

### **CALL TO ORDER**

Mayor Warren Cooper called the meeting to order at 7:00 p.m. and stated that in compliance with the "Open Public Meetings Act" this Meeting was duly noticed to the Hunterdon County Democrat on March 12, 2014 and the Express Times on March 12, 2014; the Agenda has been posted at Borough Hall and distributed to the Courier News, the Express Times, the Hunterdon County Democrat, and the Star Ledger on March 12, 2014.

### **FLAG SALUTE**

Mayor Cooper asked everyone to stand for the flag salute.

### **ROLL CALL**

Present for the Meeting:

Cathy Leach  
Michele Liebttag  
Brad Myhre  
Jack Opdyke  
William Sullivan

Absent from Meeting:

Seth A. Grossman

Borough Clerk, Brenda S. Shepherd, were present for the Meeting. 2 members of the public were also present.

### **PUBLIC COMMENTS**

The Council approved to open the public comment session.

Mike Reino, DPW Supervisor, noted that he wanted to take this opportunity to address the Council as a group about the administrator and the budget committee. He added that he thinks that over the years, the DPW has been under funded and under staffed. He has put much effort into identifying equipment needs, maintenance needs and things that need operating and capital budget funding. Typically, the response was that there was no money. As an employee dedicated to the Borough, he finds it insulting that money could be found to fund an additional employee when it is difficult or impossible to get an upgrade for a position of operator to provide for a career path move upward which is a motivating factor and to get new equipment. He has a 15 year old backhoe. A new backhoe is in excess of \$100,000.00. We need to start planning for that and these are just internal issues as opposed to Eleventh Street which will require pavement and reconstruction which we will never get State funding for. That cost is probably around \$25,000.00 or \$30,000.00. Without touching on any real or perceived need for administrative personnel, strictly looking at it from a financial aspect, his opinion as a department head is that he has been fighting for funding for six years and it was either not available or he had to give it back. Council thanked Mike Reino. Mike Reino asked that if anyone would like to speak to him personally to please call him.

Having no other comments, the Council approved to close the public comment session.

Mayor Cooper asked that the resolutions be addressed at this time.

### **RESOLUTIONS**

**Resolution #2014-43 – Resolution memorializing action taken by Council on 3/5/14 reducing**

**the letter of credit for Frenchtown Bridge St., LLC. (River Mills)**

Mayor Cooper noted that this is the item we spoke about last time, to adjust the letter of credit for Frenchtown Bridge St., LLC (River Mills). On motion by Michele Liebtag, seconded by Cathy Leach and carried by favorable roll call vote with Jack Opdyke abstaining, the Mayor and Common Council approved Resolution #2014-43 as follows:

**RESOLUTION NO. 2014-43**

**WHEREAS**, Frenchtown Bridge St., LLC, known as River Mills at Frenchtown, requested a reduction of its Performance Guarantee for Blocks 34, 35 and 36, Lot 1, Block 38, Lot 2 and Block 14, Lot 52; and

**WHEREAS**, the Borough of Frenchtown Consulting Engineer, Robert J. Clerico, P.E., submitted a letter dated February 25, 2014 (revised March 6, 2014), a copy of which is attached to this Resolution, recommending a partial release of the Performance Guarantee; and

**WHEREAS**, Mr. Clerico recommends a reduction to \$553,894.80; and

**WHEREAS**, this Resolution is intended to memorialize the action taken by the Borough of Frenchtown Council on March 5, 2014.

**NOW, THEREFORE, BE IT RESOLVED**, by the Borough Council of the Borough of Frenchtown, County of Hunterdon, State of New Jersey, that the reduction of the Performance Guarantee will be as follows:

1. The Letter of Credit is reduced to \$553,894.80.
2. All other Performance Guarantees remain in effect.
3. This Resolution shall take effect immediately.

\_\_\_\_\_  
Warren E. Cooper, Mayor

Attest:

March 18, 2014

\_\_\_\_\_  
Brenda S. Shepherd, RMC  
Borough Clerk

**Resolution #2014-44 – Reserve Budget Transfer Resolution**

Mayor Cooper commented that hopefully this is the last Reserve Budget Transfer from the 2013 bills. We are taking \$4,572.00 out of police salary and wage to pay a bill for the fire company that

was to replace a light bar on the rescue truck damaged by Superstorm Sandy. This bill never came in as a voucher but it did come in over the last couple of days. Brad Myhre commented that when we do the FEMA reimbursement to the fire company, we must make sure we hold that amount. Mayor Cooper added that we only got approximately \$700.00 from the insurance company for the light bar. The rest was requested in the FEMA reimbursement request. According to Diane Laudenschick, the Borough only received two payments from FEMA and we do not know what they were for. Those two reimbursements totaled \$2,300.00. He sent an email to Karen Harmon, the OEM director, to identify those funds. On motion by Jack Opdyke, seconded by Michele Liebttag and carried by unanimous favorable roll call vote, the Mayor and Common Council approved Resolution #2014-44 as follows:

**RESOLUTION NO. 2014 - 44**

**2013 RESERVE BUDGET APPROPRIATION TRANSFER**

WHEREAS, it appears that the unexpended balance in the following accounts will not be sufficient to pay outstanding bills:

Fire – Other Expense

WHEREAS, it appears that there will be for 2013 an unexpended balance in the following account:

Police – Salary and Wages

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Frenchtown that the following transfers be and the same are hereby authorized, and within the resolution is the authority of the Borough Chief Financial Officer to make said transfers.

FROM:

Police – Salary and Wages \$ 4572.00

TO:

Fire – Other Expense \$ 4572.00

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Warren E. Cooper, Mayor

Attest:

March 18, 2014

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Brenda S. Shepherd, RMC  
Borough Clerk

Mayor Cooper noted that there will be no action on the DPW generator. The figure came in at \$17,100.00, under the \$17,500.00 threshold limit. Diane Laudenbach pointed out that the generator also needs switching equipment which is at least \$500.00 which would make the project over the bid threshold. We do not need that switch but someone has to manually turn it on. Clerk Shepherd noted that we will need confirmation that the cost estimate includes prevailing wages.

## **2014 MUNICIPAL BUDGET**

Mayor Cooper noted that this is Council's first look at the municipal budget. He noted that at the top of sheet 3c, the dollar figure on the bottom right of the page represents the maximum allowable under the 3.5% cap for 2014 appropriations within the cap. The challenge was to keep a budget within that number. The Council reviewed the draft budget line by line starting at sheet 12. Mayor Cooper stated this budget shows what was budgeted and what was spent in 2013. He added that all the salaries of the Borough employees have the 2% COLA raise for discussion purposes. Much of the figures come from recommendations of the individual department heads and the decision of the Administrative Committee. The Borough has been paying employees from the sewer fund and last year we had an opportunity to move Mike Reino's salary completely out of the sewer budget but left Mike Roden's 20% from the sewer budget. One of the goals pursuant to Robb Arent's argument, was to try to address that. In making up the budget, we moved \$8,000.00 out of sewer and put it in the current operating budget and at the same time, we got in touch with the insurance company to determine if we were appropriating the insurance correctly. We learned that it is standard practice for the utility to pay its portion of the premiums. That percentage turns out to be 40% to be paid by the sewer budget so Diane Laudenbach moved Mike Roden's sewer salary portion out of the sewer budget and moved the insurance into the sewer budget. There will be no sewer salary paid for the DPW. William Sullivan commented that sewer should cover the expenses for the DPW to maintain the parking lots, etc. Brad Myhre responded that it is not unreasonable. Mayor Cooper noted that when we get to the DPW numbers, you will see changes. The DPW and Police budgets are different this year. Mike Roden and Paul Murphy added their wives to the medical insurance and the Borough will cover Matt Kelly's medical for the full year. This created a huge increase in medical insurance. That presented the most significant challenge for the Administrative committee. There is a decrease in the salary and wage for police. Those numbers came from Diane Laudenbach, the actual cost of the police salary and wages, wherein she gave a breakdown on all salaries in the police department in the past year. In addition, we have to cover Matt Kelly's full salary this year. The \$260,000.00 represents the salary and wages with the 2% COLA increase. Brad Myhre expressed concern with that figure as they are awaiting the results of the union negotiations. The Borough has to be careful. Michele Liebttag noted that the Chief wants another full time officer. If we want to make that decision this year, it will change the budget. Mayor Cooper recommended making that decision next year. Brad Myhre noted that one of the officers is on Family Leave which created a void to cover hours and another officer is down to one day per week which also created a void. There are no other officers to pick up shifts. Jack Opdyke asked why officers are working over time? He sees three officers on at the same time and some shifts are not covered? Michele Liebttag responded that we can ask the Chief. She added that she thinks that we will have to put \$270,000.00 in the police salary and wage budget as the negotiations are retroactive. Mayor Cooper stated that we learned that the Shade Tree Commission wants to grind stumps this year so the budget is proposed at \$6,000.00 since they were unable to do it last year. He added that we have reduced the Environmental Commission's budget to half, \$1,000.00 instead of \$2,000.00.

Mayor Cooper noted that as to the Aid to Volunteer Ambulance Services, we put in \$28,000.00 but he is not clear on that amount. \$24,000.00 is the hard cost and they wanted \$12,000.00 to cover the insurance issue. Brad Myhre stated that the budget itself is based on calls. The ambulance is split in thirds. We were asked to bank \$12,000.00 but in the past six years, they never asked for that money. Mayor Cooper noted that he asked the auditor and we cannot create a trust fund so we can put \$4,000.00 in this year and another \$4,000.00 next year rather than having to fund the whole \$12,000.00 in the 2014 budget. This will cover them if they do not get sufficient coverage from the insurance company. Jack Opdyke stated that \$4,000.00 will not cover them if they increase that. Michele Liebttag stated that they are anticipating that the insurance company will cover a portion of operating budget but she wants to check on our proposed figure. She recommended leaving it the way it was at this point. Mayor Cooper stated that as to the fire hydrant costs, we do not know that exact figure. As to the Fire Department budget, he did not receive a budget request so we do not know what that amount would be. It depends on the amount they raise on coin tosses. The budget figures would not include the heat and utilities. Jack Opdyke stated that we should not have to pay anything. We do not ask the police department to raise money. Michele Liebttag stated that she has not met with the Fire Company yet. Brad Myhre commented that if we know we need gear, we should go out for grant money, particularly for turn out gear and Scott packs. Mayor Cooper commented that we do not have a way of knowing if there are other resources. Jack Opdyke stated that there may be money available from USDA. He is friends with someone from USDA and they have money they are trying to give away.

As to the court numbers, Mayor Cooper noted that the Borough's percentage of tickets dropped last year so our percentage that we have to pay dropped. The court asked for \$48,500.00 in the other expense budget and each municipality is responsible to pay 1/3. We could drop that figure down a few thousand. Council agreed to drop it.

As to Streets and Roads, Mayor Cooper noted that last year's budget was partly fed by the sewer budget. This budget represents the DPW's cost including snow removal. According to the auditor, expenditures for snow removal over what you spent last year is outside the cap. He used those figures to generate a slight reduction in the Streets and Roads budget. William Sullivan commented that every time we put salt down, we have the expense of degradation of the roads. This budget does not include those miscellaneous expenses. Mayor Cooper stated that we can move the snow removal expense outside the cap. Brad Myhre recommended that we move the \$2,000.00 that we saved in the court budget to the Streets and Roads O&E budget and put \$6,000.00 outside the cap. He does not know where to put that figure. We are waiting to hear from the auditor. Mayor Cooper recommended that we leave snow removal at \$1,000.00. We do not have a \$5,000.00 snow removal fund. He recommended that we start funding it in case we need to use it. Mayor Cooper stated that what Mike Reino asked for is reasonable. We need to power wash this building, etc. William Sullivan stated that we tried to get that scheduled when the spending freeze occurred. Cathy Leach added that we need repairs on the park bathrooms which needs additional drainage work.

As to Animal Control, Mayor Cooper stated that he made the assumption that we will stay with Hunterdon Humane which is the same amount as last year.

Mayor Cooper recommended that we hold up on the open space tax since we increased the sewer rates.

As to the fuel oil and gasoline, we budgeted last year at the prior year's budget. We budgeted gasoline on a guess of \$4.00 per gallon. We did not use \$10,000.00 of that budget so that figure was decreased this year. We also did not use the total fuel oil budget so that figure was decreased as well.

Mayor Cooper noted that the first budget the Administrative Committee came up with, the auditor came back and said, you are over the 2% cap by 7% and over the appropriations cap by 13%. That was the budget where every department heads' budget were put in. The last versions prior to this one, we were only slightly over the appropriations cap and tax levy cap. At this point, we need to reduce the budget slightly, \$13,000.00.

Responding to Michele Liebttag as to the delinquent tax figure, Mayor Cooper stated that the number is one that can move giving the Borough flexibility to allow additional spending if needed so we can plan for the future. He added that we had \$330,000.00 in surplus according to the annual financial statement. Last year, we had \$260,000.00 and we used \$221,000.00 of that and set aside what we did not use. That contributed to us having the \$330,000.00. We used \$245,000.00 of \$330,000.00, equal to what we had last year. We are still holding some back. Brad Myhre noted that the budget did not end up with that much money. Mayor Cooper responded that there were certain bills that came in from 2013 which reduced the surplus by \$31,000.00. Brad Myhre asked about the grant money in the budget. Mayor Cooper stated that we did not receive any letters that indicate that grant revenue was granted. Jack Opdyke questioned the 2% cap on line 6(a) of page 11. Mayor Cooper noted that the \$46,000.00 increase is at the 3.5% cap. The budget continues to be a work in progress and we must continue to find ways to trim the budget. We have a good budget to work with so far.

As to Sheet 26, the capital improvement fund, Michele Liebttag commented that we need to put more money in that budget for the porch at the police department, a furnace for the fire department, etc. and we have to have 5% down payment in order to bond. This fund has been neglected in the past. Brad Myhre recommended doubling that figure. He noted that the furnace will cost \$27,000.00. William Sullivan commented that the Borough got their furnaces for free. Brad Myhre responded that he sent a letter to Engineer Burr and the issue is that the Borough does not own that building. The current program he received an email on may allow us to qualify.

As to the Sewer Budget, the Mayor noted that the auditor says that you cannot infuse funds from the municipal budget into the sewer budget because the utility is a separate entity that has to fund itself. The State could say that you do not have enough money in the sewer utility budget and you must raise the rents. We will continue to work on it and will provide updates as we go along. Jack Opdyke and Cathy Leach thanked the Administrative Committee for all their work.

### **BOROUGH ADMINISTRATOR POSITION**

Mayor Cooper noted that there is not much to say about the position. The Council asked that we have a budget in some form before we had that discussion. The applicant is still interested in the position and we are now at point where it would be a position for  $\frac{3}{4}$  of a year.

### **Committee comments:**

Cathy Leach noted that Brad Myhre referred her to Patty Wilson. While Patty Wilson lived here, Frenchtown was of great assistance to her. Ms. Wilson is in an education program at Landmark Education and has an assignment to develop a project. She would like to build a

gazebo at Old Frenchtown Field in memory of her son and recognize other children with cancer. The project is in the initial state. Ms. Wilson is also creating a funding raising program. Fifty thousand dollars is her vision. The project deadline is June 17, 2014. Cathy Leach noted that Old Frenchtown Field would be a logical site for a pavilion. We will need to look at the DEP requirements and Ms. Wilson will need to contact the Planning Board. Cathy Leach also recommended that Ms. Wilson contact William Sullivan. Brad Myhre commented that if it was done closer to the road, natural gas and sewer are there if bathroom and cooking facilities are wanted. Cathy Leach responded that we do not want to interfere with the soccer fields. Patty Wilson's vision is to have memorial type gazebo with memorial pavers on the floor edge with donor names surrounded by a butterfly garden. Her son's name was Luke Smith. We will have to find out what permits are required.

Jack Opdyke noted that there is a meeting tomorrow with Tomar Construction and the building inspector to try to get things straightened out.

William Sullivan commented that he thinks the Borough ought to include Washington Street and alleyway in the overall scope of the Hilltop Streets project.

### **Correspondence**

Mayor Cooper called the Council's attention to the invitation to Governor Christie's Town Hall meeting on Thursday, March 20<sup>th</sup> in Flemington.

Mayor Cooper also noted that the Council is invited to march in the parade on Saturday in honor of the County's 300<sup>th</sup> anniversary. The correspondence contains information to respond.

Mayor Cooper stated that we have been asked to put a collect basket in Borough Hall for donations to provide the Homestead House with fresh fruits and vegetables from Tinicum Food Coop. There are a number of people involved and they have committed to raise 1 share at \$800.00 and is seeking to collection donations for a second share. Clerk Shepherd expressed concern for responsibility of the donation basket and if the town would be setting a precedence. Jack Opdyke requested that someone talk to the Lions Club for a donation and he will match what the Lions Club donates.

Mayor Cooper noted that the Borough received notice from NJDOT in reference to a Transportation Alternatives Program grant opportunity. The Borough could qualify for some of this money. There are various project that could qualify. He will find out more about it. Cathy Leach stated that this may work for the Downtown Revitalization Committee.

Mayor Cooper noted that the Borough received an invitation to the fourth annual Courage to Connect Seminar in May. The focus is on the regionalization of schools.

Clerk Shepherd reported that primary election petitions are due by March 31st by 4:00 pm. Responding to Council, Clerk Shepherd noted that Brad Myhre and Michele Liebttag's terms are up this year.

### **EXECUTIVE SESSION**

Mayor Cooper stated that the Council will have to go into executive session for 1 item. On motion by Michele Liebttag, seconded by Cathy Leach and carried by unanimous favorable roll call vote, the Mayor and Common Council approved to go into executive session at 9:02 pm and approved

Resolution #2014-45 as follows:

**RESOLUTION #2014-45**

**EXECUTIVE SESSION RESOLUTION**

**WHEREAS**, Section 8 of the Open Public Meetings Act (N.J.S.A. 10:4-12 (b) (1-9), Chapter 231, P.L. 1975, permits the exclusion of the public from a meeting in certain circumstances; and

**WHEREAS**, the Borough Council is of the opinion that such circumstances exist.

**NOW, THEREFORE, BE IT RESOLVED** by the Borough Council of the Borough of Frenchtown in the County of Hunterdon, State of New Jersey, as follows:

1. The public shall be excluded from discussion of the hereinafter specified subject matters.
2. The general nature of the subject matter to be discussed is as follows:
  - a. Contract Negotiations – Borough Administrator
3. The Borough Council may take official action on those items discussed in Executive Session upon completion of the Executive Session.
4. The minutes of the discussions shall be made available to the public as soon as the matters under discussion are no longer of a confidential or sensitive nature.
5. This Resolution shall take effect immediately.

Borough of Frenchtown

By \_\_\_\_\_  
Warren E. Cooper, Mayor

Dated: March 18, 2014

ATTEST:

\_\_\_\_\_  
Brenda S. Shepherd, RMC  
Borough Clerk

Mayor Cooper excused Clerk Shepherd from the Executive Session and noted that Attorney Cruz informed him that the Council can take the minutes of the Executive Session.

The Council came out of executive session at \_\_\_\_\_ pm.

**ADJOURNMENT**

Being no further business to come before the Mayor and Council, the meeting was adjourned at \_\_\_\_\_ pm.

Respectfully submitted,

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Brenda Shepherd, RMC  
Borough Clerk