

**MINUTES OF THE MEETING OF THE
MAYOR AND COUNCIL
OF THE BOROUGH OF SUSSEX
HELD AT THE SUSSEX MUNICIPAL BUILDING
2 MAIN STREET, SUSSEX, NJ
FEBRUARY 15, 2011**

Mayor Parrott called the meeting to order and requested the clerk to call the roll. Upon roll call, the following members of the Governing Body were present: Mr. Fransen, Mr. LaBar, Mrs. Little, Mr. Meyer, Mr. Rose, Mayor Parrott.

Absent: Mr. Dykstra

Mayor Parrott led the assembly in the flag salute and requested a moment of silence.

Mayor Parrott stated "This meeting is being held in compliance with the provisions of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. It has been properly advertised and certified by the Clerk."

PRESENTATIONS:

At this time Lynn Meyer and Melissa Fransen, members of the Recreation Commission presented their budget requests to the Mayor and Council. A copy of their report is on file in the Clerk's office.

Finance Report

At this time Sam Rome gave the Finance Report for the meeting of February 15, 2011. He stated that he has filed all of the financial statements as well as the debt statements. He stated that we didn't end up to well on our surplus this year. Our surplus was down and we only regenerated about \$1,300 over last year's figure. A lot of it is because of the delinquency on taxes. They were up a considerable amount this year. Our collection rate was down. Money was just not coming in this year. He stated that he, Bob and Cathy have been working on the budget and we should be ready for presentation soon.

Mrs. Gleason asked if the Council would like to have a budget workshop next Tuesday

Mrs. Little stated that there is a Board of Health meeting next Tuesday.

Mr. Rose stated that he is going to be on vacation next week and that he will not be back until Friday the 25th.

Mrs. Gleason stated that perhaps we can do it on March 8th.

Mrs. Little stated that she has a Solid Waste meeting that evening but that the budget meeting is more important.

Mayor Parrott stated that a lot of work has been done to get it ready early this year.

Mr. Rome stated that Cathy and Bob have prepared a separate type of presentation of the budget and he has done it how he always has. We have been working together to make sure that the numbers match with each other.

Mrs. Gleason stated that she and Bob have created budget books for everyone that should be simpler to read and understand. The numbers on the sheets in the book match back to Sam's.

Mr. Rome stated that we still haven't heard yet from the State with regard to State aid. The new cap calculation sheets are out but he stated that he hasn't gotten a chance to look at them. He will work on it next week. He stated that preliminarily it looks like we can probably keep the budget at a flat amount as compared to last year. Right now we have prepared it with all of the capital needs such as the solar panel project and the purchase of new DPW trucks as well as putting in money for roads and maintenance of municipal buildings. He stated that we put two trucks into the bonding for the solar project which would spread the payments out over that same ten year period. The sale of the SRECS would cover the purchase of the trucks. They would be taken in as revenue but it will give us the availability to increase that money. The debt service is exclusive of the cap. That would not impact on the two percent cap. Putting the SRECS back into surplus will help us build up our surplus but we will also have that surplus to anticipate as usage in the budget.

Mrs. Gleason stated that it will also cut down on our utility bills.

Mr. Rome stated this is another long term thing that will generate us another source of revenue plus also decrease some of our expenditures. Debt service is exempt from the two percent cap. They have not made it clear about the amount of transitional aid that we will be able to get. He stated that he doesn't know if they plan to reduce it by 1/3 or spread it out over a five year period. He stated that he would anticipate between a twenty to thirty thousand dollar reduction. The hope was that we can do more than that but realistically if we keep the budget as we have it now we will probably have to realize that amount of reduction from the \$100,000 that we received last year.

Mr. Rose asked what Mr. Rome anticipates happening if we take this outside of normal expenditures and the life expectancy of the panels is only 15 years.

Mr. Rome stated that his understanding is that they last almost twenty years. We would decrease our cap by taking out the utility cost that we will be saving plus the cost of the debt service. It gives us more flexibility. We can increase 2% over last years levy.

Mayor Parrott stated that it is going to be interesting when we go over the budget because there are going to have to be decisions made because of the shared service contracts and the money that we saved and realized there is going to be decisions to be made as to expenditures for things that we haven't had the ability to purchase in the past. We will need to decide whether we should spend the money or save it or return it back to the taxpayers. The public is invited to the budget meetings to listen to how the decisions are made. Mayor Parrott asked Mr. Rome his opinion of the financial state of the Borough at the current time.

Mr. Rome replied that right now we have a pretty good plan in place. Economically the times are still tough and we are still going to be struggling to try to get the revenue in here from taxes. As long as we stick to the plan and try to maintain our current infrastructure and plan for the future then we should be ok. He knows that the first idea is that everyone wants to cut taxes but in doing so we have let some of our infrastructure go trying to save some money. If that happens much longer we will basically have the snow ball effect and a few years down the road we are going to have to fix everything. We have at least one dump truck that is over ten years old so it seriously needs to be replaced. We need to keep the Borough buildings up as well.

Mayor Parrott thanked Mr. Rome and asked Mr. Schultz to give the DPW report at this time.

Mr. Schultz reported that the mason dump's frame snapped during the last storm. The whole front of the truck tips down. It would be a huge extensive repair with no guarantee. He stated that he doesn't think that it is worth repairing. He thinks that it should be replaced and then try to sell the old one through an auction. He can purchase one through the Morris County Co-op. He doesn't recommend anything fancy and he doesn't recommend that we get a diesel since it would cost another \$10,000. It is a very basic truck. During some of the storms this winter the Borough actually lost all of its vehicles at one point or another. They were able to get some of them up and going during the storm but some had to wait until after the storm to be repaired. He is recommending a 450 because it is a little bit heavier. It is a better vehicle in the long term. The old truck has a very good motor in it and should have good resale value. We might have to do our own auction to sell it.

Mr. Schultz stated that the Borough only needs a small truck since Hardyston has larger trucks if they are needed. A large truck would cost another \$30,000 or \$40,000 and he doesn't think that it is necessary. The current truck is a Dodge and the one that we want to purchase is a Ford. Ford is the only vehicle available through the Morris County Co-op.

Mr. Schultz also reported that the Borough's water/sewer truck was needed to plow during a storm this year when the other trucks went down but they were only out for a few hours and the transmission started to leak. The plow came off of the entire truck. They were able to put the frame back together but the exhaust manifolds are warped and need to be replaced. The vehicle is almost 17 years old and he stated that it isn't worth repairing either. He recommended that they use the body and buy a chassis. He stated that he will look into seeing if there is any resale value for it. He has put together a scenario for the budget meeting for replacing these two vehicles. The truck he wants to purchase is a Ford and has a gas motor.

Mr. Schultz reported on the solar project proposal. A copy of his report is on file in the Clerk's office. It is based on a 60 kw solar system down at the DPW garage. The SREC revenues are very high and seem to be climbing so not only will the Borough realize savings in their utility costs but will have a new source of revenue. It has been a viable project for Hardyston. We did run the bonding scenario past Sam and he agrees with it. He stated that we he and Cathy

attended a meeting at the Sussex/Wantage Board of Education regarding a project that they are considering. They are not going to be bonding for the money but entering into a PPA (power purchase agreement). That is where a private investor comes in and it doesn't cost the municipality or school district any money. They take the revenues however and they charge you for the energy that is produced at a reduced rate. There are advantages to doing it that way. You don't need any upfront costs. The investor reaps the benefits however. He doesn't recommend it for the Borough because he sees the revenues that are produced will pay for the system and the town would get the full benefit of the life of the system. PPAs are usually 15 years. After 15 years there is an opportunity to buy the system or ask them to take it out. It is an option to consider. We would only be providing a site for them to produce revenues for themselves. The school is looking at doing it at some of their facilities and they asked neighboring facilities and High Point High School if they would like to participate. That would make the project large enough for an investor to consider. They would not consider just doing a small project in Sussex Borough. It would not provide them with enough of a return. If we were to bond for the project we would realize approximately a \$14,000 utility savings down at the garage alone. The SREC values are high and the system would pretty much pay for itself.

Mr. Rome stated that when it is done as a PPA there is a lot of padding in the financing costs.

Mr. Schultz stated that in his opinion a PPA is not the way that the Borough should go. Bonding it is a better way to go. After ten years the Borough would collect the full revenue with additional utility savings on top. The normal life of a solar system is 20 – 25 years. So the Borough would collect the full revenues for a minimum of at least ten years. Right now the SRECs are running about \$6.35. SRECs are part of a program run by the State where they tell the energy suppliers that they have to produce so much green energy. If they can't produce it then they have to buy it. The energy supplier will buy a coupon for green energy. In the State's program by 2020, 20% of their energy has to be from green energy. They will never be able to produce that much. They will always need SRECs. He thinks that the value of them won't fall. He stated that he sees it as being a good revenue source.

Mr. Meyer stated then not only will we be getting money from the SRECs but we will also getting a new revenue source.

Mr. Schultz stated that down at the DPW garage the cost for the propane to heat the garage is very high. We are spending about \$2500 every time we get a delivery. They are delivering about every ten days. If we do the solar then we should consider putting electric heaters in and let the solar system provide the energy for the heat. That would save us about \$15,000 a year alone just in propane costs. That would be on top of the utility savings from running the pumps at the sewer pump station.

Mr. Rose stated that it necessarily wouldn't be a savings because we would just be shifted the cost from heating with propane to heating with electricity.

Mr. Schultz stated that approximately 35% of the electric would be free to us because we are producing it. We need to look at it because the propane costs are outrageous.

Mr. Meyer asked if there is anyway that we could put this in conjunction with our street lighting because it is very expensive.

Mr. Schultz stated that we just can't run wires all over the place. We would need a separate system. We are only producing 60kw. You don't produce solar electric at night so you have to get your energy from the utility company during that time. There are misconceptions about solar. In the winter the system is almost dormant. So typically you are only producing about 35% of your utility needs. In the summer Hardyston actually does reverse metering because they produced so much electric. That is a savings as well. It is a credit on your bill. They size it for peak demand.

Mrs. Little asked if he had any idea how much it would cost to convert to electric and Mr. Schultz stated that he did not but that he would look into it. Mr. Schultz stated there is no insulation down there at all. He stated that he will also call Elizabethtown Gas to see if it would be possible to run a gas line down there.

Mr. Schultz reported that it was a harsh winter but considering it was there first winter here he thinks it went very well. There were minimal complaints. There were some equipment and vehicle issues that have been temporarily addressed but they need to be looked at for the long term. He stated that we have spent about \$7000.00 on salt which is very good considering how bad the winter was. Salt prices were down this year. Sussex budgets about \$16,000 for salt. He stated that they removed a lot of snow from Main Street. He brought up Hardyston's

machines and trucks to streamline the process. They reduced the time about four hours from what it used to take. There were no damage complaints.

Mr. Meyer stated that he thinks it went very well. During the last storm all of our roads were clear where as some of the roads in neighboring towns were not.

Mr. Schultz stated that he got a lot of compliments from the residents.

Mayor Parrott stated that the complaints were very minimal. He stated that the I & I bids came in very low.

Mr. Schultz stated that he is going to have the DPW look at the low lying areas of the system and put in plastic covers under some of the manhole lids. They will deter some of the water that is going into the system. They cost about \$20.00. March has always been a rough month for sewer flows so John Ruschke recommended that we put them in to try to minimize the flow going down to SCMUA. It is a quick fix to try to get the water past the sewer manhole. John also recommended that we put the flow meters back in some of the manholes that are not currently being replaced during the I & I project. That way with the savings on the first phase of the I & I project we can expand the scope of the project and work on other areas of town. There used to be a chemical injection down at the sewer plant but for some reason it was stopped being done. The chemicals reduced the gases going through the lines. John recommended that we put it back in because that might be the reason that the pipe down Route 23 is eroding prematurely.

Mayor Parrott stated that former employees said that it was removed because of budgetary reasons but if that was the case it would have had to have been very expensive because it has caused very expensive problems on that line. The cost of the chemicals is minimal.

Mr. Schultz stated that we also want to try to clean the raw water line coming into the treatment plant.

Mrs. Little asked Mr. Schultz to find out how much it would cost to start injecting the sewer system again with the chemicals and stated that she has no idea why it was stopped being done.

Mr. Schultz stated that they are going to begin replacing valves and John is going to create a better map of the system.

Mayor Parrott stated that he has asked Mr. Ursin to contact Crew Engineers to see if they have any more of the Borough's maps or water/sewer information. If they do we would like to have it back. Mr. Ursin stated that he will write them a letter and see if we get a response.

Mr. Schultz stated that one of the first projects in the spring will be to scrape the pipe under the bridge on Loomis Avenue to evaluate what shape it is in. There are a lot of potholes that they will have to take care of once the weather breaks.

Mayor Parrott stated that the heliport is in bad shape and Bob has given us an estimate on how much it would cost to repair.

Mr. Schultz stated that he spoke to Jake Little the OEM Coordinator and gave him estimates. It is in need of repair and there have been complaints from the State Police that they don't even want to land there since it is in such bad shape. It should be on the schedule for repair this year.

Mayor Parrott thanked Mr. Schultz for all of his hard work and going far and above what we expected when we entered into the agreement with Hardyston.

Auction of Municipal Owned Property – Block 301.21 Lot 371

Auction of Municipal Owned Property – Block 603, Lot 1

Auction of Municipal Owned Property – Block 503, Lot 1

There was no one present in the public at this evening's meeting who bid on any of the three properties up for auction.

CONSENT AGENDA

Mayor Parrott requested that all persons present review the consent agenda and offer any comments they may have at this time regarding the consent agenda.

Mr. Fransen made a motion to accept the consent agenda of February 15, 2011. Seconded by Mr. Meyer.

CORRESPONDENCE (ACCEPTANCE FOR FILING ONLY OF THE FOLLOWING):

1. 2008 Recycling Tonnage grant check in the amount of \$4176.44.
2. Letter dated January 4, 2011 from the DEP regarding a suspected hazardous substance discharge notification NJDEP Case #11-01-03-1503-21.
3. Letter dated January 13, 2011 from Gary Greulich of NJDEP to Salvatore Lagattuta regarding a progress report for 58 Hamburg Ave.
4. Memo dated February 3, 2011 from Harold Pellow to Catherine Gleason regarding the award of the Grove Street DOT Trust Fund Grant.
5. Resolution from Branchville Borough supporting position of High Point Regional High School Board of Education in opposing tuition fee imposed by Sussex County Vocational school Board of Education.
6. Letter dated January 26, 2011 from James Simpson of the NJDOT to Mayor Parrott regarding funding from NJDOT Fiscal Year 2011 Municipal Aid Program for Grove street improvements – Phase I in the amount of \$170,000.
7. Cable Television renewal certificate of approval from State of NJ Board of Public Utilities.
8. Letter dated December 16, 2010 from Elaine Morgan, Clerk of the Board of Chosen Freeholders, to Sen. Oroho regarding the senate to pass senate bill 2174 and for the assembly to pass assembly bill 2951.
9. Notice of hearing from the Wantage Township Landuse Board for Block 135 Lot 8.01 (51 Brown road).
10. Stillwater Township Resolution opposing assembly bill no. A-2095 and senate bill no. S-818 which revise requirements for medical delivery.
11. Stillwater Township resolution urging the NJ Senate to pass senate bill 2174 and for the NJ Assembly to pass assembly bill 2951.

REPORTS (ACCEPTANCE FOR FILING OF THE FOLLOWING):

1. Tax Collector Report for the month of November 2010.
2. Tax Collector Report for the month of December 2010.
3. Water/Sewer Collector Report for the month of December 2010.
4. Clerk's Report for the month of December 2010.
5. Construction Department report for the month of December 2010.
6. Animal Control Department report for the month of December 2010.
7. Sussex Fire Department & EMS report for the month of December 2010.
8. Sussex Fire Department & EMS yearly totals of 2010.
9. Construction Department report for the month of December 2010.
10. Zoning Permit report for the month of December 2010.
11. January 2011 Animal Control Report
12. Construction Department report for the month of January 2011.
13. Tax Collector report for the month of January 2011.
14. Property Maintenance report for the month of January 2011.
15. Zoning Permit Report for the month of January 2011.
16. Clerk's Report for the month of January 2011.

APPLICATIONS (APPROVAL OF THE FOLLOWING):

1. Blue Light application permit from Richard Crowell.

RESOLUTIONS: (APPROVAL OF THE FOLLOWING):

1. Payment of bills for the meeting of January 18, 2011.
2. Payment of bills for the meeting of February 1, 2011.
3. Payment of bills for the meeting of February 15, 2011.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

OPEN PUBLIC SESSION #1

Mrs. Little made a motion to open the meeting to the public for anyone wishing to address the Governing Body. Seconded by Mr. Rose All were in favor.

Mr. Jim Bevere, 24 Sycamore Street, asked about the SCMUA charges. He heard that we are paying double.

Mr. Ursin stated that in the contract that the Borough has with the SCMUA, there is a minimum flow that the town gets charged for and a maximum allocation that we are allowed to deliver to the plant. If we deliver more then the maximum allocation SCMUA fines the Borough. The contract says that they can fine the Borough up to double the per gallon cause of the excess gallonage that we send down to them.

Mayor Parrott stated that the contract was signed by a previous administration and we have been advised by our attorney that the contract is nonnegotiable.

Mr. Ursin stated that every town that is a customer of SCMUA has a contract. They are unlike other contracts in that when the town purchased allocation from the plant it involved either capital costs to the plant or upgrades to increase the allocation. Typically the contracts are backed by bond obligations. The contracts are highly nonnegotiable. Many towns feel that the terms of their contracts are to varying degrees unfair. He stated that he doesn't feel that it is a term of the contract that can be renegotiated. The fine itself can be negotiated and we are in the process of doing that.

Mr. Bevere stated that he has a problem with the I & I. It is a reoccurring problem and there doesn't seem to be an easy solution to it since it has plagued every town that sends sewerage to SCMUA.

Mr. Ursin stated that all of the towns haven't suffered from it equally. Sussex Borough has suffered from it substantially more then the other towns.

Mayor Parrott stated that we had the system taped and we found manholes that are very, very old and in need of repair and replacement. There is water coming into the system through the manholes and it has been a problem for many, many years. The tapes sat in the basement of the engineer for two years prior to this council coming on and when we found out about them we looked at them and were amazed at the amount of water that was flowing into the system.

Mr. Bevere stated that he doesn't see how the town is ever going to get a handle on it because the pipes are so old and topographically the town is on a slope. Even the best effort that the town makes to fix the manhole is not going to totally fix the inflow problem. SCMUA has a tight grip on the municipality.

Mayor Parrott stated that we met with SCMUA and were told that we are the only town that has to pay double for the overage. The other towns pay one to one.

Mr. Bevere asked if the contract can be renegotiated because he doesn't see this problem ever really being solved. He asked if SCMUA is doing anything on their end. It is mostly clean water that is coming in that doesn't need to be treated.

Mr. Schultz stated that SCMUA only treats the sewerage, the system belongs to the Borough. Part of the current project is to reduce the flow to them. We have a guaranteed minimum flow to SCMUA of about 312,000 gallons and on a good day we only send down 200,000 gallons. We are paying however for the entire 312,000 gallons. There are some days though that we send down way to much flow and that is why we are being penalized. SCMUA has to pay for their facility because they bonded for it. These contracts are based on them paying those bonds. There are some days when we send down over a million gallons.

Mr. Ursin stated that the Council is very well aware of the problem. We are guaranteeing 312,000 gallons and we are only sending 200,000 gallons. We have not been able to get any new customers for the gap between those two numbers because of the I & I and those peak times when we flow way over our limit. If this project is successful and it reduces the flows it will then allow the Borough to sell to more customers. If we can do that then the cost of the system will be spread over a third more customers.

Mayor Parrott stated that's why we are trying to enlarge the sewer service area down Route 23 into Wantage because our sewer line runs right down there. There are a lot of businesses that would like to join the system but we have to get our I & I problem under control before we can

expand our customer base. There is no credit from SCMUA when we flow less than the minimum 312,000 gallons.

Mr. Fransen stated that we can go back and blame the administration of the early 1990s for signing that contract.

Mr. Ursin stated that the important thing is that we need to close the gap between the minimum guaranteed flow is and what we are currently sending. That is the only way to bring down the cost of the system. That is why we are doing the I & I project. The engineer will tell us that it won't totally eliminate the problem but it will greatly reduce it. Then we will have the capacity to sell off some of those gallons and reduce the cost of the system.

Mr. Bevere stated that the Borough has done some projects that didn't fix the problem.

Mr. Ursin stated that we haven't done anything in the last ten years and that Mr. Bevere would have to ask past Council's why they haven't done anything to fix the problem. One of the reasons that SCMUA has raised the fines is because they are frustrated that the town over a ten year period has done virtually nothing to address the problem.

Mrs. Little stated that there were things that were done. There was a problem with I & I on Liberty Street which was taken care of. There was another one on Harrison Street that was also taken care of. At the time they did what they considered to be the most important problems instead of covering the whole town. They picked select parts that were causing the biggest problem. It wasn't that nothing was done. It is just that the projects were smaller and confined to smaller areas. She said that they keep getting told that there was nothing done but there were things that were done.

Mr. Ursin stated that he wasn't here at the time and is just repeating what SCMUA said. We had a meeting with SCMUA to negotiate the fines and it was difficult because of their perception and their claim that so little has been done with this problem. The award of the project is on the agenda tonight and already in the next month we have scheduled meetings with potentially buyers of large amount of gallonage in an attempt to spread the cost. The engineer is optimistic that the project can reduce the million gallons per day spikes by 75%. On those days we might still exceed our flow but it will lessen the effect of it.

Mr. Bevere stated that he doesn't pay his water bill until the last minute and last time his water got turned off. The DPW came out at 2:00 in the afternoon which didn't give him time to pay the bill and get the water turned back on before they left for the day.

Mrs. Gleason stated that plenty of notice is given before water is turned off and that they start doing shut offs early in the morning and work through the list.

Ms. Pat Latteri, Reservoir Road, Wantage, stated that she owns two income properties in the Borough. She stated that there are so many empty apartments in the town because of the water bills. She pays the bill in one property and the tenants pay it in the other. She stated that tenants can't afford to pay even the minimum here so no one wants to rent here. Then the problem becomes who wants to live here. It is a horrible situation but it affecting everyone and not going to go away. There has to be something we can do with regard to SCMUA.

Mayor Parrott stated that we hope to make the situation better by eliminating the problems so that we can bring on more customers. They are developments that are already there that right now have septic and future development.

Mr. Ursin stated that if we could make a deal with any future development it would involve them beginning to pay bills long before the development happens. Some of the deals would require them to pay allocation fees to start with.

Mayor Parrott stated that it is costing us now but we have to fix the problem in order to make things better for us in the future. There is light at the end of the tunnel.

Ms. Latteri stated that a lot of people didn't come out to public meetings and no one questioned the things that were going on. The people who live here are hard working people. They should have a decent place to live. She stated that people have to know the policy for turning off water. She asked what the Board of Health policy is for turning off water.

Mrs. Gleason stated that we don't turn the water on and off everyday. When it gets turned off it stays off until the bill gets paid. Mrs. Gleason stated that the ordinances are published in the paper and on the website.

Ms. Lateri stated that there should be some way to go after SCMUA. SCMUA is raping the Borough. She said that almost a quarter of the town is rental properties.

Mayor Parrott stated that is why this Council is working so hard trying to make it go in a different direction than it has gone in the past. We are biting the bullet now to make sure that the future is brighter than the past has been.

Mr. Bevere asked if we will see a reduction in rates when we bring on new customers.

Mr. Ursin stated that the utility itself is self funded. If more money goes into the system it reduces the cost to each person. What we can't predict is that if we added 10% more customers and then SCMUA rates went up 10% that the rates wouldn't then stay the same. If the customer base goes up and SCMUA rates remain the same then there would be a reduction. If we eliminate the fine every year it would pay off the work that we are doing here in a decade or so. If that were to reduce the flow and it allowed us to bring on 25% more customers then it would reduce every bill if all of the other costs stayed the same.

Mr. Bevere stated that since the Council just passed a 66% increase on the sewer bill that he is looking for something more substantive. How long is this going to go on?

Mr. Ursin stated that 85% of the utility costs are sent to SCMUA. When you look at the percentage increases three out of the last four years a large part of the bill is actually in the control of the Borough.

Ms. Linda Masson, 15 Spruce Avenue, asked the Council who negotiated the contract with SCMUA and when.

Mrs. Gleason stated that it was signed in 1992 by Mayor Horvath.

Mr. Rome stated that Mr. Pojanowski was the attorney at the time.

Ms. Masson asked why this is the first meeting that the Council has had in a month. A month is along time to go particularly after a water bill was sent out that was 66% higher than the last bill.

Mayor Parrott stated that it was weather related.

Mr. Ursin stated that there are notice requirements for meetings.

Mayor Parrott stated that the agenda for the first meeting had nothing on it that couldn't wait until the next meeting. Then another storm came and the reason why we canceled the original meeting is because we were having the property auctions and we wanted to give everyone an opportunity to attend. As it was, no one attended any way.

Ms. Masson stated that she would appreciate if the meetings were rescheduled.

Mayor Parrott stated that this is the first time since he has been here that a meeting was even canceled. He stated that he likes to have the meetings on the day they are scheduled but it was storm related.

Ms. Masson also asked if the meetings could be posted on the sign out front.

Mayor Parrott stated that he will have them put on the sign if there is room.

Ms. Masson asked about the solar project. She asked if that is a source of revenue.

Mayor Parrott said it is for revenue and to save on our utility bills.

Ms. Masson stated that we are eventually going to be merging with Wantage and wondered why we are spending this kind of money.

Mr. Ursin stated that there is no plan being considered to merge with Wantage right now.

Mrs. Gleason stated that we can not base the Borough's financial future on a chance that we might merge with Wantage.

Ms. Masson stated that the town has such financial problems that we should not enter into a project of this magnitude.

Mayor Parrott stated that he disagreed that the town has large financial problems. The sewer utility has problems but the town is in good financial shape. We are looking at a good year. It would be good for the public to come to the budget meetings because important decisions will be made as to how to spend the taxpayer money.

Ms. Masson discussed the school budgets at this time and Mr. Ursin told her that the Council has no control over the school budgets.

Mr. Ed Nunn, 21 Sycamore Street, asked if the 66% increase is only for one year.

Mrs. Gleason stated that it was only last year's increase.

Mr. Ursin stated that every year the town recalculates the rate. The SCMUA rate is forever and it can not be renegotiated because it is backed by bonds. He doesn't know of any town that can renegotiate its utility authority contract. It is not a standard, run of the mill contract.

Mr. Nunn stated that this is crazy and he can't believe the bills that the Borough residents have to pay. SCMUA is making money on us and there has to be some way to control it. He stated that he can't pay this kind of bill any month. He asked if there could be a payment plan.

Mayor Parrott stated that he can call the office and discuss setting up a payment plan.

Mr. Nunn congratulated Mr. Schultz and the DPW on a job well done during the winter. He stated that the snow is piled up high on the corner of this property though and is pushing his bushes over. He asked if it could be removed.

Mr. Schultz stated that they are going around and removing most of the snow.

Ms. Kathy Bosma, Newton Avenue, asked if the bond for SCMUA and the Borough have been paid.

Mr. Rome stated that most of the upgrades that were done to the sewer line and the removal of our sewer plant were financed through 40 year, Farmer's Home, loans. We are about 12 years into them.

Ms. Bosma stated that she has lived here since 1979 and it never changes. The rates just continue to go up. The sewer bill was not always double the water bill.

Mr. Rome stated that in the 1980's we didn't send our sewerage down to SCMUA. When we went into SCMUA none of the infrastructure was updated. We have sewer lines that are 100 years old.

Ms. Bosma stated that any contract is negotiable. She doesn't believe that the SCMUA contract is any different. There has to be an end to it at some time. We haven't decreased our debt. We shouldn't make our decisions as to what we are going to do based on the possibility of getting more customers.

Mr. Meyer stated that if we don't control the I & I we will continue to be fined. We have to do something to fix the problem. He agrees with Mr. Ursin when he says that it is going to be impossible to renegotiate the contract. They continue to bond and we have to pay some of that cost. The Mayor has done a good job of negotiating the fines down to half.

Ms. Masson asked why we ever got involved with SCMUA in the first place if we only have 600 customers. She asked why she can't dig her own well or put in her own septic.

Mr. Ursin stated that we would still be responsible for 312,000 gallons going down to SCMUA every day. The town government decided to do it.

Mrs. Little stated that at the time they were told that the State was going to force us to join SCMUA. She stated that she voted to redo our own plant and keep control over what was going on. The engineers at the time though said that we had to join a County facility. That is the trouble with Sussex Borough. We have to fight for things. If you don't fight for it is not going to happen. We can't just lie down and let the State or the County or anyone else tell us that we have to do something.

Ms. Masson stated that she agrees that there aren't any contracts that you can't get out of. The terms are so ridiculous there has to be a way.

There being no one else present who wished to address the Governing Body, Mr. Meyer made a motion to close the meeting to the public, seconded by Mr. Rose. All were in favor.

COMMITTEE REPORTS

Mr. Rose stated that the Recreation Commission has very good members this year so it will be a good year. The Property Maintenance Board is going to meet tomorrow night at 7:30. He stated that he met with Ed and Bruce to discuss the solar project.

Mrs. Little stated that she didn't attend the Solid Waste or "208" meeting. On January 25th they had the BOH meeting but there was not a quorum to vote on items. They did discuss the rabies clinic and other issues. The rabies clinic was held on January 29th and 200 rabies shots were given to cats and dogs from different municipalities. Approximately fifty people had to be turned away.

Mrs. Little also stated that she didn't attend the Solid Waste meeting on February 8th and the "208" meeting was cancelled. She asked if we can put on the board out front that Board of Health members are needed. She also asked if we had an official "Green Team" committee and Mayor Parrott responded that we didn't. Jonathan and Ed have been working on things that deal with energy savings.

Mrs. Little stated that the First Baptist Church was sent a bill for a fire inspection from Hardyston. She said that when we were with Wantage people did not have to pay for fire inspections. She told the First Baptist Church that it must have been in the new contract with Hardyston and now the people have to pay it.

Mrs. Gleason stated that they should have been paying all along and she doesn't know why they weren't.

Mrs. Little stated that the people shouldn't have to pay.

Mrs. Gleason stated that we have to pay the inspectors.

Mrs. Little asked if the salaries of those people included in the contract.

Mrs. Gleason stated that we are only paying about \$4,000 for the construction contract. We keep all of the fees. Fire inspections are included.

Mrs. Little stated that we are ending up hitting up the people for everything. It is getting tougher and tougher, especially for non profits. She thought that our taxes went to pay for the Hardyston contract. Every time we turn around the people are being hit.

Mayor Parrott asked if Mrs. Little was saying that the taxpayers should subsidize their fire inspections.

Mrs. Little stated it wouldn't be just theirs but anyone who had a fire inspection.

Mr. Ursin stated that there is no where in Sussex County that if someone requests a fire inspection doesn't pay for the service.

Mrs. Little stated that they never received a bill before from Sussex or Wantage.

Mayor Parrott stated that it was an oversight then on Wantage's part.

Mrs. Little stated that the taxpayers get hit again.

Mr. Meyer stated that he, Bruce and Jonathan met and evaluated the solar project. The street light bill is very high and he asked Mr. Schultz to check and see if they are as efficient as they should be.

Mr. Fransen stated that we have the pole lights and the street lights on Main Street and wondered if we needed both. Maybe the pole lights can be put on a timer to go off at a certain time.

Mr. Schultz stated that he will contact JCP&L.

Mr. Ursin requested an Executive Session to discuss a legal negotiation item.

Mayor Parrott stated that he will be attending a meeting with the Sussex Fire Dept, Wantage Fire Dept and Mayor DeBoer from Wantage regarding the contract. He also stated that he and Cathy went before the County Tax Board today regarding the revaluation. It is scheduled for perhaps 2013/2014. We have to provide them with more information.

Mayor Parrott also reported that he and Cathy would be meeting with a representative from the DOT regarding the Route 23 alignment. He stated that we got the grant for Grove Street but not the full amount that we asked for. Harold Pellow and John Ruschke both agree that we should wait to do the project in the spring of 2012 after we put the sewer line down on Grove Street. Mr. Pellow doesn't think that it will harm us when we try to get another grant next year.

OLD BUSINESS

NEW BUSINESS

Approval of Meeting Minutes

Mr. Rose made a motion to approve the meeting minutes of the Regular Meeting and Executive Session held on December 21, 2010. Seconded by Mrs. Little.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Rose,

Nays: None Absent: Dykstra Abstentions: Meyer

Mr. Fransen made a motion to approve the meeting minutes of the Reorganization meeting held on January 4, 2011. Seconded by Mr. LaBar.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Introduction of Ordinance #2011-01 – Fees

Mr. Fransen made a motion to introduce an Ordinance entitled an "Ordinance of the Borough of Sussex, County of Sussex, State of New Jersey, Amending Chapter XXIV entitled Fees". Seconded by Mr. Meyer.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

FINAL READING: MARCH 1, 2011

Introduction of Ordinance #2011-02 – Roads and Sidewalks

Mr. Meyer made a motion to introduce and to amend (**No permit shall be granted for any street which has been repaved or resurfaced within the last five (5) years except in case of emergency or the showing of exceptional circumstances**) an Ordinance entitled an "Ordinance of the Borough of Sussex, County of Sussex, State of New Jersey regarding Roads and Sidewalks". Seconded by Mr. Fransen.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

FINAL READING: MARCH 1, 2011

Introduction of Ordinance #2011-03 – Joint Municipal Court

Mr. Fransen made a motion to introduce an Ordinance entitled an "Ordinance to repeal ordinance 2008-21 of the Borough of Sussex, abolishing the municipal court for the Township of Wantage and the Borough of Sussex and establishing a municipal court for the Township of Wantage, Borough of Sussex and Township of Stillwater. Seconded by Mr. Rose.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

FINAL READING: MARCH 1, 2011

Resolution #2011-22R – 4th Quarter Water/Sewer Adjustments

Mr. Meyer made a motion to adopt a resolution approving water/sewer adjustments for the fourth quarter 2010. Seconded by Mr. LaBar.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Resolution #2011-23R – Forgive Taxes Block 409, Lot 5

Mr. Meyer made a motion to adopt a resolution forgiving taxes for Block 409, Lot 5, for 2010 in the amount of \$3,876.25 for a permanently disabled veteran and has full exempt status. Seconded by Mrs. Little.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Resolution #2011-24R – Salary Resolution

Mr. Fransen made a motion to adopt a resolution setting the 2010 salaries of the employees of the Borough of Sussex. Seconded by Mr. Meyer.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Resolution #2011-25R – Approve Roadway Collection for Sussex Fire Department

Mrs. Little made a motion to adopt a resolution for the Sussex Fire Department to conduct a roadway collection on May 28, 29 and 30, July 2, 3 and 4 and September 3, 4 and 5, 2011. Seconded by Mr. LaBar.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Resolution #2011-26R – Opposing Tuition Fee

Mrs. Little made a motion to adopt a resolution supporting the position of High Point High school board of education in opposing tuition fee imposed by Sussex County Vocation School Board of Education. Seconded by Mr. Meyer.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Resolution #2011-27R – Cancel Interest and Penalty Charges on Block 102 Lot 2

Mr. Meyer made a motion to adopt a resolution to cancel the interest and penalty on Block 102 Lot 2. Seconded by Mrs. Little.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Approval of Social Affair Permits for Sussex Fire Department

Mrs. Little made a motion to approve social affair permits for the Sussex Fire Department on February 19, 2011 and March 12, 2011. Seconded by Mr. LaBar.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Approval of Social Affair Permit – Sussex Middle School

Mr. Meyer made a motion to approve a social affair permit for the Sussex Middle School on March 2, 2011. Seconded by Mr. Rose.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Award of Contract – LEW Corporation for Lead Based Testing

Mr. LaBar made a motion to enter into a contract with LEW Corporation in the amount of \$395.00 per home to do lead based paint testing on the five homes currently being rehabilitated with the Small Cities Grant monies. Seconded by Mr. Rose

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Award of Contract – B & G Elevator for Preventative Maintenance

Mr. Fransen made a motion to enter into a contract with B & G Elevator in the amount of \$195.00 per month for the preventative maintenance of the elevator at 2 Main Street. Seconded by Mr. Rose.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Appointment of Recreation Commission Members

Mr. Rose made a motion to approve the Mayor's appointment of Georgeanne Stoll and Grace Dykstra as alternates to the Recreation Commission for one year terms ending December 31, 2011. Seconded by Mr. Meyer.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Appointment of Planning/Zoning Board of Adjustment Member

Mr. Meyer made a motion to approve the Mayor's appointment of Georgeanne Stoll to the Planning/Zoning Board of Adjustment as a Class IV member for a four year term expiring December 31, 2014. Seconded by Mr. Rose.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Approval of settlement payment to Crew Engineers

Mr. Meyer made a motion to approve a resolution authorizing the CFO to issue a check in the amount of \$70,000 to Crew Engineers for the settlement of the law suit. Seconded by Mr. Fransen.

Mr. Ursin stated that he will request from Crew any information that they still might have in their possession that belongs to the Borough.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

Award of Project – Reivax Contracting Corp – Clove Brook Manhole Project

Mr. Meyer made a motion to award a contract in the amount of \$683,296.00 to Reivax Contracting Corp for the base bid and supplemental bid item "B" for the Clove Brook Watershed manhole Rehabilitation Project pending the certification of available funds, approval by the Borough Attorney and approval by the NJDEP. Seconded by Mr. LaBar.

Mrs. Little stated that she wants to know what we are going to do with the rest of the money that we bonded for this project. She stated that the way the water/sewer bills are we are killing this town. She stated that maybe this is what the Council's purpose is. She stated that she would like to see Sussex Borough do something to help the people out.

Mayor Parrott stated that he did not appreciate that remark from Mrs. Little.

Mrs. Gleason stated that John Ruschke is looking to see what other parts of the town should have work done.

Mr. Fransen responded to Mrs. Little by saying that the rest of the Council is no different than she is. They are all paying the water bills. He told Mrs. Little that it was a cheap shot by saying that.

Mr. Meyer stated that we are all stake holders in this and that her comment was over the top.

Mrs. Little stated that she is sorry but sometimes she doesn't know where we are going here.

Mr. Meyer stated that the problem is where we were and the fact that people did not take responsibility for the issues in the past. In 1992 someone signed this contract and put us in this position and no one has done anything of significance since 1992 to address the problem. And now we are.

Mrs. Little stated that there were things done but they were trying to be within the confines of what the Borough could afford. At that time the Council went along with whatever the professionals told us to do. Just like we go by what Mr. Ursin says. Unfortunately it wasn't the right thing.

Mr. Meyer stated that we have recognized that if we don't do this project at this level then we will never be able to address the problem correctly. It has to be done and it should have been done years ago. Just like the water tanks should have been repaired years ago and they weren't. Now we are paying the piper now for conservative thinking.

Mrs. Little stated that the outsides of the towers were never done but no one has ever mentioned that the inside of the towers had to be done and they were.

Mr. Meyer stated that we just had to do the inside as well.

Mayor Parrott stated that plates had to be replaced on the inside because they were deteriorating so bad that they were rusting away. There was no preventive maintenance done after that.

Mr. Meyer stated that we are trying to prevent the system from falling apart even more. Some people choose to be penny wise and pound foolish that is what got us into the position we are in now.

Mrs. Little stated that if everyone moves out of town then we won't have any money coming in anyway.

Mr. Meyer stated that the sewer rates will rise either way so we have to take a stand now.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer

Nays: Rose Absent: Dykstra Abstentions: None

OPEN PUBLIC SESSION #2

Mr. Fransen made a motion to open the meeting to the public for anyone wishing to address the Governing Body. Seconded by Mr. LaBar. All were in favor.

Ms. TerryAnn Zander, Advertiser News, asked the Council regarding the documents prepared regarding the SCMUA rates.

Mayor Parrott stated that the Borough prepared them and that she can have a copy.

Ms. Zander asked if the Council could choose not to borrow the full amount for the I & I project.

Mrs. Gleason stated that is one of the options.

There being no one else present who wished to address the Governing Body, Mr. Fransen made a motion to close the meeting to the public, seconded by Mr. Rose. All were in favor.

EXECUTIVE SESSION

In accordance with the provisions of the Open Public Meetings Act, Mr. Fransen made a motion to adjourn into closed executive session to discuss legal issues. Seconded by Mr. Rose.

Upon roll call vote:

Ayes: Fransen, LaBar, Little, Meyer, Rose

Nays: None Absent: Dykstra Abstentions: None

After meeting in closed session, Mrs. Little made a motion to reconvene into public session at 10:52 and to return to the regular order of business. Seconded by Mr. Fransen. All were in favor.

MISCELLANEOUS COMMENTS

ADJOURNMENT

There being no further items for discussion by the Mayor and Council, Mr. Rose made a motion to adjourn the meeting, seconded by Mrs. Little. All were in favor.

Christian Parrott, Mayor

Catherine Gleason, RMC