

TOWNSHIP OF DENVILLE
MUNICIPAL COUNCIL
BUDGET AND REGULAR WORKSHOP MEETING

MARCH 09, 2010

The Meeting was called to order by President Andes at 6:30 p.m. The Salute to the Flag was recited, followed by the reading of the Open Public Meetings Act Statement by Deputy Clerk Kathy Costello. Mrs. Costello reminded all present that this is a non-smoking facility and she requested that all cell phones be turned off.

ROLL CALL: FITZPATRICK, KUSER, SHAW, SMITH, STECKY, PRESIDENT ANDES.

The Deputy Clerk advised that Mr. Golinski is on his way.

ALSO IN ATTENDANCE: MAYOR HUSSA AND ADMINISTRATOR GOBLE.

President Andes noted that the order of business this evening will be a budget session until approximately 7:20, at which time we will have a short break. He advised that at 7:30 we will do R-10-70, naming Field #7 in honor of Jim McCloskey whose family will be present. Mr. Andes noted that if anyone, from the Council or the public, would like to speak about Jim McCloskey they will be recognized. He said that there will be a short break to allow any of the public, who wishes to do so, to leave.

Mr. Andes advised that, following the break, there will be a regular public portion and then a presentation by E. I. Associates on renovations to the existing Police Department. He invited everyone to take a look at the planter outside the chambers that Mr. Fuertges worked on for the downtown area.

Administrator Goble noted that she has provided the Council with up-dated sheets from the Saturday meeting, along with the sheet on the properties that the Township would like to sell. Mrs. Goble said that the percentages that Mr. Kuser requested on salary distribution are in there as well. She explained a notation on the sheet as representing an individual who had a title but no longer has it, so that distribution portion had to be removed in January. Mrs. Goble also provided the requested vehicle sheets and suggested that they can be reviewed at a future date.

The Administrator said that she would like to go over the new preliminary sheet that should say "third draft". She said that, when they met on Saturday, the increase on the average home was projected to \$33.89. Mrs. Goble advised that, after deducting the items that they spoke about on Saturday, the increase on the average home will be \$28.16 which is .9 of a tax point. The Administrator noted that, as been mentioned many times, spending is not the problem; it is the decrease in revenue that is the culprit. Mrs. Goble stated that she is open to any discussion that the Council would like to engage in at this time.

Councilwoman Smith asked if, in looking at the tax rate as .009, is there any rounding done. Mrs. Goble replied that, when it is sent to the County, it will be rounded to 1 which will come out to approximately \$30.

Mr. Andes asked where the excess goes when the County rounds up our figures. Mrs. Goble replied that it goes back into the surplus fund. She said that we always have a

little balance because of the County rounding up. Mrs. Goble further explained how "rounding up" affects the tax rate.

The Administrator noted that, short of going over this line item by line item, she knows of no way to reduce this budget any further. She reminded everyone that a tax point is equal to \$229,000 and she does not believe that this budget can be reduced by that amount. Administrator Goble advised that our budget has been the same for three years and, when you consider the amount that has been removed from this budget that used to be in there, we actually have a saving of over \$1.8 million. She said again the it is the lack of revenue coming in that is the problem, not spending out of control.

President Andes asked the Mayor if he has any comments since he missed the meeting on Saturday due to military service.

The Mayor noted that Mrs. Goble brought him up-to-date on that meeting.

He said that a lot depends on how badly we want to get to a flat budget. Mayor Hussa noted that they have tried everything. He said that, with regard to the foreclosures, the figure that Mrs. Goble feels comfortable anticipating is \$200,000. The Mayor said that some of these properties are not prime properties but maybe there is another \$100,000 to be found in them. He noted that we would have to sell them before the end of the year. Mr. Hussa said that he, personally, would not mind taking another \$50,000 out of surplus with this group of properties. He commented that he wouldn't mind taking another \$100,000 out of surplus. The Mayor said that he thinks that \$50,000 is a reasonable figure with these properties but, they have to be sold by the end of the year. Councilwoman Smith asked how long the foreclosure process will take.

Mrs. Goble replied that we have been working on this since last year and are almost at the end.

Mrs. Smith noted that she has always been conservative when it comes to the surplus and repeated Mrs. Goble's warning that when you touch the surplus, it affects last year and the coming year as well as the current year. She asked how comfortable our Auditor Ray Sarinelli is with the amount of surplus we are using.

Mrs. Goble advised that when she and Mr. Sarinelli first met for budget discussion, we were using \$200,000 less than what is presented in this budget. She said that was where they were comfortable, with the goal of staying on somewhat the same level for next year, so that we are not having this same conversation next year. The Administrator said that, considering the foreclosure properties, they took another \$200,000 from surplus and put it in this budget. She noted that the budget also has the proposed increase in garbage fees built into it. Mrs. Goble stated that she would not be comfortable with taking another \$100,000 out and would not be comfortable taking another \$50,00, but she could live with another \$50,000. In response to Mrs. Smith's question, Mrs. Goble said that the \$50,000 represents 1/4 of a tax point. She said that, instead of \$28, the increase would be \$21 and asked if the Council really wants to jeopardize itself for \$7. The Mayor stated that we have all of these properties that we are foreclosing on. Mrs. Goble reminded him that there are only two that we can sell. Mr. Hussa stated that those two are worth \$250,000. Mrs. Smith replied that that is

assuming the valuation, the market and assuming, not only that we foreclose on it, but are able to sell it that quickly. She said that there are a lot of assumptions in there that she might be discomforted by. President Andes commented that he wonders how many available buyers there would be for these smaller lots. Mrs. Goble advised that there are only two buildable lots and the anticipated sale price for them is already included in the budget. Mayor Husa stated that he is just suggesting that another \$50,000 be taken from surplus. President Andes asked if a more conservative route would be to not take the \$50,000 out of surplus, sell the two properties and put the money into the fund balance for next year. The Mayor said that is true but we are not talking about next year, we are talking about this year. Mr. Andes replied that selling these properties is what is on the table.

Mr. Kuser asked if there are any buildings on any of the foreclosure properties. Mrs. Goble advised that it is all vacant land. Mr. Kuser asked if a market rate has been determined to find out what they are really worth. Mrs. Goble stated that she is confident with regard to the assessments and does not think it is unrealistic to think that we can sell these lots. The Mayor commented that they could be undervalued. Mr. Kuser asked how the properties would be sold and Mrs. Goble said that we would auction them ourselves.

Mayor Husa noted that there is a personnel matter that is being looked into that may give us a little relief, but he is not at liberty to speak about that at this time. He said that another item that was discussed was furloughs, but the consensus was that furloughs would punish the low earners because the high earners are exempt. The Mayor noted that he is bringing it up because it has been on the table but, he is not sure it would get us to where we want to go. Mrs. Goble stated that to take a week's pay from taxpayers in our own town, who are earning \$30,000 a year, for a \$28 a year tax increase is unconscionable. She noted that we have taken staff away from people, are doing more, work extra hours and would have money taken away from them. The Administrator added that we have a group of people who, by arbitration, would not only not have time taken from them but would get a raise on top of it.

The Mayor commented that if we were going up three tax points it might be a reason to do that. He said that he thinks we would receive criticism if we are going up less than a tax point and are furloughing people.

Mr. Shaw asked why Rockaway Township is furloughing their people. Mrs. Goble responded that they are at such a cash deficit that they are having severe problems. She said that we are not at a cash deficit.

Mayor Husa stated that the Administration has saved three tax points a year for the last three years by being economical. He said that it would be very difficult to justify furloughing employees with this budget.

President Andes noted that there are three categories of employee in the Township:
Police Dept. cannot be furloughed per their contract.

DPW to whose ranks we have just added two new employees. Mr. Andes said that we can't then furlough the remaining employees. He stated that it would be

counter-productive and would certainly hurt morale.

Municipal Building employees, some of whom have high salaries. Mr. Andes noted that the majority of the workers are not in the upper salary echelon. He added that those are the people who would be hurt the most.

Councilman Golinski arrived at 6:53 p.m.

Mayor Husa advised that his only other suggestion would be to push the two ambulances off a year.

Councilman Kuser asked the Mayor what his suggestions are.

Mayor Husa replied that he would suggest taking an additional \$50,000 out of surplus. He said his idea was to furlough employees for one or two days out of the year, but she's (Mrs. Goble) not willing to do that.

Mrs. Goble responded that he should not say "she's" not willing. The Administrator asked the Mayor to look at the fact that we are bringing people on in the Road Department because we need to get the work done, then take 24 hours from 30 people who work for one department because the Road Department would be furloughed also, what have you accomplished by bringing people on to get the work done.

Mr. Shaw spoke irately about the residents' reaction to the garbage fee increase.

Mrs. Goble replied that she doesn't set the tipping and hauling fees.

Mayor Husa stated that he, personally, thinks that we can absorb a one or two day furlough.

Councilwoman Smith asked what a one or two day furlough would give us. Mrs. Goble replied that she has no idea, she would have to go through everyone's salary to figure what one day each would amount to. The Administrator added that 1% would amount to \$75,000, but she has no idea what one day's pay for each employee would come to.

Mrs. Goble asked why we are hiring people if we are going to take man-hours away.

Mrs. Smith said that she agrees; either don't hire or furlough. She noted that we have a hiring freeze in most departments and are only hiring due to extraordinary need. Mrs. Smith commented that we have the Police Dept. coming in with backfill in the middle of the year and we are operating with a combined Administrator/Finance Officer.

Mr. Kuser asked the Mayor what other suggestions he may have.

The Mayor replied that the only thing is that he would push off the ambulance purchase, which would save \$34,000 and he would look for the least needy street and take that off the paving list.

There was a brief discussion regarding the reasons for purchasing two ambulances and it was noted that the cost would be \$9,000 per ambulance in this budget.

Mr. Stecky noted that the Council was asked for one ambulance and we are giving them two. He said that he understands the reasons for purchasing two, but disagrees with it. With regard to furloughs, Mr. Stecky noted that he is against furloughs. He stated that, before he would consider furloughs, he would go to the \$4 million fund balance for the funds that are needed because that wouldn't hurt anybody. He said all that it would do would be to put us a little bit at risk next year. Mr. Stecky commented that hopefully next year the economy will improve and reiterated that it is the decrease

in revenue that is causing the short-fall. He said that he thinks we should go after the fund balance this year, but if we are in the same shape next year, we will have to furlough people. Mr. Stecky stated that what he is really doing is making an exchange, furlough for fund balance because he really wants to see a zero tax increase or as close as possible.

Mrs. Goble replied that we are as close as we are going to get and she would not feel comfortable taking \$200,000 out of the fund balance because it will put us in a precarious position for next year. She noted that the auditor is in full agreement with her on this. Mr. Stecky further argued that the fund balance would be left with \$3.7 million. Mrs. Goble responded that \$2.5 million cannot possibly be taken from this year's fund balance because we won't generate enough revenue next year to replenish it. She advised that both she and the auditor would be very uncomfortable with doing that. Mrs. Goble stated that it is a gamble to take that much from the fund balance. She said that she can give the Council her advice as the CFO, but they are the ones to vote on the budget. Mrs. Goble added that, if they take that amount from the fund balance, she does not want to be here next year and have them ask her why she allowed them to do that. She stated that she wants it on the record that she feels the same as she did last year when they wanted to raid the surplus.

Councilman Golinski noted that Councilman Shaw was irate about the garbage rate increase. He said that a \$15 increase after sixteen years is something we should be celebrating, but we will be getting beat up over it. Mr. Golinski noted that if we squeeze this budget for all we can get out of it, we will be in the same spot with the budget in a year or two as we have with the garbage increase now.

Mrs. Smith spoke about her philosophy on taxes and stated that she does not think the economy will be any better until 2012. She said that a zero tax rate is a "feel good" idea, but not a reality. Mrs. Smith stated that the proper way to deal with the tax rate is to have a modest raise each year in order to protect our residents from a major increase. She reiterated the comments regarding the tight budget, the fact that there is no where else to cut and the dangers of putting next year's budget in jeopardy. Mrs. Smith noted that it is a very tight budget this year and the critical aim of any budget is the health and welfare of our residents. She said that she is comfortable and stand in front of the citizens of Denville and support a budget of one tax point.

Councilman Kuser stated that the greatest asset in our town is obviously our residents but, it is also our employees. He said that going after our employees and furloughing them for no reason is despicable. Mr. Kuser noted that we don't know what the salary increase will be, it is just a guess and that is what has the biggest effect on the budget. He urged the Council not to gamble with the people's town.

Mayor Hussa noted that, if he was still working in his full-time job, as he did for 24 yrs., he would not think anything of being furloughed for one or two days. He said that he does not agree with one day a month but stated that he thinks if we asked the employees if they would voluntarily do it, we would get some people who would do it. Mr. Stecky said that was an idea.

Mrs. Goble interjected that she has employees whose husbands have lost their positions and who are struggling to pay their bills. She said that it may not seem that a day's pay is a lot but, it is a lot to someone whose husband is working three days instead of five and is making \$30,000 a year. Mrs. Goble advised that they have done everything possible to keep morale up in this building and no matter what she asks of the employees to do, they are willing to help. The Mayor interjected that the point of a voluntary furlough is that you don't come in that day. Mrs. Goble replied that you don't get paid for that day.

The Mayor said that, if furloughs are off the table, he would like the Council to consider taking between \$50,000 and \$100,000 additional out of the surplus, because of the anticipated foreclosures.

President Andes noted that a consensus was taken on the ambulance and the capital budget is set, unless he is hearing from the Council that they want to remove a street or an ambulance. He said that, next week, Mrs. Goble will be in negotiations and will bring the Council up to date at a closed session at the next meeting.

President Andes called for a consensus to take an additional \$50,000 from the fund balance, in the hope that there will be a sale of foreclosed properties. He said that this would be without the recommendation of the CFO/Administrator and asked Mrs. Goble if it is safe to say that it would also be without the recommendation of the Auditor.

Mrs. Goble replied that she can't say that for \$50,000. She said that she could live with taking an additional \$50,000 but not \$100,000 or the \$200,000 that Mr. Stecky recommends. Mrs. Goble added that we have to know what that will do to the budget next year.

Councilwoman Smith asked about the consequences of an increase in the salary or O & E lines. Mrs. Goble replied that she will fully discuss that in closed session on Saturday. Councilman Fitzpatrick commented that he hopes furloughs are off the table but, even if they were used, the savings would be minimal. He said that we do need to hire two people for the Road Department and to then turn around and furlough other employees would just be wrong. Mr. Fitzpatrick noted that he thinks the Council should look at themselves and what they could give up as well as any other areas that may benefit the budget. He asked Mrs. Goble what the most responsible revenue would be to help us next year and, what could we do to help. Mrs. Goble replied that there is nothing any of us can do because it is the whole economy that needs to be revived.

Mr. Kuser stated that he agrees with Councilman Fitzpatrick in that, if we consider furloughing employees, we need to furlough ourselves and cut back on the Council's pay and any benefits that we may have.

Councilman Shaw said that he thinks that is a good idea. Mr. Shaw stated that he wished to clarify his suggestion that there be furloughs. He said that he was not targeting any one department; he was suggesting that the Administrator come up with something along that line. Mrs. Goble replied that the Police Department would be the only department not affected because they are exempt from being furloughed. She

said that she can't just choose a group of people to be furloughed among the remaining employees.

Administrator Goble stated that being able to bring two people back to our work force in DPW and only raise the taxes by \$28.00, in her opinion, it is a miracle budget.

Councilman Golinski agreed and complimented Mrs. Goble and the Mayor on the work then went into the budget. He said that, since some things are still unsettled, he thinks talking about furloughs and using more fund balance is premature. Mr. Golinski noted that he would be willing to gamble on the sale of the foreclosed properties, on Mrs. Goble's recommendation, once everything else is done. He said that, with regard to furloughs, he agrees that should be a last resort after the Council drops everything that they receive. Mr. Golinski noted that he would be willing to take a street off the paving list rather than furlough people.

Mrs. Goble advised that the saving would only be 5% of whatever it would cost to pave that street.

Mr. Stecky agreed with the concept of furloughs being an absolute last resort and also agreed with taking \$50,000 from the fund balance.

President Andes asked everyone to keep in mind that the budget affects three years, 2009, 2010 and 2011. He said that there are still some unknowns here, such as negotiations and what the properties will bring in. Mr. Andes stated that he thinks the best course of action would be to hold off on any decisions until we have some indication that the properties are viable commodities.

Mrs. Goble advised that there are only two buildable lots and the remainder will be absorbed into our open space inventory.

Mrs. Goble requested that the Council hold an Executive Session at 6:30 on Tuesday night and she will bring the Council up-to-date on personnel.

Mr. Andes asked for some input from our Auditor and noted that all of tonight's topics will be open for discussion. He said that, in addition to tonight's topics, the vehicle list that has been provided to the Council will also be discussed.

Mrs. Goble requested that the Council e-mail her any questions they may have well in advance of the meeting so she will have time to address them.

President Andes called for a recess at 7:22 p.m. and asked that the Council be ready to resume at 7:30 p.m.

The Meeting resumed at 7:30 p.m.

President Andes noted that the meeting was opened at 6:30 this evening to discuss budget matters and was officially opened at that time. He said that the next order of business will be a vote on the following resolution:

R-10-70 RESOLUTION OF THE TOWNSHIP OF DENVILLE, COUNTY OF MORRIS AND STATE OF NEW JERSEY DESIGNATING FIELD #7 AND THE WALL AT GARDNER FIELD IN HONOR OF JAMES H. McCLOSKEY

President Andes read the resolution into the record. A copy of that resolution is attached to these minutes.

MOTION TO APPROVE R-10-70: MOVED BY MEMBER SMITH, SECONDED BY MEMBER FITZPATRICK

Discussion: President Andes thanked everyone for coming tonight for this special resolution. He spoke about Mr. McCloskey's dedication to Denville and about his friendship with Mr. McCloskey. A copy of Mr. Andes' remarks is attached to these minutes.

President Andes asked if anyone else from the Council would like to make any comments.

Councilwoman Smith noted that she and Mr. McCloskey started on the Board of Adjustment together and she probably knew him the longest of any of the Council members. She said that he was a true gentleman, they argued but they made up. Mrs. Smith commented that his input on the Council, his eye for beauty and his tireless work on this building are a tribute to the kind of person he was. She said that he will be sorely missed in the community, no matter what position he filled. Mrs. Smith added that you can still see Jim wherever you go in Denville.

Councilman Shaw spoke about coaching Jim McCloskey when he was a boy. He said that Jim was a tough competitor and they had a good relationship for many years. Mr. Shaw stated that he was proud to know him, proud to have coached him and he will never forget him.

President Andes opened the Public Portion on this resolution only.

No one wished to be heard and Mr. Andes closed the Public Portion.

At this juncture, President Andes called the McCloskey family forward.

Clerk Donna Costello called out to Mr. Andes from the audience and suggested that he have a roll call on R-10-70.

AYES: SMITH, FITZPATRICK, KUSER, SHAW, STECKY, GOLINSKI, ANDES.

President Andes presented a copy of the resolution to Jim McCloskey's wife and children and one to his parents. He noted that a plaque will be installed on the wall at Field #7 dedicating the field and wall to Mr. McCloskey. Mr. Andes thanked the family for giving Jim to the Township and sharing him with us.

President Andes called for a brief recess at 7:45 p.m.

The Meeting resumed at 7:56 p.m.

OPEN PUBLIC PORTION.

Paul Barnish, 400 Morris Avenue, W. P. Realty. Mr. Barnish advised that he is one of four owners of a 2 acre parcel between 400 Morris Ave., on the corner of Ford Road and Morris Ave., and the Hampton Inn. He said that they are interested in developing the property for a hotel. Mr. Barnish explained that tonight he would just like to give the Council and the Mayor a letter from their planner, Adrian Humbert, describing the use

they would like to have on this property. He said that it would involve some review and zone revisions. Mr. Barnish noted that he would like to leave the information with the Council and, if they see fit, arrange to meet with the proper people for further discussion. President Andes commented that Mr. Barnish had spoken to the Council regarding his wish to erect a hotel, last year. Mr. Andes said that our Attorney has advised him that we will need a report from our planner as to whether or not this will make good planning sense for Denville. He noted that there would be some cost involved with obtaining this report and he asked Mr. Barnish if he would be willing to put some money in an escrow account to fund the report. Mr. Barnish replied that he would be willing to do that.

The Council agreed to that course of action. Mr. Andes asked Mr. Barnish to submit the paperwork to Administrator Goble.

Franz Fuertges, 109 Ford Road, advised that there is a planter in the lobby outside of the Council Chambers. He noted that this is a sample of the planters that the Beautification Committee wants to put in the downtown business area. Mr. Fuertges explained that the original plan was to make forty of these planters but, due to budget constraints, fewer will be done. He said that the tiles are expensive and the concrete pipes that he had planned to use would require the use of more tiles. Mr. Fuertges noted that fewer tiles are needed to cover the pipes that they are currently using which cuts down on the cost of the tiles. He said that the students at the Vo-Tech school are eager to assist in making these planters. Mr. Fuertges advised that the design will be the same but the color scheme will be different. He added that one big advantage of the tile covered planters is that they will never need painting.

Administrator Goble commended Mr. Fuertges saying that the planter really looks great. The Mayor concurred and assured Mr. Fuertges that the Administration supports his efforts. Mrs. Goble advised Mr. Fuertges to work with our Purchasing Agent to order what he needs.

Mr. Fuertges said that he will calculate the exact cost for the planters and will try and solicit some financial assistance from the Chamber of Commerce. He noted that he does not believe that Vo-Tech can lend any financial assistance.

Mr. Andes noted that Mr. Fuertges was instrumental in the color scheme at the Gardner Field Playground.

Councilman Shaw advised Mr. Fuertges that he has prepared fliers, for distribution in the Kitchell Road neighborhood, asking the residents to assist in caring for the garden at the point of Kitchell road and Morris Ave.

Mr. Fuertges replied that he is looking to have the neighbors donate one hour per year to help maintain that garden.

CLOSE PUBLIC PORTION.

President Andes advised that the next item on the agenda is a presentation by E. I. Associates on the renovation of the Police Department. He noted that Chief Wagner, Facilities Manager John Ciardi, and two representatives of

E. I. Associates are present.

The gentlemen from E. I. are Michael J. Wozny, Director of Educational Projects and Mel P. Dworkin, Director of Business Development.

Chief Wagner gave a re-cap of the numerous problems that exist in the Police Department and the needs for space for storage, closets, lockers, conference rooms and an armory. He noted that, due to the construction of this building and the manipulation of part of their building, a number of leaks developed that cause some of these problems. The Chief added that there also is a desperate need for space in the Police station and explained the crowded conditions. He advised that a feasibility study was done and in 2009 proposals were submitted for both a 1-story addition and a 2-story addition, off the back of the building. The Chief noted that it would be upwards of \$200,000 to remediate the problems and that would only be a cosmetic fix. He explained that the Council has sent them back to E.I. three times to modify or change the plans. Chief Wagner advised that tonight he is bringing the Council the final proposal.

Referring to drawings that were distributed to all members of Council, the Chief pointed out that the proposal is primarily a building off the front lawn, at the lobby entrance to the Police Station. He said that there is also some extension and improvement in the locker room area. The Chief stated that this is a last chance proposal and is about ½ million dollar reduction in the two-story proposal that they presented previously. He explained what facilities would be housed in the proposed new building and how the locker area would be expanded to 45 lockers. Chief Wagner added that the dispatch and booking areas would not be touched which would avoid having to make any mandated up-dates. He said that there is a summary of estimate attached in the amount of \$1.8 million.

The Chief noted that, as of tonight, we are two years into this endeavor. He said that, if the Council makes a decision to move forward tonight, it would be one year in the planning stage and one year to build. Chief Wagner commented that he hopes this plan meets everyone's specifications and thoughts.

The Chief explained the new drawing to Councilman Shaw. The Chief noted that the cost reduction is due in part to the fact that no demolition is required and added that there would be very little interruption to the core functions of the Police Department. He thanked John Ciardi for thinking of the plan because it is really a much smoother transition.

Councilman Shaw asked how the proposed County radio system would affect our communications.

The Chief replied that only about 10 ft. of this proposed project touches our communications area. He said that the County mostly wants to answer 9-1-1 calls and transfer them to the local P.D. to be dispatched. Chief Wagner noted that the Chiefs Association had not been told about any mandate towards a County-wide push at this time. He said that he personally feels that, by losing that dispatcher, we lose a certain

amount of control in how we provide service.

Councilman Stecky asked if all of the problems in the existing facility will be attacked as well with the new building.

Mr. Ciardi replied that the whole core of the existing building is scheduled for re-modeling and will be squared off into usable space; it will be an addition and renovation that will result in a twenty-year life-span of the police station. Mr. Ciardi added that E. I. was asked for the total cost with a little cushion added in to cover unexpected costs.

Mr. Stecky asked about windows and the Chief said that there are very few windows. There was a discussion regarding the heating system. Mr. Ciardi explained that it was decided that the Police Department should have its own, smaller, heating unit instead of having to be run off the Municipal Building as it is now. He said it will be more economical than running the larger, Municipal Building unit 24/7; he added that the Police Department has its own air-conditioning system. It was noted that a new, stand-alone system will be installed. Mr. Ciardi advised that there will, in all likelihood, be grant money to assist with that. Mr. Stecky suggested that the town apply for stimulus money and Mr. Ciardi replied that it will be looked into.

Mr. Stecky asked about electrical up-grading and Mr. Dworkin noted that the Police Department electrical system has been recently up-graded. Mr. Stecky recommended that the Police Department have a separate electric meter. Mr. Ciardi said that, since we are no where near the design specifications, we can look into that.

Councilwoman Smith noted that the Chief's current office was recently renovated and she asked if that is going to be re-constructed. The Chief explained that two sheet rock walls will be taken down to make it into one large, square office area.

Mrs. Smith asked about the proposed interview rooms and the Chief explained the proposed lay-out, noting that there will confrontational and non-confrontational rooms.

Mrs. Smith asked what would be used for departmental meetings. Chief Wagner advised that the break room will be used for meetings and roll call as well.

In response to a question from Mrs. Smith regarding the female locker room, the Chief said that only the lockers need to be replaced.

Councilwoman Smith asked if all of the furnishings are included in the costs. The Chief answered that they are but some can be recouped from the existing building. He said that some new furniture is built into the cost but it is not an exorbitant amount.

Mrs. Smith noted that there is a big difference between option #1 and option #3, for gaining the same amount of space. She said that they both say that the order of magnitude is plus or minus 25%. Mrs. Smith commented that option #1 is around \$800,000 or \$900,000, while option #3 is \$1.8 million.

The Chief explained that the old option #1 is only a bump-out at the back of the building and only expands the locker area.

Mrs. Smith asked what square footage is to be gained over what we have now.

Mr. Dworkin noted that option #1 added about 1600 sq. ft., whereas option #3 has 1500 sq. ft. off the back and 2278 sq. ft. out the front.

Councilwoman Smith asked if, in this building economy, the Construction Management

Fees of 5% and the Architectural Engineering Fees of 8% could be negotiated to a lower amount. Mr. Dworkin replied that those fees can be negotiated but, the soft cost number of 28% and those fees can be broken down.

Chief Wagner noted that the hope is that the need for work because of the economy will result in more competitive bidding and work to our advantage.

Mrs. Goble added that, even being required to pay the prevailing wage, there is a high rate of unemployment resulting in many more companies submitting bids. She cautioned everyone about the problems created when there is not a construction manager on the job. Mrs. Goble stated that she thinks it is money well-spent to have a professional watch over everything while the building is being constructed.

Mrs. Smith asked if parking in front would be lost. The Chief responded that not one parking spot will be lost.

Mrs. Smith asked how we would pay for this building.

Administrator Goble replied that the down-payment for this project is already in our Capital Improvement Fund since we had put money aside last year thinking that we would be doing something with that building. She said that the first year we would do a note or, perhaps the Morris County Improvement Authority will have another bond sale. Mrs. Goble advised that we would do this as a note and link it up with the notes we have now and the payments due in 2012 would escalate with the building. She added that we would then go out for a permanent bond for a 10 or 15 year time period for the debt we had incurred to that point, which would be about \$10 million.

Mrs. Smith asked what that would do to the cost of our debt service as it affects our tax points. Mrs. Goble replied that we would treat it as we have other bonds with the lower payments in the beginning and higher payments at the back end. She said that she can supply the Council with a schedule based on what she thinks will happen.

Mrs. Smith asked what the impact will be on the taxpayer.

Mrs. Goble replied that there would be no immediate cost, the first payback would be in 2012 or 2013. She said that she will meet with the auditors and they will do a whole structure for us.

Councilman Kuser noted that in the original plan one or two roof-top A/C units were to be added to the existing units. He said that this plan is calling for all new units. Mr. Dworkin replied that the plan is to still use the existing six units but that the heating system would be all new.

Mr. Kuser asked for the square footage of the existing building. Mr. Dworkin replied that it is 5486 sq. ft.

the Chief added that the existing A/C units on the roof are only about four years old.

Mr. Stecky spoke about life-cycle costing; he said that if you buy cheap it will end up costing in maintenance.

Mr. Ciardi noted that this is a conceptual plan right now and there is a considerable amount of work that needs to be done before we know exactly what we are going to do. There was a brief discussion regarding option #2 from the old plan and the current plan that is before the Council. It was noted that the square footage to be added is 3780 sq.

ft. It was noted that the addition to the men's locker room would be 1502 sq. ft. There was a lengthy discussion regarding the pros and cons of expanding the Police Department into part of the new Municipal Building. Matters of security, secondary egress and the impact on the staff and efficiency of the Municipal Building were discussed. It was concluded that the amount of space to be gained by expanding into the Municipal Building would not satisfy the Police Department's needs for more than a year. Chief Wagner noted that the plan before the Council tonight is a fantastic, viable plan that will give the Police Department a proper work place for the next twenty years. Mr. Kuser questioned the statement that it will take two years to complete the proposed addition and renovation. Mrs. Goble explained all the steps that precede the actual construction, such as bonding, planning, choosing an architect and the bidding process. She said that it may not take two years but they allowed the maximum time frame. Councilman Shaw commented that he likes the plan and thinks that the use of the front and back of the building is a wise choice.

Councilwoman Smith asked if any consideration was given to building a sub-station and refurbishing the existing locker room.

Mr. Dworkin replied that there would be more site work for new construction someplace else. He said that the renovation cost would be \$50 per sq. ft. and new construction would be \$380 per sq. ft., including soft costs. The Chief commented on the benefits of the Police Department being connected to the Municipal Building. In response to a question from Mrs. Smith, the Chief advised that the plan would accommodate a possible shared services situation in the future.

Councilman Fitzpatrick noted that the condition of the existing building is atrocious and something needs to be done quickly. He asked about the feasibility and cost of doing option #1 and then phasing in option #3. The chief replied that what was designed in option #1 is not what is in option #3; he noted that they are two entirely different projects. He said that it would certainly cost more in the long run in order to gain the needed space.

Mr. Dworkin added that the project could be phased but would involve treating it as three separate projects and would have less economy of scale and would certainly cost more. Chief Wagner interjected that the displacement involved would be very difficult to manage.

Mr. Kuser asked if this plan is to accommodate the current Police staff. The Chief responded that it is being built for the future as well by adding additional lockers and space to accommodate additional staff.

Mayor Hussa asked if it would be possible to put solar panels on the addition. Mr. Ciardi replied that it is unknown at this time. Mr. Dworkin noted that the building could be designed to hold solar panels. He said that they don't weigh much but the design would have to insure that they wouldn't blow away.

The Mayor asked if this will be a green building. Mr. Dworkin replied that everything they currently design takes that into consideration.

Mr. Stecky said that, if the right materials are specified, the cost is not affected.

The Mayor asked if the addition could be built with the capability to sustain a second floor. Mr. Dworkin replied that it could be done but there would be additional cost associated with it.

The Mayor asked if the cost of \$1.8 million would be the same if the project were to be done in phases.

Mr. Dworkin replied that he would have to get a cost estimate for that and, if there was a time frame for each phase, an escalation cost would be added over a period of time.

He added that additional costs have a lot to do with contractor's set-up and break-down. The Mayor asked the Chief how many additional officers phase #3 could handle. The Chief replied that it could accommodate nine additional officers, in terms of lockers.

The Mayor recommended that they start with the back end of option #3. He said that if the Council would like to entertain a future merge with another town, then we certainly need to go with option #3. Mayor Hussa commented that he believes that within five years we will have fully merged with another Police Department.

President Andes noted that the Chief has his commitment that this is the year it will be addressed. He asked Administration what the course of action is to address this project.

Mrs. Goble replied that Administration wanted to be sure that everyone is comfortable with this plan. She said that, if that is the case, she will sit down with the auditor and get the price effectiveness of it and a schedule of how it will affect our debt. Mrs. Goble noted that, if everyone is comfortable at that stage, we would move forward with the project.

Mr. Andes stated that he thinks we should be doing all of that as soon as possible. He said that he will not entertain a vote on this until we follow the proper procedures. Mr. Andes commented that he would like to get together with Mrs. Goble, the Mayor and the Chief and create a game plan for public relations through the Council meetings.

President Andes stated that we are not going to have a situation where residents say that they knew nothing about this project. He suggested that an open house be held at the Police Department in order that the public can see the problems and understand the need. Mr. Andes added that we need to hold a public meeting and present all the options that have been considered to the residents. He said that, if we don't do that, we will suffer the same fate as we did with this building and he does not want to see the town go through that again. Mr. Andes suggested that this be done at the May or June workshop meeting. He said that the plan presented tonight seems to be the best thought-out of all the scenarios but we need to be sure to have good public input.

Chief Wagner noted that he agrees wholeheartedly and does understand the difficulty of proposing a multi-million dollar expansion to the police station in today's economy.

He said that he just hopes that a plan can be devised whereby the residents will understand the dire need that exists in the police station.

Mrs. Goble agree with the Chief's thought that we should not go back to the original plans, but should put all our efforts into supporting option #3.

President Andes stated that he wants to put the effort into option #3 but thinks the

public deserves to have all the plans explained to them. He said that he thinks we need to let the public know that option #1 is where we came from and option #3 is where we are and have them be a part of the process.

A meeting was scheduled for Friday at 3:00 p.m. between the Mayor, Administrator, Police Chief and President Andes.

President Andes thanked the Chief, Mr. Ciardi and the E. I. representatives for their attendance this evening.

President Andes advised that the Council will now go into a Closed Session concerning land acquisition and no action will be taken.

He asked for a motion on the following:

R-10-71 RESOLUTION AUTHORIZING CLOSED SESSION

MOTION TO APPROVE R-10-71: MOVED BY MEMBER SMITH, SECONDED BY MEMBER SHAW

AYES: SMITH, SHAW, FITZPATRICK, KUSER, STECKY, GOLINSKI, ANDES.

Council went into Closed Session at 9:28 p.m.

Council came out of Closed Session at 9:52 p.m.

President Andes called for a motion to adjourn.

MOTION TO ADJOURN: MOVED BY MEMBER SMITH, SECONDED BY MEMBER KUSER

AYES: SMITH, KUSER, FITZPATRICK, SHAW, STECKY, GOLINSKI, ANDES

MEETING ADJOURNED AT 9:53 P.M.