The Meeting was called to order at 7:33 p.m. The Salute to the Flag was recited and the Open Public Meetings Act Statement was read by Deputy Township Clerk Kathy Costello. Mrs. Costello advised that this is a no-smoking facility and asked that cell phones be turned off or muted for the duration of the meeting.

ROLL CALL: FITZPATRICK, GOLINSKI, KUSER, SHAW, SMITH, STECKY, ANDES

ALSO IN ATTENDANCE: MAYOR HUSSA, ADMINISTRATOR GOBLE, POLICE CHIEF WAGNER, TOWNSHIP PLANNER DENZLER AND COAH ATTORNEY DE BONA

President Andes noted that the Mayor sent a letter to the Council, dated May 7th, indicating that Mr. Denzler would be at this meeting. Mr. Andes advised that, since it is the Council President who sets the agenda, he spoke with Mr. Denzler and decided that it would be beneficial to have him, and Mrs. DeBona at this meeting. He said that we will hear from them after we discuss the Police matter.

President Andes stated that resolution R-10-107, authorizing a developer’s agreement, was tabled at the last meeting. He said that the Council received a copy of the agreement in their mail box this week. Mr. Andes asked if anyone would like to make a motion on this resolution this evening. Councilwoman Smith said that if the Council can just get a simple explanation, they may be able to move it tonight. Administrator Goble advised that she did not receive a copy and does not have any information on this issue. It was determined that the agreement came from Attorney DeBona’s office and Mr. Andes asked if she could shed any light on it.

Attorney DeBona replied that she thinks it is a three-lot sub-division and it is the normal developer’s agreement that would be done with any sub-division. President Andes asked if the Council is looking for an up-date from Engineer Rosania. Councilwoman Smith replied that she would just like a little more information about the property. She said that it was passed by the Planning Board and it says it is a standard agreement, but she would like more background.

The Mayor noted that it was passed two years ago.

Councilman Stecky suggested that it just be set aside because no one has enough information on it.

No action was taken on R-10-107.

OPEN PUBLIC PORTION:
Michelle McGlynn, 38 Longview Trail East, spoke at length about what she considers unacceptable conditions in the Police Headquarters. She specified the mold issue and the unhealthy conditions in the locker room, rest room and shower. Ms. McGlynn spoke about information she obtained on the Internet concerning different types of mold and the health problems that they may cause. She asked if any of the officers have experienced illness that could be related to the mold and was told they have not. Ms. Township Council
McGlynn asked how long the Township has been aware of the mold problem. The Chief replied that it has been two years. Councilman Stecky asked if it relates back to the construction of the new building. He said that the Chief had commented previously that there is a relationship between the construction of the new building and the leaks and mold. Chief Wagner replied that Mr. Stecky may have misunderstood his comments. He explained that he had been referring to the area where they separated the old municipal building from the Police Station and did electrical conduit work and HVAC work. The Chief noted that the bathroom leak problem, from what he and Mr. Ciardi could see, seems to be tied into the plumbing and the waste pipe in the men’s bathroom and shower. He advised that the mold was growing in that area. Mr. Stecky asked if the cause is known. Chief Wagner said no, but they do not believe it is due to the construction. Councilwoman Smith interjected that she believes the Chief is being generous because she believes it pre-dates the construction. Ms. McGlynn continued her comments on the danger to the people working in that environment. President Andes advised Ms. McGlynn that the Council has made a commitment to the Chief that it will be cleaned up. He said that the intention tonight is to decide what direction to take towards that goal. Ms. McGlynn then turned her attention to the inadequacy of the Police facility and what an embarrassment it is to have such a building in Denville. She noted that the cramped quarters would not be conducive to attracting another town for shared police services. Ms. McGlynn stated that she would like to have pride in our towns and be proud to say she lives in Denville. She said that the past few years it has been difficult to do that because our image is kind of tarnished in the newspapers. Ms. McGlynn stated that the Council doesn’t honor our contracts, there is always in-fighting going on and other towns will not want to share services with us and have to deal with those issues. Ms. McGlynn quoted the Mayor as having said that “expanding the station has the potential to provide a long-term and stable revenue stream” and that “I think this can pay for itself”. Mayor Hussa noted that it would be, if we shared services. Ms. McGlynn said that Chief Wagner is looking twenty years into the future and we should bite the bullet and do the right thing now. Gerry Idec, 1 East Longview Trail, noted that he spoke at the last meeting about the turf management plan that the Township is beginning. He stated at that time that the Township is not meeting the notification requirements to advertise the application of chemicals on the fields. Mr. Idec provided a copy of regulations that he feels affect this issue. President Andes asked Mr. Idec to provide a copy to the Mayor and one to the Deputy Clerk for distribution to the Council. Stan Sebastian, 35 Morris Avenue, stated that he thinks it is shameful that the mold situation has been going on in the Police Station for such a long period of time. He asked why the condition has not been treated and whether or not the company in Rockaway that has an ozone treatment has been considered.
President Andes replied that it has not come before the Council. Mr. Sebastian said that he can’t comment on the proposed expansion, but he did express the opinion that shared services are the way of the future. He noted that he would like to see Chief Wagner come out on top with any shared service agreement, but is concerned because so many neighboring towns are in discussions with other towns for shared police services right now. Mr. Sebastian said that he assumes that the $1.8 million is predicated on the sharing of services, with Denville being the hub. He commented that he has reservations about spending that amount of money unless there is a commitment from another town to share the cost. Audrey Gorlich, 2 Birch Run Avenue, stated that she took a tour of the Police Station with other Rotarians and found the conditions to be deplorable. She said that she is amazed at how the officers are shoe-horned into tiny spaces and are expected to be productive. Ms. Gorlich mentioned several conditions that exist in the station and stated that they are just unacceptable. She said that something needs to be done to accommodate the forty people who are working in an area that is meant to house twenty. Ms. Gorlich stated that, in her opinion, the Chief is not asking for a wish list of luxury items. She said that the requests are very prudent and that there is nothing outrageous in there. CLOSE PUBLIC PORTION.

President Andes apologized for not recognizing the Township’s IT Specialist and Facilities Manager, John Ciardi. He asked Mr. Ciardi to join Chief Wagner at the table in front and to have the representative of E.I. Associates come up as well. Mr. Andes asked Mrs. Goble and the Mayor if they would like to make any comments at this time. Mrs. Goble said that this has been under discussion for two years and that she hopes there will be some resolution tonight to come up with what we wanted. She stated that it is up to the Council if they wish to listen to the final proposal and ask questions, after which she will be ready to discuss finances. Mayor Hussa stated that two years ago when he and John Ciardi started discussing this, they had no idea that the process would take so long. He said that he would speak later about the shared services that are out there, but he really hopes that the Council will make a decision tonight, one way or the other. The Mayor stated that it has to be cleaned up. President Andes remarked that the Council will be looking for guidance from the Mayor’s office on that. Chief Wagner advised that he prepared four points that brought us to this evening. The Chief noted that in early 2008 the mold was discovered and research was conducted with regard to remediating the problem. He also noted that a commitment had been made that, when the new building was completed, the police station would be renovated with painting, carpeting and new ceiling tiles. Chief Wagner advised that the cost for remediation and renovation was determined to run between $250,000 and
$300,000. He said that discussions were held and it was decided that the course of action being considered would merely be a band-aid and that the Chief should speak to the Council.

Chief Wagner stated that in April of 2008 he came to the Council, explained the situation and was told to obtain a feasibility study. He listed the following three options that were presented by E.I. Associates after they performed that study.

1. Repair only - $250,000 to $300,000.
2. Expansion #1 - $865,800, consisting of increasing the size of men's locker, adding storage closet, adding an evidence room, space for break room and paint, carpet and ceiling tiles. Does not provide computer room, suspect interview rooms and does not allow for re-configuration of "bad space" in existing building.
3. Expansion #2 - $2.283 million, consisting of a two-story addition off the back of the Police Station and involved demolition of a portion of the back of the Police Station. The addition would include space for storage, office space and the entire building would be cleaned, painted, carpeted and new ceiling tiles would be installed in the older part of the building. The down-side being that there would be an expensive demolition cost, a displacement cost for housing one-half of the force during construction and did not consider the re-configuration of the bad space in the building.

The Chief noted that those options were brought before the Council in February, 2009. He said that it was discussed with the Council and he was told to go back and investigate the possibility of occupying space in the new building. Chief Wagner advised that he again met with E I Associates and they asked him if he wanted them to just take the Township’s money because there is no place in this new building for the Police Department to go.

The Chief handed out drawings to the Council depicting the current proposal for expansion that has been designed by E I Associates. He referred to this proposal as Option #3 and noted that the cost is $1.832 million and would add 3,780 sq. ft. to the existing building, in the back and in the front. Chief Wagner indicated that this option would provide the needed space to be able to expand, adds a significant amount of evidence storage, suspect interview rooms, computer server room, training and roll call area, re-configures existing space and creates very little displacement during construction. He said that the date on this option is March, 2010 and the plan was to return to discuss it at the May 11th workshop, which brings us to this evening.

Councilman Shaw said that he noticed the figures but we all know what happens when construction starts. He stated that this municipal building was supposed to cost $4 million. President Andes interjected that that is incorrect. Mrs. Goble added that she was involved from the beginning and it was always estimated to be around $8 million. Councilman Stecky stated that when he became involved, the figure was about $7.5 million but, with change orders, it came in close to $8 million.
The Administrator explained that this building was started right after hurricane Katrina and could not have been built during a worse economy. She said that materials were scarce and bids came in high and material costs were high. Mrs. Goble noted that she recently spoke with the County and, on one of their projects, they had seventy people come in to pick up bids. She said that the economy is much different and the cost of building is much lower. Mrs. Goble added that the cost of borrowing money is at an all-time low. Mr. Ciardi explained that most of the change orders on the new municipal building were things that the Township changed along the way because they would be cheaper to add then, than to add them when the building was completed.

Mr. Shaw commented that this should have been done a long time ago and there is no doubt that remediation must be done immediately. He said that the bottom line is, who is paying for all of these bonds.

Councilwoman Smith noted for the record that she recommended that this be done with the new municipal building and the estimated cost to do that, at that time, was approximately $1million more. She commented that she remembers the Council approving re-modeling in the old building and it was money thrown away because the building was torn down. Mrs. Smith stated that, in her opinion, painting the offices in the Police Department is a waste of money.

Mrs. Smith asked if the $1.8 million is the final cost or is it the furnished cost. Mr. Mel Dworkin of E I Associates replied that it is the final cost, including furnishings, with a 28% soft cost built in and 15% of that is purely contingency. Mrs. Smith asked if the project could conceivably come in at a lower cost. Mr. Dworkin said that is correct.

Mrs. Smith asked the Chief if, in the case of shared services with Denville being the hub, would there be a satellite office or would everyone be housed here. The Chief replied that there are too many variables to answer that question. He said that it would depend on the size of the town that is sharing the services. The Chief explained that a locker or two, some desk space and a couple of cars are all that would be needed, if merging with a small department. He added that a satellite would not be needed, noting that we have one now that consists of a desk and a computer giving us quicker access to the South side of town. Chief Wagner advised that the only contiguous, small department is Rockaway Borough; they have a newer building but it is about 15 years old.

Mrs. Smith asked, if we merged with another department, would option three be sufficient. The Chief replied that it would. Mrs. Smith expressed the concern that there may not be enough room and we will be looking at expanding again in two years. Chief Wagner responded that we can’t build it bigger because the Council is questioning the cost of this expansion.

Councilwoman Smith noted that the question now is how to fund it. She commented that, with the use of creative financing for the municipal building, the Township expanded its debt but kept it at a level that did not affect the taxpayer in the current budget. Mrs. Smith said that the financing and the impact on the taxpayer is what she would like to hear about.
Administrator Goble advised that she will answer all of those questions when the Council is ready.
Councilman Golinski asked where suspects are currently interviewed. Chief Wagner indicated the area on the drawing and advised that it is an all-purpose room at this time. Mr. Golinski asked the Chief if there is anything that they could do without if there was a limit of $1 million to build the expansion. The Chief replied that he takes a bit of pride in the fact that he only asked for what is needed for the Police to be able to do their job. Mr. Ciardi added that removing anything from the plan does not accomplish the goal. The Chief said that he could certainly do it smaller now, but the Council would have to commit to more later. Mr. Golinski stated that he agrees with the Chief’s assessment that there is one big step and it is the bare minimum and we should do it right. Councilman Stecky complimented the Chief on keeping the request to the bare bones. He compared the Chief’s request to the municipal building, which he said that he considers to have a lot of “bling” and extras, and noted that it is a very modest request. Mr. Stecky asked how solid the $1.8 million number is.
Mr. Dworkin replied that E I has a very good track record of bringing their projects in very close to being right on budget. He said that they have been 1% - 3% over budget on most projects and they have included a hefty contingency. Mr. Stecky questioned what would happen if the Council approved the $1.8 million and costs began to escalate. Mr. Dworkin explained that they have just begun the process and have not yet done any detailed design. He said that the Township will give them a budget and there is flexibility in designing it to come in within the budget. Mr. Dworkin noted the reasonable interest rates that are available in this economy. Mr. Ciardi advised that he had a local contractor come in and give him some rough ideas and his figures came in below $1.8 million. He said that he feels confident that we will come in at, or under, budget. Mr. Dworkin noted that, since last Spring they have seen budgets coming in 20% to 30% below budget. He said that there has been a slight up-tick this Spring, which would indicate a slight rise in construction costs, but he thinks that it is still a good time for a project like this. Mr. Stecky asked if E I would be using contractors who are paying prevailing wage. Mr. Dworkin said that is correct. Mr. Stecky noted that he recommended doing the minimum remediation of the mold last year to buy ourselves time. He said that he does not like the fact that we have now painted ourselves into a corner and have few options left.
The Chief advised that, due to the location of the mold, it will be very expensive to remediate. He said that the bathroom would have to be completely demolished and rebuilt. Chief Wagner noted that they just did a cosmetic fix on a bathroom in the Police Station and the cost was $10,000. He said that the plan was moving forward to expand and, if they were to stop and fix that bathroom, every plan that was being considered included demolishing that bathroom, would change. Councilwoman Smith spoke about the cooperation and patience of the Police Chief and his employees working with the Administrator, Mayor and Council to find the right plan. She stated that she feels it is up to the Council tonight to take the right action.
Councilman Fitzpatrick asked the Mayor if he has any information on shared service. The Mayor replied that there were very serious talks with two towns, Chief Wagner was on board with the plan, but the talks broke down. He said that he spoke with another town that is covered by the State Police, but they do not know if that will continue under the new State Administration. Mr. Hussa noted that, if they no longer receive State coverage, they would love to talk to Denville about shared services. He advised that there are several neighboring towns that he will be discussing shared services with shortly. The Mayor stated that so many towns are now interested because they are in a budget crunch or even a budget crisis. Mayor Hussa noted that a shared Court agreement has just gone into effect here and it took sixteen months to hammer out that agreement. He said that he does not currently have any agreements in progress, but committed that he will continue to work on securing shared services agreements.

Mr. Fitzpatrick asked who is involved in negotiating these agreements. Mrs. Goble advised that it is vital to have the Chief involved in these negotiations with the Mayor and herself.

Mr. Fitzpatrick asked what some of the biggest attractions are in Denville when trying to bring in another town. The Mayor replied that it is money. He noted that the Wharton-Mine Hill merger saved each town a full tax point. The Mayor said that all factors come into play but money is the driving force. He commented that nothing will happen soon but he will continue to work diligently to seek out shared services. Mr. Fitzpatrick asked Mrs. Goble’s opinion. Mrs. Goble agreed that money is the prime mover but you must have the facility to offer as well.

Mr. Fitzpatrick asked how the negotiations would go if we had a plan for a building like the one being proposed. Mrs. Goble said that she does not believe that you could negotiate that way. She added that the capital cost might be brought in later. Mr. Fitzpatrick asked the Chief if he would like to be more involved in these discussions, or is it too soon. The Chief replied that it is too soon and he is not at all opposed to shared services and thinks there are numerous benefits to that process.

Mr. Fitzpatrick noted that the evidence room is a big concern of his, having seen what is currently being used. Chief Wagner replied that there is four times the space for evidence in this plan as currently exists. He explained how sorely the space is needed since some evidence is required to be maintained forever.

Councilman Shaw asked the Chief what the long range plan would be to accommodate one, or even two, other departments should they decide to consolidate. The Chief noted that the footprint of the building is somewhat limiting, but this plan allows for fifteen additional lockers to accommodate additional officers. He said that, if the Council decided that three contiguous towns were going to join Denville, there would be a problem, just in terms of locker space but we would have the right to have satellite stations. Chief Wagner explained that if the plan in front of the Council tonight is built, it will give the department 20 years of use.

Councilman Kuser asked if we have stopped the leak. Mr. Ciardi replied that it has been stopped and added that, over the years the shower water has penetrated the tile
and walls. Mr. Ciardi noted that in July of 2008 he had a plumber come in and check all the pipes and make sure that there was no on-going leak.

Mr. Kuser asked if the mold has been tested. Mr. Ciardi replied that it has not and, speaking for himself, he was trying not to draw attention to the problem but trying to get it fixed. He said that he has been spraying a mold killer in there and it is being controlled. Mr. Kuser asked if the Police server room can be moved into the server room in the Municipal Building. He said that it could be a secured room and that Mr. Ciardi has access to the Police server already. Mr. Kuser asked if it could be locked down and would it be legally sufficient. Mr. Ciardi responded that he can just barely fit in the Municipal Building’s server room now with the equipment that is in it. The Chief explained that there are more, and larger, servers than the ones that Mr. Kuser saw hanging on the wall in the Police Station. Mr. Kuser asked if they are saying that there is not enough space in the Municipal server room to accommodate the Police servers. Mr. Ciardi said that there isn’t an inch to spare. Mr. Kuser asked if it could be put in there legally. The Chief replied that he doesn’t believe that the State Police would allow the NCIC computer to leave the Police Station. He said that the mobile vision server becomes evidentiary and he doesn’t believe that could be put in a public place. Mr. Kuser then asked if, legally, overflow evidence could be moved to the attic of the Municipal Building if a secured area was built. The Chief replied that off-site evidence is permitted but he has not been in the attic so he can’t answer the question fully.

Mr. Ciardi advised that the first half of that area is used for the HVAC equipment and nothing else is permitted in that half. He said that the second half is the only municipal storage for anything that he has to store and he can look everyone in the eye and say that he is not willing to give any of that up. The Chief advised that they are thinking of PODS for the back parking lot in order to make room for the shared Court records in the building. Mr. Kuser asked how many officers are in the building at one time. Chief Wagner gave a detailed explanation of how many officers are in the building and on the road at various times of the day.

Councilman Kuser asked about the possibility of transferring the dispatching to the County. The Chief explained the need for a great deal of space if the County took over all dispatching and also noted that, should our dispatcher not be in the building, the Police Station would have to be locked. He said that he would have to staff the dispatch area with a policeman during the day to handle lobby traffic. The Chief noted that there are numerous towns on one channel and there are only two radios operating in the County. He said he does not know the comparative cost of going to the County versus having our own dispatcher.

Mr. Kuser asked about the possibility of phasing this project under Option #1 and increasing the locker room, break room, evidence area and storage. He suggested opening up the inside of the Police Station by removing some walls and using pods, in order to better utilize the space. Mr. Kuser noted that Phase II could then be addressed at a later date. Chief Wagner replied that the only deviation from this plan that could possibly be done, would be to only do the locker room.
Mr. Kuser noted that everyone is aware that something must be built today because it will cost more to build it tomorrow. He said that he is worried about the 2 ½ % cap. CFO Goble interjected that debt service is not included in the cap.

Mr. Fitzpatrick commented that Mr. Kuser is concerned about the 2 ¼ % for staff. Mr. Kuser stated that he is aware of the need for space but is concerned about the future.

Chief Wagner said that no one can predict what will happen in the near or distant future. He stated that the problem needs to be addressed right now, based on the current staffing. The Chief advised that they cannot go another year because we have already been talking for more than two years. He noted that they cannot go another month waiting to see if the 2 ¼ % cap hits; he said that a decision needs to be made tonight.

Mr. Kuser again spoke about phasing and the cost to the taxpayers, but also noted that he is concerned about the needs of the Police Department.

President Andes asked Mr. Kuser if he is proposing that Option 1 be implemented as part of a plan that would culminate in putting on a front addition at a later date. Mr. Kuser replied that he knows we need to do something and he does not want to just go in and clean the mold up. He said that the option presented tonight is probably the best one but he thinks that the taxpayers, as well as some of the Council members, have concerns.

Mr. Andes noted that the taxpayers expressed concern about what their government is spending. He said that he could not agree more with Mr. Smith’s comments about throwing good money after bad in the old building. Mr. Andes commented that he and Mrs. Smith learned from that experience and he is not interested in going that route. He said that he is intrigued by Mr. Kuser’s suggestion to add to the back of the building at a cost of $865,000. The Chief noted that it would only be for that space and would not address any other interior space.

Mr. Andes replied that he understands that and is trying to determine the best way to go. He said that the $1.8 million is hard for the public to swallow.

President Andes advised that he will give the Mayor the floor and then have Mrs. Goble explain the finances.

Councilwoman Smith commented that one of her concerns about doing a piece meal project is finding new problems in the rest of the building as the project progresses. Mr. Ciardi replied that, over all, the building is in pretty good condition. He said that there have been roof leaks around the HVAC units and there are not a lot of pipes running through the building. Mr. Ciardi advised that the problem in the locker room is being contained there and that there is no asbestos in the building.

Mr. Kuser, again speaking about Phase I, said that E I Associates would have to look at that to see if it would be cost effective.

Mr. Dworkin noted that the project could be phased without undoing anything along the way, but there is a premium that would have to be paid to do that. He said that it would cost more to break it up into several packages. Mr. Kuser noted that there would be a renovation contractor to do the inside of the building.
Mr. Ciardi commented that the problem with renovation of the older part of the building is that it can't be done fully and properly until those people are moved. Mr. Kuser said that he understands that it would be problematic. Mr. Dworkin added that new construction would have to be done in order to have swing space to put the people in during renovation.

Mayor Hussa stated that he thinks all of the discussion has been useful and he hopes that a decision is made tonight. He said that he has nothing in hand to show the Council right now with regard to shared services. The Mayor noted that we do have to clean up the Police Station. He said that he feels we should go with a phased approach. Mayor Hussa advised that it needs to be cleaned up and a decision has to be made tonight. President Andes replied that everyone agrees that a decision must be made.

Mr. Golinski asked the Mayor to clarify his recommendation. The Mayor replied that, because he does not have any shared service agreement in hand right now, he would like to see the Council start to clean it up as a Phase I. He said that he will continue to try to get some shared services and noted that we could possibly use this as leverage. The Mayor stated that we need to spend at least a half million dollars, according to Mr. Ciardi's numbers, to do the renovating, addition to the locker room and all the mold clean up. He said that he believes that the Chief needs what he has brought to the Council but now is not the time to commit to $1.8 million. Councilwoman Smith noted that it all depends on the financing and we need to hear the impact on the citizens to decide what we can or can’t do.

Mr. Kuser asked the Mayor if he is suggesting that the addition be put on the back, re-do the locker room and re-do the office. The Mayor asked Mr. Ciardi to talk about the numbers that he gave to the Mayor and Administrator this afternoon. Mr. Ciardi replied that he had a local contractor come in to look at expanding the locker room into the area of the latest option. He said that there is a commitment to re-paint, carpet and install new ceiling tiles in the Police Station. Mr. Ciardi advised that completely gutting the locker room, adding the additional space, new carpet, new ceiling tiles and painting the entire complex would cost $450,000 to $500,000. He said that it does not address the cramped space issue but does address the cleanliness of the building and one additional HVAC unit would be added. Mr. Ciardi noted that it is possible to do it in such a way that the locker room would not have to be touched in the future.

Councilwoman Smith asked Mr. Ciardi if he is speaking about carpeting and painting existing space, which we will tear down when we do the next phase. He said that is correct but we don’t know when that would be. Mrs. Smith noted that we put well over $100,000 into offices in the old building that were subsequently torn down. She said that we are talking very close to the same thing here. Mrs. Smith stated that she is vehemently opposed to this proposal.

Mr. Ciardi responded that he is not suggesting this plan, his suggestion is to do the plan that the Chief has brought to the Council tonight.
Administrator/CFO Goble noted that she provided each Council member with a spreadsheet. She explained that the spreadsheet shows our existing debt and what the debt structure and payments will be through the year 2023. Mrs. Goble advised that we have notes, which are a temporary financing mechanism, amounting to approximately $4.5 million. She said that we have one existing bond that will be paid in full in the year 2012. Administrator Goble noted that she has gone over this with our auditor and she feels that, if we use the existing schedule that she has provided of paying down approximately $1 million on the existing note principal - $219,000 in 2010, $369,000 in 2011 and another $369,000 - that will bring our debt down to $4 million in temporary financing. Mrs. Goble advised that at the end of 2012 our debt would be $1.6 million. She said that there will not be any spike because we are canceling some existing ordinances that will provide us with money that was not used and it can be used to pay additional debt service. Mrs. Goble explained that the debt can be increased with no additional burden to the taxpayers by canceling these unused ordinances. She noted that in the year 2013 we drop our debt to $1,148,000.00, an increase of $500,000. Mrs. Goble stated that the procedure would be to have a bond sale; take whatever notes are on our books at that time, add the $1.8 million that we need for the Police Station, and have the bond sale. She said that the bond sale would close in 2012 and our first payment would not be due until 2013. Mrs. Goble advised that we can absorb $500,000 because we have already been at that level in 2012, without any spike at all. She explained how the debt service would be structured and noted that the feeling is that the economy will start to turn around and more revenue will be realized. Mrs. Goble noted that, right now, you can buy a lot with your money when going out for bid and when borrowing money. Mrs. Goble stated that the tax rate will be very favorable for the next couple of years. She said that this will keep the tax rate fairly even without any big spike.

Councilwoman Smith noted that the $500,000 that Mrs. Goble said is available, does not include any capital ordinances that have been added. She said that her concern is that the 2 ½ % cap will not exclude this. Mrs. Goble replied that is incorrect. She said that she has been told by the Local Finance Board that the debt service is excluded and will continue to be excluded. Mrs. Smith replied that there are things coming from Trenton which will force municipalities into shared services, and even merging of municipalities. Mrs. Smith stated that she believes what Mrs. Goble is saying is that there will not be a tax burden from this for the next couple of years but, worst case scenario would be a $60 increase in the future. Mrs. Smith added that we would want to do it now at the lower rates. Mrs. Goble replied that we would take a note now and a permanent bond in 2012. She explained the financing mechanism.

Mrs. Smith asked, if everyone agreed to the $1.8 million option, when would we have to come up with the money, how soon would we start construction and when would we have to start paying.

Mr. Dworkin responded that it would be 4 month design time, 2 months to go out to bid and one year for construction. Mrs. Smith said that we would not have this in our
budget until next year. Mrs. Goble noted that the bond ordinance would be passed this year but the money would not be borrowed until next year.

Mrs. Smith asked where the money would come from to pay E I Associates this year. Mrs. Goble replied that we could do the bond ordinance or get the money from our Capital Improvement Fund.

Councilman Kuser suggested that our legislators be contacted in order to help seek grants towards this project. Mrs. Goble advised that they have looked all over and grants have just about dried up for everything. She said that, even in good times, it has not been common to get federal money for any municipal buildings. Mr. Kuser replied that he will keep pushing for it. Mrs. Goble advised that a decision still needs to be made this evening. She said that the longer we delay the bond ordinance, the better the chance that the whole process will stop.

President Andes asked Mrs. Goble what would happen next if the Council decides to go with this plan. Mrs. Goble replied that if they decide to go with the $500,000 plan, we would do a bond ordinance for the $500,000; if the Council goes for the full amount then preparations would be made for a bond ordinance for that amount.

President Andes said that he was thinking more in terms of hiring an architectural firm to come up with a design and a contract would be brought to the Council. Mrs. Goble stated that it would follow the same steps as were taken with the new municipal building.

Mrs. Smith noted that the Police Chief and Administration will still have to present this project to the public and explain to them why it is needed. Mrs. Goble replied that we are all taxpayers somewhere and she and the Chief know that this has to be presented properly to the public. She said that she would hate to see us pay $300,000 to $400,000 then knock it down when that amount could have been used towards the $1.8 million for doing the job right. Mrs. Goble commented that the Council has her commitment and she does not think that they will see a big spike at all. She added that she worked with the auditors yesterday and is confident with the figures she has presented.

Councilman Stecky commented that, if we are adding 4,000 sq. ft. at $5 - $6 per sq. ft., it is not just capital costs we are adding, it is operating costs as well. He said that we are adding the better part of $40,000 per year to our operating costs. Mrs. Goble agreed but added that we have cut our cleaning contract this year by over $20,000. She said that Administration is very aware of costs and does everything possible to save money. Mrs. Goble advised that we have joined the co-op for electric and natural gas in order to save money.

Councilman Fitzpatrick commented, with regard to the $300,000, that we may knock it down, but these guys are working in mold. He said that it might not be the best use of the money but we have to do something now. Mr. Fitzpatrick noted that it may cost us money in the long run, but we have to fix the mold problem now.

Councilwoman Smith stated that Mr. Ciardi has advised that the mold it contained and we need to solve the whole situation rather than put a band-aid on it. She said that the
Police Department has been very cooperative and, if they know we are moving ahead with a plan, they will continue to be cooperative.

President Andes agreed with Mrs. Smith and added that we must keep in mind that the Mayor has to sign off on ordinances. He again asked the Mayor for his recommendation.

The Mayor stated that he recommended a phased approach with a clean up now. He said that Mr. Ciardi did not give the same numbers to the Council as he gave to the Mayor. He noted that there was an addition to the break room which included clean-up at a cost of $225,000. Mr. Ciardi said that he did quote that number but realized immediately that it would be foolhardy. The Mayor said that is his recommendation. He said that he does not have a shared services deal in hand right now but the mold still needs to be cleaned up. The Mayor repeated that he recommends clean up now and do Phase I when we have a shared service agreement in hand.

Councilman Stecky stated that he has a problem here because too many ideas are floating around. He said that before he could vote on anything he would need to see line items and bullets in a formal document.

Mrs. Smith noted that there is a different plan before us tonight. She said that John Ciardi mentioned $500,000 and now the Mayor is down to $225,000. Mr. Ciardi replied that the difference is because the Mayor is only talking about the locker room. He said that he and the Chief have never, at any point, stated that the Police would settle for just the renovation of the locker room.

There was additional discussion regarding Mr. Kuser’s suggestion to phase the project which would cost somewhere between the $1.8 million and the $250,000 options. Mr. Ciardi noted that Mr. Kuser’s suggestion is a different addition. He said that we would have to get a price on Mr. Kuser’s recommendation but, based on Option 1 which came in at $865,000 and did not take into consideration the renovation of any existing space, we could be looking at $1.5 million. Mr. Kuser questioned the difference in price between Option 1 and the current plan. Mr. Ciardi replied that the current plan is much cheaper construction.

Mr. Golinski commented that the Chief came in this evening and laid out, very clearly, all of the options that have been presented to the Council as well as the final plan that he is presenting tonight. He said that he has asked three times for Administration’s recommendation and has not yet heard it. Mr. Golinski stated that he would like to hear the recommendation so that the Council can make a decision.

The Mayor noted that he and Mrs. Goble do not agree on this, but his recommendation is Option 1.

Mr. Golinski said that Option 1 consists of an expansion at the cost of $865,000 which will increase the men’s locker room, increase storage and some other minor details. The Mayor interjected that is the one he wants. Mr. Golinski asked for a recommendation from Administration in order that we may move on.

Mr. Stecky said that his recommendation is to get a document prepared.

Mr. Golinski replied that we knew this was on the agenda two months ago, so let’s get a
recommendation.

Mr. Stecky stated that we thought there were a fairly simple number of options to go through but now they have been grayed out and there are some misunderstandings between work scope and cost.

Chief Wagner noted that everyone received a book with everything spelled out, including diagrams, contingencies, etc. on the $1.8 million plan.

The Mayor said that the Council can vote on either the $865,000 or the $1.8 million plan. He said that he recommends doing the $865,000 option and, when there is a shared service agreement in hand, continue with the rest of the plan.

Mrs. Smith disagreed with that idea for a number of reasons, mainly that there would be no place for the staff during construction. She reiterated the financial points that were given by CFO/Administrator Goble and asked if the impact is one that they can live with in order to provide living and workable conditions for our police force. Mrs. Smith noted that if we start doing it in stages, it will cost more in the long run. She said that hopefully the economic climate will improve, but when it does the interest rate will go up and it will cost more. Mrs. Smith told her fellow Council members to “strap a set on” and make a decision.

Mr. Kuser noted that he had suggested moving part of the Police staff into the Municipal Building and had requested a letter from E I Assoc. regarding the feasibility of that suggestion. Mr. Kuser said that he is still waiting for that letter. He stated that we have been told it is impractical but he wants to see it in a letter, on the record. Mr. Kuser noted that, to him, the most important thing is to get a consensus from the Council and the Mayor and move on it. He said that a concrete decision has to be arrived at and it can't unravel like the salary ordinances, everyone must be behind it.

Councilman Fitzpatrick asked Chief Wagner if he can walk out of this room tonight without having the mold fixed. Chief Wagner replied that it depends on what the Council does tonight - yes or no. He said that he can’t answer the question based on what he is hearing. The Chief advised that, depending on what they do, will determine whether or not he lives with the mold tomorrow. He noted that it has been 25 months and E I has proposed four options ranging from $200,000 to $2.2837 million.

Mr. Fitzpatrick stated that he cannot leave this room without fixing that mold. Mr. Stecky noted that he said last year that we should fix the mold and, by not doing it, we have coupled two problems and we are now stuck with having to do something immediately. He asked Mr. Dworkin if he has any ideas at this point.

Mr. Dworkin replied that Chief Wagner presents the need very well and the solutions that E I has come up with are pretty straight forward. He said that there is nothing extravagant being proposed and he recommends that the Council go with the $1.8 million proposal because anything else will cost more in the long run.

Chief Wagner stated that the mold could be remediated tomorrow, Wednesday, and on Thursday he will be back here asking for the $1.8 million. Mr. Kuser said that he understands the need for this 100%.

Councilman Shaw commented that everyone knows how he feels about taxes being
raised. He said that he has listened to the Mayor and the Chief and the Chief has told us that this option will last for 20 years. Mr. Shaw noted that in 20 years $1.8 million won’t mean that much. He said that he agrees that this $1.8 million proposal needs to be done and we need to get it started tonight.

Mrs. Smith noted that those comments are coming from someone who has been a Police Chief and is experienced, and she respects his opinion. She said that, if Mr. Shaw recognizes this need, it should say something to everyone else on this Council. Mr. Stecky stated that he has major issues with the budget. He said that salary negotiations still have to be settled and there are too many things that we don’t know. Mr. Stecky noted that the budget has been cut to the bone and in 2011 there will be no fat to cut. He suggested the possibility that, if we spend this money, we may have to lay people off.

Councilman Golinski noted that no payments will be made until 2013. Mr. Stecky said that he agrees that we desperately need the Police Station but, do we have the money to pay for it.

Administrator Goble responded that she thinks we do, the auditor thinks we do and she feels that she has always given sound advice to this Council. She said that she would never tell them something that she felt would put them in jeopardy. Mrs. Goble advised that this Township is in better financial shape than any other town out there. She said that she would not tell them something unless there was substance behind it.

Mr. Golinski commented that the Chief has shown us that we have a very efficient Police Department. He said that they have continued to present excellent statistics, even with a reduced work force. Mr. Golinski stated that we need to give them the tools to continue to operate at this superior level.

Mr. Fitzpatrick noted that if the Council approves the $200,000 to $300,000 tonight, we can still continue to pursue expansion. Mr. Stecky said that he would support that. Mr. Fitzpatrick said that we need to figure out if there is shared services around and added that he doesn’t think we will get an agreement on the $1.8 million tonight.

Mrs. Smith commented that we are building this for our department, not for shared services. She noted how long it took to get an agreement for sharing Court services. Mrs. Smith urged the rest of the Council to go the next step and solve all of the problems at once by doing the $1.8 million project and not wasting money on a partial fix.

President Andes asked if anyone is in favor of just doing the mold. Mr. Fitzpatrick said that he is and Mr. Stecky said that he is also. The Mayor repeated that he is in favor of the $865,000 option, doing the right side of the building now and the left side later. It was explained to the Mayor that, by doing that option, the renovations included in doing that would have to be re-done later.

Mr. Ciardi noted that we are now re-visiting options that have already been shot down as being impractical and costly.

There was additional discussion regarding Mr. Kuser’s new proposal to renovate the center of the existing building and use pods as temporary offices. The Chief noted that
this 28 year old building cannot support pod space and that we can keep re-visiting this with plan after plan, incurring design costs, and still nothing will be done. The Chief advised that the PBA members are not patient anymore. The Mayor asked the Chief if there is any option at all, other than the $1.8 million, that he would find reasonable. The Chief replied that there must be new paint, carpet and ceiling tiles in the entire building because that is a four year old broken promise. He said that the only other thing that the Council could consider is adding on the entire locker room shown on the diagram, and he will come back next month to start planning for everything else in the building that will be ripped out and torn off, after new carpeting is put in next week.

The Mayor asked for the price tag on the option that the Chief is presenting. Chief Wagner advised that it is the $1.8 million option. The Mayor asked if the $1.8 million is the only thing on the table at this point. Mr. Shaw replied that it is and that he supports it. President Andes asked the Mayor, taking that into consideration, what he says now. The Mayor replied that there is no other option and, if the Council members go for that, he will sign it.

President Andes asked for a motion.
Councilwoman Smith made a motion, based upon the advice of the CFO, to move forward with Option #3 at $1.8 million.
Councilman Shaw seconded the motion.
President Andes asked CFO Goble if she will provide the information that Mr. Stecky wants. Mrs. Goble replied that she would give him that information if he will let her know exactly what he wants. Mr. Stecky said that he would have to sit with Mrs. Goble to go over the information that he would like to have. He said that he will probably vote no to this because he still does not have his contracts resolved, he has budget issues and he desperately wants to say yes to this, but in a sense of responsibility to the taxpayer, he doesn’t think the timing is right.

Mrs. Goble stated that she does not know what other information Mr. Stecky is looking for because she has provided all the information about the debt and how it would be paid. She said that she thinks that a vote should be taken and be done with it. President Andes replied that is what we will do. He said that there will be contract for architect and design and then there will be a finance portion down the road. Mrs. Goble noted that she does not want to hire any professionals to start this project unless we know that the bond ordinance is going to be passed. She said that we need to have a commitment that a bond ordinance will be passed so that we don’t waste money setting up an ordinance only to have it defeated. Mrs. Smith suggested that the bond ordinance, public hearing and newspaper notices all be done before anyone is hired. Mrs. Goble agreed.

ROLL CALL ON MRS. SMITH'S MOTION:
AYES: SMITH, SHAW, KUSER, GOLINSKI, ANDES
NAYS: FITZPATRICK, STECKY
Councilman Golinski prefaced his vote with the comment that he wishes there was
more definitive, affirmative support from Administration and that makes him a little nervous. He said that he sees it as the right thing to do so he will vote yes.

President Andes called for a brief recess at 10:13 p.m. The Meeting resumed at 10:22 p.m.

President Andes asked Mr. Denzler and Attorney DeBona to be seated at the microphones.
President Andes noted that the Council members all received a copy of a letter from the Mayor, which prompted Mr. Andes to call Mr. Denzler.
He asked Mr. Denzler to explain the process that was outlined in the Mayor’s letter.
Mr. Denzler noted that, based on that letter, he looked again at the Highlands as it relates to COAH. He said that the Township is in a position now that the town has to proceed with an affordable housing plan. Mr. Denzler advised that nothing has happened since our last meeting in February, when the Township chose not to opt into the Highlands Plan. He added that Trenton has not taken any action on any amended affordable housing rules. Mr. Denzler explained that the Governor established a task force recommending the abolishment of COAH and came up with new standards. He noted that there is also outstanding litigation that has not yet been adjudicated.
Mr. Denzler advised that he has a meeting with the Planning Board tomorrow evening to discuss a draft housing plan which has to be on file by this Friday to meet the May 26th public hearing date, in order to meet the June 8th submission date to COAH. He noted that, based on any adoption by the Planning Board, the Council will see it at their first meeting in June for their comments. Mr. Denzler explained that it is a Planning Board document but it must be endorsed by the governing body of the municipality so that it can be submitted to COAH.
President Andes asked if anything has changed since the last presentation that the Council had on the subject of COAH or the Highlands. Mr. Denzler replied that nothing has changed.
Mr. Denzler said that nothing has come down from Trenton and the S-1 bill is supposed to be discussed this week. He said that it has had five edits already and was supposed to be ready in March and the latest he has heard is that it will be ready on Thursday. He explained that S-1 is the bill that would abolish COAH. Mr. Denzler noted that one of the big issues in S-1, the Governor’s task force, is getting rid of the prospective need, which is the number that COAH has assigned to the towns. He said that is also what the litigation is about, so there are three items out there that are trying to abolish the same thing.
President Andes asked if Attorney DeBona had anything to add.
Mrs. DeBona replied that it would only be that any housing element or fair share plan that is filed with COAH by the June 8th deadline is only to protect us from builder’s remedies. She said that it doesn’t mean that we will have to eventually implement that plan. Mrs. DeBona advised that we can amend it anytime and, after the rules change,
we would have to respond accordingly, but it is non-binding.  
The Mayor stated that, after June 8th, we will be given another window of opportunity to pass the Highlands Master Plan.  
Mrs. DeBona noted that you can go back into the Highlands at any time.  
President Andes asked if it is correct that the COAH plan does not set anything in stone.  
Mrs. DeBona replied that is correct. She added that the only reason that we are going forward right now is because, until the Legislature acts or the Court comes down with a ruling or the Governor does something to make COAH disappear, those rules are still in effect and we would be at risk for a builder’s remedy suit if we don’t follow the current rules. Mrs. DeBona stated that there is no harm in filing the plan because it is non-binding.  
President Andes asked if it is so that the plan we will put together will be for more units than if we were in the Highlands, that we can opt into Highlands at any time and that we can amend the COAH plan. Mr. Denzler replied that all of that is so because it is a fluid document and is subject to change.  
Mrs. Smith spoke about the difference in the way COAH used to set the obligations and the way it will be done with the new proposals. She said that, assuming that COAH is going to change, we can go with COAH, control our own growth and still have home rule. Mrs. Smith noted that, when a developer comes in, they have to give us affordable housing dependent on the number of houses they build. Mrs. Smith stated that her concern with the Highlands has always been the loss of home rule, loss of control and loss of building a valued ratable. She said that, in her opinion, our best course of action right now is to have Mr. Denzler put the documents together for COAH to protect us from the only existing risk, which is the builder’s remedy.  
President Andes interjected that he does not think that the Council was ever considering not filing a COAH plan.  
Mayor Hussa commented that he thought it would be useful to have the time-line. He said that he and the Council support Mr. Denzler in filing the COAH plan and added that the main issue is that we get substantive certification.  
Mr. Denzler noted that once we file we are protected.  
Mr. Golinski asked about a statement in the Mayor’s April report about building a number of units. His question concerned the actual building of housing. Mr. Denzler explained that we do not actually build units, we plan for them in our zoning ordinances. Mr. Golinski commented that planning for them and building them are two different things. The Mayor explained the procedure for the Township assisting with funds from our Affordable Housing Trust Fund to build the affordable housing. He added that rehab units also come out of that Trust Fund.  
Mr. Golinski asked if we have to make sure that 100 houses are built in a certain time frame. Mr. Denzler replied that we have to plan for them and show that they can be accommodated.  
Attorney DeBona further explained that the Fair Housing Act states that the municipality does not have to use its own money for these houses. She said that, as the Mayor
noted, we get the money from the developer.
President Andes asked if the zoning would have to be changed.
Mr. Denzler replied that ultimately, there would be some ordinance amendments with
the housing plan to accommodate the growth, based on unit types. He noted that, in
the hand-out that he provided, there is a property whose owner requested a zone
change but it is being left as it is zoned. Mr. Denzler stated that his recommendation
regarding that property is that a portion be taken for future senior housing. He said that
we would get a big bang for our buck, get a lot of credit for the housing and there would
be no impact on schools. Mr. Denzler advised that it could provide half of our obligation
with that one project.

There was a discussion concerning senior housing and townhouse units in that area.
The impact on the schools and the number of possible units was also discussed.
These issues were all covered in the attached hand-outs, which are on file in the Clerk’s
office. It was noted that the number of children projected for the townhouse units have
actually come in at a lower figure.

Mayor Hussa pointed out the our obligation under the Highlands would be 79.5 units,
plus re-habs, but would be 152 more if we were not under the Highlands. The Mayor
added that the properties that people feel will be detrimentally affected by the Highlands
are only a few in number. Mr. Denzler interjected that about 85 properties would be
affected. The Mayor replied that many of those properties are already unbuildable. He
cited a few of the properties that he was referring to.

Councilwoman Smith asked President Andes if the purpose tonight is just informational.
President Andes noted that he has not heard anything tonight that would sway his
opinion on the Highlands. He said that he felt that it was a good idea to have Mr.
Denzler provide an up-date. Mr. Andes repeated the significant dates concerning the
filing of the COAH plan. He added that, whether or not we are in the Highlands, the key
is to get the COAH plan filed and then wait and see what changes come out of Trenton.

Councilman Kuser stated that he thinks a contractor should be brought in to the Police
Station immediately to look at the mold and give a quote for remediation. He said that
he would like to get our people safe and then continue with what we talked about
tonight.

Mayor Hussa commented that he agrees and will send an e-mail tomorrow to Mrs.
Goble and John Ciardi stating Mr. Kuser’s concerns.

Councilman Stecky also agreed with Mr. Kuser and said that it should be done right
away.

Councilman Kuser made a motion to bring in a mold remediation company to obtain a
quote to hold off the mold as much as possible, until we get into the renovations and
expansion.

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

MOTION TO ADJOURN: MOVED BY MEMBER GOLINSKI, SECONDED BY MEMBER
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KUSER
AYES: GOLINSKI, KUSER, FITZPATRICK, SMITH, SHAW, STECKY, ANDES

MEETING ADJOURNED AT 10:48 P.M.

Respectfully submitted by:

Kathleen A. Costello
Deputy Township Clerk