

A special meeting of the East Amwell Township Committee was called to order at 7:30 p.m. Present were Mayor Peter Kneski, Deputy Mayor Linda F. Lenox, and Committee members Patricia Cregar, C. Larry Tatsch, and Timothy Martin. Township Administrator Timothy Matheny and Treasurer/CFO Jane Luhrs were also in attendance.

In compliance with the Open Public Meetings Act, Municipal Clerk Teresa R. Stahl announced that a meeting notice was forwarded to the Hunterdon County Democrat, Times of Trenton, and the Star Ledger, posted on the bulletin board, and filed in the Clerk's Office on March 9, 2010. The purpose of this meeting is to meet with the CFO/Treasurer and the Township Administrator to discuss the 2010 Budget.

The meeting opened with the Pledge of Allegiance to the American Flag.

East Amwell History Book: Kat Cannelongo, Chair of the Historic Preservation Committee, said that the book that they were writing is done and will be mailed tomorrow to Arcadia, the publisher. The Township Committee applauded Historic Preservation's efforts. Over 1,000 pictures were scanned, the book will hold only 280 pictures, and all of them will be part of a PowerPoint presentation for a future event. Publication will be between 3 to 18 months.

Ms. Cannelongo offered the Township Committee the opportunity to purchase a quantity of books for sale, and she provided a price list for number of books ordered and percentage discount. This book is part of a series called Images of America, and many municipalities have produced similar books. The price per book is usually around \$19.95, but the cost may be going up to \$21.95. There are other options available to the Township in the future, i.e., production of post cards, other books, etc.

Mayor Kneski asked about getting a sample copy for the municipality; this will not be available to the Historic Preservation Committee until the book is published. Mr. Tatsch asked if it was necessary to pre-order; Ms. Cannelongo said that orders can be placed at any time. She explained that the book will be sold at Borders, but by having the Township purchase a quantity of books, they can sell them at other locations, e.g., the municipal building, Peacock's, Carousel, Unionville Vineyard, the 4H Fair, etc. A book release is being planned for the Harvest Fest.

Mr. Martin suggested that because of budget constraints, the governing body make the decision when the book arrives. Ms. Cannelongo again mentioned the discount for the number purchased, noting that the current selling price at Borders is \$21.95. Mr. Tatsch asked if, as an example, 100 books were purchased, would they be sold at the purchase price or actual price; Ms. Cannelongo explained that the original intent of producing the book was as a fundraiser for the Clawson House. East Amwell Township School was also approached about providing them to the sixth grade class for their curriculum. Copies will also be given to the library.

The book cover is already complete, and it will be posted on the website with an indication that the book will be forth-coming. A notice is also in the Spring newsletter. The Committee commended the Historic Preservation on their great work, with the Clerk noting that residents have been enthused with the project. Ms. Cannelongo credited Historian Jim Davidson for his work with individuals in creating captions for each of the pictures.

Mayor Kneski will work with Ms. Cannelongo is making contact with the Hunterdon County Chamber of Commerce to see if they can assist in finding places to offer the book for sale.

The Committee again thanked Ms. Cannelongo for all Historic Preservation's efforts.

Amwell Valley Ringoes Rescue Squad: Mrs. Luhrs contacted Margaret Case last week for an update on the squad's capital purchases; however, there has been none. In the past \$28,000 had been given for capital, but last year no capital funding was given. Mrs. Luhrs spoke with DPW Superintendent Kadezabek about repairing the potholes in the parking lot at the squad building; the estimate from a contractor was about \$5,000. If the DPW did the work and materials provided by the Township, the men could do the work in 1.5 days. Mrs. Luhrs spoke with Miss Case about the "in lieu of cash payment" option of the repair (not a full repave), and she was open to it.

Mayor Kneski asked that the record show that he spoke with Attorney Cushing regarding recent legislation about volunteer EMS membership serving as elected officials and recusing themselves from discussion and action. As a former member of the squad and current life member, Mr. Cushing advised the Mayor to recuse himself from future negotiations for funding. However, as part of the overall budget discussions, there is no conflict on voting on it.

Mr. Tatsch mentioned the Wertsville Road bridge project, including the Mayor's request that he work with the engineer to develop a plan at minimal cost to see what type of lesser bridge replacement could be acceptable to still qualify for funding. Engineer O'Neal provided a figure of \$4,000 for the work. Mr. Tatsch explained that the real intent of the request was to get an answer to whether the replacement "could be ramped back" with no changes to access and no elevation changes and still qualify for funding. Mr. O'Neal did a site visit and spoke with a County Engineering representative, who was staking the site with a reduction in elevation from 6.8 feet to 5.3 feet, and looking at a cut on the west side of the bridge rather than filling in the lower part of the road. The County was not changing the proposed alignment. Mr. Tatsch met Mr. O'Neal on site the next day, and Mr. Tatsch commented on his opinion about how to make the repair and realign the bridge without taking land.

Mr. O'Neal advised Mr. Tatsch that he is not a bridge expert and would have to consult with a colleague. Jim Kelly, a resident who will be affected by the construction, has a friend who is an engineer and is sympathetic to resident concerns. Mr. Kelly offered to ask the engineer to provide "pro bono" assistance. If Mr. Kelly is unable to get his friend to assist, a suggestion was made to put \$1,000 in the budget for Mr. O'Neal's assistance.

Mrs. Luhrs noted that the Governor provided his budget statement yesterday. Deputy Mayor Lenox commented on anticipated cuts at the state, including closure of the urban enterprise zone department within 10-12 months with a loss of a few hundred jobs.

Mrs. Luhrs anticipated a 20% reduction in CMPTRA (state aid), but the levy cap is still in place, which is problematic. Mr. Tatsch spoke about the Governor's statement not to increase household taxes more than \$250.00 per year. Having CMPTRA reduced proportionally by the number of residences in a municipality was mentioned. Mrs. Luhrs noted that the budget mechanics must be received from the state before she can provide more information, e.g., assumed 20% CMPTRA reduction, exceptions to the 4% CAP, a tax increase of less than 2.5%, etc. She provided new worksheets for the governing body. The first page provided two scenarios (with construction and without construction), both increasing the tax rate (which was .1491 in 2009) to .1527 cents (a 2.41% increase).

The second page showed the assumptions of the 20% decrease in CMPTRA, a reduction of the Planning Board budget by \$3,000, and a reduction of the Board of Adjustment budget by \$2,000. Mrs. Luhrs also worked with DPW Superintendent Kadezabek to reduce salary and wages by appropriating mowing hours to the Open Space Trust Fund (i.e., 20 hours x 30 times at \$20.00/hour or an equivalent of \$12,000). This will require an amendment to the Fund, which was proposed at the last meeting. Additionally, \$10,000 has already been spent on cinders. There is an existing dedicated by rider account for snowstorm expenses, and \$15,000 will be charged to pay for additional cinders.

Mrs. Luhrs and Mr. Kadezabek discussed road maintenance and repair; there was \$77,800 for materials in the proposed budget. A capital ordinance will be prepared for leveling and sub-grade reconstruction, taking \$50,000 out of Roads Other Expenses and \$20,000 from the capital fund to prepare the ordinance for work on a list of various roads.

Buildings and Grounds was reduced by \$2,000. There was \$5,000 left in the Ambulance Squad capital line item, and the potholes on the squad's property will be repaired by the DPW using material from the sub-grade reconstruction capital ordinance. The Tax Appeals line item of \$5,000 was removed. The \$30,000 for salary increases was also eliminated from the budget.

Mrs. Luhrs continued by stating that capital improvement and debt are good areas, and she increased the capital improvement by \$35,000 and notes up to \$110,000. Using all the figures above, she was able to stay under the 4% levy cap and the 2.5% increase in taxes. The governing body briefly discussed the Governor's intent for a constitutional amendment for the less than 2.5% property tax increase if municipalities do not do this on their own. Mr. Martin

asked what the average increase has been over the decade; Mrs. Luhrs said about 1% increase. Deputy Mayor Lenox commented on East Amwell being penalized for keeping taxes low.

Mrs. Luhrs said that she will look at the numbers once the state provides them and consider more cuts. The areas she provided this evening were her suggestions at this time.

Mrs. Cregar did not want to cut the \$30,000 for salary increases since employees did not get increases last year. Mayor Kneski commented on layoffs mentioned by Deputy Mayor Lenox, and while the staff "is excellent," he did not see how increases could be given this year. Mr. Martin cautioned that with improving economic conditions, good employees will leave for the private sector if not paid properly. Mr. Tatsch agreed with Mr. Martin, stating that \$22,000 of the \$30,000 would equate to a 3% increase for staff; if a 2.5% increase were proposed, it would equate to \$18,000, and he would like to see an increase since one was not given last year. Mrs. Cregar agreed with Mr. Tatsch.

Mr. Tatsch and Mr. Martin mentioned that Ms. Carluccio was asked to try to cut some of the Board of Health; she has not yet responded.

Mr. Tatsch agreed that he was concerned that DPW employees may leave if an increase is not provided, and the Township has "a good crew working well together" and they were "hard workers." He asked that at least \$18,000 be found in the budget for a minimal increase. Mayor Kneski felt that it would be hard to balance a possible consideration of eliminating the building department or changing its operation to reduce costs because of the economy and how to justify giving a salary increase to employees; he believed that it did not equal each other. Mr. Martin explained private industry practices when operations are divested because there is no longer a need, stating it makes for a vibrant business; in those cases, the remaining employees' wages are not cut. Mayor Kneski was concerned because of the economy and lost revenues and the need to freeze wages as a balance. Mr. Martin again spoke about good employees and quality of services and looking at how they are paid. Mayor Kneski stated that a decision did not have to be made now, and Mrs. Luhrs should know better tomorrow when state figures are released.

Some discussion took place about West Amwell's payroll cut of 10% last year and the fact that some employees, although not all, reduced their work week from 5 days to 4 days in light of the pay reduction (i.e., a 20% work reduction). Residents did not complain about services, and while offices were closed on Fridays, there was always someone in the office on that day. One issue observed was that if a DPW worker was called in for over time, it did not go into effect until after 40 hours while the employee only worked 32 hours on a normal week. Some workers also were able to find second jobs to supplement their income.

Salary adjustments for specific employees will be discussed in executive session.

The Township Committee thanked Mrs. Luhrs for her suggestions this evening and commended her and Mr. Kadezabek for their forward thinking on the capital ordinance.

Mr. Martin asked about costs for professionals, which are listed separately throughout the budget. Mrs. Luhrs estimated that the Township Attorney is budgeted at \$40,000-50,000; the Planning Board budgets for both the Planner and the Engineer, and the Board of Adjustment budgets for an Attorney. She estimated a total of \$125,000-150,000 in the budget, noting that expenditures are based on usage, e.g., the legal line item for January was \$4,000, based on expenses associated with the Fiscor property, Tree Harvesting Ordinance, Meszaros property, etc.

Mrs. Cregar asked if it was necessary to have the attorney at every meeting, commenting that ten years ago, the attorney did not attend every meeting and provided advice as needed. Mayor Kneski felt that it was important to have him at meetings. Mr. Tatsch suggested limiting the attorney's hours at a meeting, having him attend the first hour and a half instead of the entire meeting. Mr. Tatsch also noted the importance of the attorney's assistance, e.g., with the Meszaros matter. The attorney's hourly rate of \$165.00 was mentioned, and Mayor Kneski agreed that it would be good to try to consolidate the attorney's time to see how it works. The Clerk reminded the Mayor that it would mean moving executive session to the beginning of the agenda and the public would be asked to leave the meeting room during that time.

Mr. Martin commented on the \$28,000 budget for the Board of Health and asked about cutting 10% across the board for professionals. Mr. Tatsch reminded the governing body that the Township must budget for the professionals for wells and soil testing, but fees are paid by property owners. There is a line item for the attorney and hydrogeologist; however, these lines are not very high.

Bidding for professionals in the future was mentioned; the Clerk suggested that if the governing body wants to look into this for next year, they should think about it during the summer and not wait until November to proceed. Mrs. Cregar and Mr. Tatsch also suggested considering the fact that current professionals are familiar with the history of township and bringing new professionals up to speed would take some time.

Mr. Martin reiterated his concern about losing good employees without sufficient compensation. He cautioned about the inability to hire new skilled employees at a similar rate. Some comments were made about the Governor's recent speech about residency requirements for employees, which was not part of his budget speech yesterday.

Mr. Tatsch proposed eliminating the \$5,000 for ambulance capital and have the DPW patch the potholes on the squad's property without any additional capital. He felt that the municipality was in more dire straits than the squad, and they did not provide any information on capital needs. Mrs. Cregar agreed that using the \$5,000 towards an increase for staff would be appropriate. Mr. Martin commented on the legal matters with the squad and accounting information.

The line for postage at \$8,000 was also mentioned.

Mrs. Luhrs referred to page two of her handouts, noting that if construction revenues were eliminated by \$30,000 by the end of June and appropriations remained the same as shown on page 1, the same tax rate would be \$.1527.

Spread sheets on page 3 were prepared for the snow storms, salt, cinder, and over time for everything except last week's storm. A contract was made for 400 tons of salt, which was purchased, and sweeping to be done next week will cost \$9,000. There was also overtime accumulation for the three major storms.

A capital budget update was also provided.

Mr. Matheny commented on the recent storms, noting that there was a lot of wind damage, trees and wires down, and road work. He toured the town with Mr. Kadezabek, noting a lot of work was done and there is still more to do. He provided information on how downed wires are handled and the DPW's involvement in clean up.

The governing body was asked to provide their comments on tonight's budget sheets to Mrs. Luhrs in time to prepare an update for the March 29th meeting. A recommendation was made to keep the salary increase line in the budget. Mayor Kneski agreed to keep the \$30,000 "in the mix" without guarantees how much would be used, i.e., \$15,000 would equate to 2%, \$18,000 would equate to 2.5%, and taking the \$5,000 from the rescue squad would be considered.

Mrs. Cregar commented on a recent conversation she had about the functions of a county superintendent of schools.

For the record, Rice Notices were provided to Pamela Dymek, Joseph Adamow, and Jason Silverthorn.

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RESOLUTION # 51 -10

WHEREAS, the Open Public Meetings Act, P.L. 1975, Chapter 231 permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, East Amwell Township Committee is of the opinion that circumstances presently exist; and

WHEREAS, the governing body of the Township of East Amwell wishes to discuss personnel issues and contracts; and

WHEREAS, minutes will be kept and once the matter involving the confidentiality of the above no longer requires that confidentiality, then minutes can be made public;

NOW, THEREFORE, BE IT RESOLVED that the public be excluded from this meeting.

By Order of the Township Committee,

Peter Kneski, Mayor

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Motion by Mr. Tatsch, seconded by Deputy Mayor Lenox, and it was carried unanimously to approve the resolution.

Executive session began at 8:48 p.m.; Mrs. Luhrs left before executive session began.

The special meeting resumed at 9:32 p.m.

The meeting was open to the public for comments. There being no public in attendance, motion by Deputy Mayor Lenox, seconded by Mr. Tatsch, and it was carried unanimously to close to the public.

There being no further business, motion by Mr. Martin, seconded by Deputy Mayor Lenox, and it was carried unanimously to adjourn the meeting at 9:32 p.m.

Teresa R. Stahl, RMC/CMC
Municipal Clerk