noting that this position, which was in the budget last year, will not be filled. Relative to operating expenses, Council President Cesaro, looking for Mr. Schneider to cut another 5%, rounded to \$61,000, from his budget, pointed out that \$100,000 more than requested was added to Snow Removal (438). He asked Mr. Schneider if he really needs the additional \$100,000. Mr. Schneider replied that he does, explaining that there were numerous storms in the first quarter of 2009, primarily ice storms, which required lots of salt. Late in 2008, the price of salt rose by 50%, from

approximately \$48.00 to \$69.00 per ton. In the first three months of 2009, the Township paid out \$333,000 versus \$268,000 last year. He explained that he requested the Business Administrator to revise his budget, noting that he also needs to get through November and December of 2009. Council President Cesaro asked Mr. Schneider where the Council could cut. Mr. Schneider explained that he is a “tight budget person,” watching line items very carefully. He indicated that he does not believe that there is any fat in this budget. Ms. Lim confirmed that Mr. Schneider came in with a reduced amount for almost every single line item; Administration made some additional cuts as well. Mr. Schneider advised that the increases in his budget are primarily in Snow Removal (438); in Fleet Maintenance, which is up \$5,000; and in Electric (303) and Heating (327), over which he has no control, which are up about \$23,000.

In connection with Condominium Payments (482), Mr. Strechay, Director of the Department of Municipal Utilities, explained that the Township has received some of the requests for reimbursement, but not all of them. The budgetary amount is based on the expectation that the cost would be similar to last year’s costs. He noted that less was actually budgeted in 2009 because the Township took over some of the work at Brookstone.

Relative to Vehicle Equipment (229), Mr. Schneider reviewed his requests for a Wausau snow plow and hitching frame and a salter to be mounted on a chassis of a dump truck. The total budgeted amount for this line item was reduced from \$36,000 in 2008 to \$26,000 this year. Ms. Grossi asked Mr. Schneider if he could live a year without the purchase of the plow. He indicated that the plow is needed if it snows, explaining that if we have the amount of storms we have had in the past, he is not sure the plows he has now will last. He would prefer if the Council would consider not cutting this piece of equipment from his budget.

Council President Cesaro, understanding the potential weather catastrophes relative to the Snow Removal line item, asked Mr. Schneider what he could live with in terms of a cut. Mr. Schneider explained that, as of now, he has already spent \$335,000 and he has not filled up the salt shed for the October, November, and December season yet. We would be going into that timeframe with only about \$75,000. Ms. Lim commented that, typically, the Department does three to six salting operations at the end of the year. Mr. dePierro took this opportunity to note that some municipalities put a solution on the roads prior to a storm to alleviate the sticking of snow and ice. Discussion ensued relative to the pros and cons of this pre-treatment process. Mayor Luther noted that Randolph elected officials indicated to him that the use of this solution on major roadways in their municipality has been highly effective. He indicated, however, that his concern is the major capital expenditure for the purchase of the equipment. The potential increase in labor costs was also noted.

**Ms. Grossi made a motion, seconded by Council President Cesaro, to cut the \$26,000 budgeted in Vehicle Equipment (229).** Mr. Schneider stated that he believes, wholeheartedly, in everything he does in connection with snow removal. He is a fanatic about checking Township roads and keeping the equipment up to snuff. He understands that this sounds like a big expense, but he pointed out that this is a “safety” expense. He feels that both pieces of equipment relate to safety and snow issues. Mr. Fox indicated that he is

concerned about the safety issue. Council President Cesaro commented that the Council has not cut anything that has to do with health, safety and emergency management, but this may not be so much a safety issue as an inconvenience issue. The vote must be balanced against this logic. Mr. dePierro stated that, if a plow breaks and Mr. Schneider doesn't have a replacement plow, there is one less truck out on the roads plowing and clean-up gets delayed. An ambulance or fire truck may not get to an emergency because a street hasn't been plowed. Mr. Fox and Mr. Barberio both agreed that this is a safety issue.

**Roll Call:**

<b>Barberio</b>	-	<b>No</b>
<b>dePierro</b>	-	<b>No</b>
<b>Fox</b>	-	<b>No</b>
<b>Grossi</b>	-	<b>Yes</b>
<b>Cesaro</b>	-	<b>Yes</b> , explaining, however that if this was an issue of purchasing an "emergency vehicle," he would be the first to vote for emergency funds to buy the new plow.

**Motion failed.**

**STREETS AND ROADS CAPITAL IMPROVEMENTS** – Mr. Schneider explained his request to purchase a two ton asphalt hauler, noting that if he can run a hot asphalt operation twelve months out of the year, he can save the Township money. He indicated that, currently, we are doing triplicate effort on every pothole. He also advised the Council that this is the last year for the street signs capital expenditure. In response to an inquiry from Mr. Fox, Mr. Schneider confirmed that the labor savings with the asphalt hauler should be significant and that the life of this equipment, when handled properly, could be 10 to 15 years.

**SANITATION AND RECYCLING (390)** – Ms. Lim advised that there are two less positions in this Division. Council President Cesaro asked Mr. Schneider where he could cut 5% in operating expenses, rounded to \$124,000. Mr. Schneider reviewed the need for Advertising (201). He explained that he will be reintroducing some recycling programs in 2009; residents will need to be notified. He also advised that the recycling days are being reviewed, noting that he is working with a consultant to possibly simplify the Township's sanitation/recycling operation. Ms. Lim explained that the easier we make it to recycle, the more residents will recycle, which in the long run will significantly reduce tipping fees. We will save a lot of money by getting the recyclables out of the waste stream. Ms. Lim pointed out that Tipping Fees – Residential (479), which is the largest single line item in this budget, has been significantly reduced. She commented that it will make a lot of financial sense for the Township to continue to reduce this line item. Mr. Barberio asked Mr. Schneider if he has ever looked into servicing other municipalities. Mr. Schneider said that he just recently considered the possibility. Mr. Barberio indicated that he has been looking into shared services and would be happy to assist Mr. Schneider in this effort.

**SANITATION AND RECYCLING CAPITAL IMPROVEMENTS** – Mr. Schneider reviewed the need for the following capital expenditures: (1) International/Leach Packer Truck replacement for Packer 1992 International at a cost of \$170,000 and (2) a chipper, the cost of which is split with Parks and Forestry, for \$225,000. Relative to the chipper, Mr. Schneider pointed out that he could foresee this chipper reducing our cubic volume and saving us at least \$100,000 to \$150,000 per year.

**ENGINEERING (410)** – Mr. Lizza reviewed the salary and wage portion of his budget, noting the changes that have occurred; the Engineering Division is down several employees. The immediate concern, per Mr. Lizza, is field inspection. Mayor Luther explained that once Mr. Lizza has had some time to familiarize himself with the office, the Administration will take the opportunity to review some possible changes in staffing, such as, perhaps, hiring a part-time inspector rather than replacing a full-time position. The hiring of a consultant to the Planning Board to do work previously done by the Engineering staff was further discussed. The Mayor emphasized that the goal is to restructure the Engineering Division as a result of one employee retiring and a consultant to review Planning Board applications being retained. Ms. Grossi questioned if we will, in the future, go back to having the Engineer attend Planning Board meetings. Ms. Lim noted that the Administration's intention was to have the Engineer focus his efforts on municipal projects, rather than be involved with the Planning Board applications. Ms. Lim noted that the money budgeted for Consultants in the Salary and Wage portion of the budget is to pay Mr. Pucilowski for his consulting services. In connection with operating expenses, once again Council President Cesaro indicated that the Council would like to cut 5%, rounded to \$1,700, from this budget. Mr. Lizza explained that he is working off of the budget prepared by Mr. Pucilowski. However, he pointed out that the budget proposed by Mr. Pucilowski is actually almost a 5½% reduction from last year's budget. With the deletion of \$5,000 in the operating expense line item labeled Consultants (271), the budget was reduced by almost 18%. He informed the Council that he doesn't know where else money could be cut. What is proposed is very close to what is spent and what is needed. Mr. Lizza informed Council President Cesaro that he could not live with a \$500 cut in Education (300) because the State has just proposed continuing education credits for professional engineers; the money may be necessary, if the legislation is enacted.

**ENGINEERING CAPITAL IMPROVEMENTS** – Mr. Lizza provided a list of those streets proposed for paving in 2009. Mr. dePierro noted that the list is alphabetical. He requested a prioritized list. Mr. Lizza advised that he will try to prioritize the list once another assessment is conducted. Council President Cesaro noted that money for projects in several of the Township's communities was requested, but not budgeted for in 2009. He questioned if funds could be spread more evenly so that projects, such as dam and drainage projects, in the various communities of the Township get addressed. Mr. Lizza noted that many of these projects are very large and very costly, such as the Sandalwood Drive Drainage Project. We do have money, budgeted in past years, to make some of the improvements. We are trying to fund these projects a little at a time. He explained that if we cut the funding for 2009 capital projects, we won't have enough money to do those projects this year; if we reduce the Road Resurfacing and Pavement Markers line item, we would have to reduce the number of streets slated for improvement. Mr. Lizza further

explained that sometimes the amount budgeted is for design and permitting only; other times the money may be for actual construction. Mayor Luther explained that, in connection with the Sandalwood Drive Drainage Project, for example, work will be done this year even though there are no funds in this year's budget. However, next year, we will have to provide funding to do the next phase of the project. If you fund the project now, the work won't get done until next year anyway. Ms. Grossi expressed her concern relative to dam safety, questioning if any of our dams are in such disrepair that we could have a flood event. Mr. Pucilowski replied "no." Mr. Pucilowski addressed the status of the various capital projects, some of which were requested, but not funded this year. In connection with the Sandalwood Drive Drainage Project and with regard to lower Lake Hiawatha as well, Mr. dePierro questioned the status of the replacement pump station. Mr. Pucilowski explained that the pumping station is actually the third phase of the proposal; that phase, unfortunately, is quite expensive. A decision was made to complete the first phase, which should dramatically improve the condition on Sandalwood, and then to start the process for the second phase, which is an additional drainage system to take water to Berries Brook. Hopefully, times will get better and we can start putting money aside for the construction of the replacement pump station. Mr. dePierro noted his concern that, if the pump ever fails, we will have a catastrophe down in lower Lake Hiawatha. Mayor Luther indicated that he doesn't disagree, but noted that it is just a question of the priorities of the projects and the \$5 million estimated cost to replace the pump station. He noted that the issue with the station has been a focus of his concern. Mr. Pucilowski indicated that it will take several years to get through the permit process in order to proceed. Mr. dePierro felt we should at least commence the permit process. Mr. Lizza advised that money would have to be budgeted to retain a consultant to prepare the analysis, the plans, and the DEP permits. Mr. Pucilowski noted that the Township will be going out to bid probably late spring or early summer on the first phase of drainage improvements; there was money originally appropriated for some of this work. If everyone is indicating that maybe we should concentrate on the pump station and not on Phase II, whatever money is left over could be used to proceed with Phase III. Mayor Luther indicated that Mr. Staudiner, who lives at the bottom of Haddonfield on Sandalwood, would need to be advised because he has been questioning the status. Mayor Luther indicated that this project will certainly be addressed in next year's budget, if that's the Council's desire. To the extent that we can accomplish work this year, within this budget, we will, but he doesn't think that the Council would want to redirect money at this time. Council Members concurred.

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**Council President Cesaro opened the meeting to the public relative to this portion of the budget, noting a two-minute time limit per speaker, including questions and responses.**

**Lee Keimel, 342 Lake Shore Drive**, expressed his grave concern with the use of brine on roadways prior to anticipated snow storms, noting that the runoff affects streams and waterways throughout the community.

Mr. Schneider advised that this is an issue when the brine is not properly applied.

**Seeing no one else come forward to speak, Council President Cesaro closed the public hearing on this portion of the budget.**

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*Brief Recess Taken*

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**CHILD CARE CENTER (451)**

Present for this portion of the budget review: S. Dickens, President, Board of Trustees, Parsippany Child Day Care Center; C. Martin, Director, Parsippany Child Day Care Center

Mr. Dickens advised that grants, particularly from the State, are drying up. He explained how the Center needs to maintain a certain level of income in order to maintain the level of support provided to the 93 children currently enrolled. He reminded the Council that, for the past two years, the Township has generously granted the Center \$120,000 per year. This year, the Center requested \$90,000, but the amount budgeted was set back to the amount originally budgeted in 2007, \$60,000. Ms. Martin reviewed the full-time tuition rates, the CBC sliding scale co-pays and other scholarship programs. She noted that the Center lost money from United Way. Fund raising efforts, including the receipt of funding from a private foundation, were discussed. The Council Members offered, as they did last year, to assist the Center with fund raising events. Mr. dePierro commented that the Center needs \$120,000 to operate; the Township has offered \$60,000. He asked what this does to the operation of the Center. Ms. Martin advised that children will never be turned away, but the staff will not get raises, health benefits (hospitalization) will be cut, and the 3% formerly contributed to employees' IRAs will be discontinued. She advised that of the 93 youngsters currently enrolled; almost 50% are full pay. Mayor Luther questioned if there has been any effort to try to recruit new students. Mr. Dickens indicated that the Center tries to advertise, noting it instituted its own website. Fliers are distributed through the schools as well.

**Mr. dePierro made a motion to increase the Day Care Center Budget by \$30,000, restoring the amount to the \$90,000 requested. No second was offered.** Mr. Fox indicated that the State is cutting the Township's funds, in all areas; we are not in a position to make up the difference. He suggested that the Center put a better effort into outside fund raising next year. Additionally, he suggested that the Board carefully look at the IRA contribution, noting that he is not aware of any other government entity providing this benefit to their employees; he doesn't know if our taxpayers should be funding this.

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**Council President Cesaro opened the meeting to the public relative to this portion of the budget, noting a two-minute time limit per speaker, including questions and responses.**

**Seeing no one come forward to speak, Council President Cesaro closed the public hearing on this portion of the budget.**

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**GOLF UTILITY (700)**

Present for this portion of the budget review: R. Strechay, Director, Department of Municipal Utilities; P. DeFalco, Golf Superintendent

Relative to utilities, Council President Cesaro noted that revenues equal expense; the utilities are totally fee driven. He indicated that, in reviewing this budget, he didn't have too many concerns. He asked Mr. Strechay and Mr. DeFalco if there are any concerns they would like to discuss with the Council. Mr. DeFalco advised that his budget was carefully reviewed. The Knoll Utility will need to work hard to keep within this budget in light of the current business climate. He expressed his concern about maintaining the product the Township has been delivering all of these years. Mr. dePierro stated he is concerned that the Township may not get a bid offer equivalent to what we have now when we solicit bids for the Knoll Concessionaire, which will affect the revenue of the Knoll. Mayor Luther indicated that the current concessionaire had an option to renew this year for another five years, but he didn't exercise the option. He may rebid this year to see if he could do better relative to the rent. A brief discussion was held in connection with the concessionaire's contract and expenses. Additionally, Mr. dePierro noted that, due to the economy, golfers are cutting down on playing time. He questioned if the Golf Advisory Committee should discuss the possibility of increasing the number of "A" memberships. Mr. Strechay indicated that this is being discussed, including the possibility of "Provisional A" memberships. Mayor Luther expressed his feeling that, because the private clubs are losing members due to the economy, the Knoll, as a result will see an increase in golfers. We have an opportunity to bring in additional revenue by addressing daily play at the West Course.

**GOLF UTILITY CAPITAL IMPROVEMENTS / DEBT SERVICE / DEFERRED CHARGES / STATUTORY EXPENSES** – No specific questions were posed by Council Members relative to these budgetary items.

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**Council President Cesaro opened the meeting to the public relative to this portion of the budget, noting a two-minute time limit per speaker, including questions and responses.**

**Seeing no one come forward to speak, Council President Cesaro closed the public hearing on this portion of the budget.**

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**SEWER UTILITY (700)**

Present for this portion of the budget review: R. Strechay, Director, Department of Municipal Utilities; P. Bober, Sewer Plant Acting Superintendent; F. Lorito, Sewer Plant Asst. Superintendent

Mr. Strechay provided revised budget sheets and explained the \$45,000 increase to Chemicals/Chlorination (239) due to the bids coming in much higher than anticipated.

**SEWER UTILITY CAPITAL IMPROVEMENTS / DEBT SERVICE / DEFERRED CHARGES/STATUTORY EXPENSES** – No specific questions were posed by Council Members relative to these budgetary items.

Mr. Bober provided an update as to the Sewer Plant improvements. He indicated that, at this time, we are between the 30% and 40% point in the design process, which has allowed us to meet all of the deadlines in connection with the New Jersey Infrastructure Trust and the New Jersey Treatment Works approval process. All papers have been filed on time and also filed to see if we can get our project fully granted by the funds that may be released from Washington. To date, we are “on step;” we anticipate that the final design should be completed between the end of July and the end of August. If everything is feasible, we should be able to bid the project by the end of this year. In response to an inquiry from Mr. dePierro, Mr. Bober advised that the technical specifications will be prepared by CDM Engineering Consultants with input from the Township. Ms. Lim indicated that the estimated cost of the actual construction is between \$20 million and \$23 million in addition to financing and administrative costs. Mr. dePierro questioned what the pay-back will be relative to the savings on our electric bills. Mr. Bober explained that the number, at this time, is not completely known because a decision still needs to be made as to which type of blowers to install. This type of equipment uses the most power in the new system. Until this decision is made, we won’t have a definite number. Mr. Bober indicated that right now we spend between \$150,000 and \$160,000 per month for power. He advised that it shouldn’t be unreasonable to expect that this number could be dropped to between \$45,000 to \$50,000 per month. We will be saving a minimum of \$1.2 million per year in energy costs in addition to anticipated savings as a result of the more efficient process as well as opportunities for additional revenue.

Mayor Luther recognized Mr. Bober, Mr. Lorito, and Ms. Mancuso, Senior Clerk Typist (present in the audience) for the great job they are doing with the Sewer Utility. Mr. Bober personally thanked Ms. Mancuso for her valuable assistance.

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**Council President Cesaro opened the meeting to the public relative to this portion of the budget, noting a two-minute time limit per speaker, including questions and responses.**

**Seeing no one come forward to speak, Council President Cesaro closed the public hearing on this portion of the budget.**

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Special Meeting/Budget Review – March 21, 2009

**MOTION TO ADJOURN: Ms. Grossi**  
**SECONDED BY: Mr. dePierro**

<b>Roll Call:</b>	<b>Barberio</b>	<b>-</b>	<b>Yes</b>
	<b>dePierro</b>	<b>-</b>	<b>Yes</b>
	<b>Fox</b>	<b>-</b>	<b>Yes</b>
	<b>Grossi</b>	<b>-</b>	<b>Yes</b>
	<b>Cesaro</b>	<b>-</b>	<b>Yes</b>

**MEETING ADJOURNED: 1:00 p.m.**

**Minutes approved: April 28, 2009**