

The Reorganization Meeting of the Municipal Council of the Borough of Hawthorne was held on the above date at 7:00 p.m., in the Council Meeting Room of the Municipal Building, 445 Lafayette Avenue, Hawthorne, New Jersey, with the following present:

Mayor	Richard S. Goldberg
Council President	John Bertollo
Council Vice President	Bruce Bennett
Councilman	John Lane
Councilman	Frank Matthews
Councilman	Garrett Sinning
Councilman	Joseph Wojtecki
Borough Administrator	Eric Maurer
Borough Attorney	Michael J. Pasquale
Acting Borough Clerk	Lori DiBella

Councilman Mele, Director of Revenue and Finance Hewitt and Boswell Engineer Dr. Stephen T. Boswell were not present.

FLAG SALUTE

Council President Bertollo invited all present to join him in the flag salute.

STATEMENT

Adequate notice of this meeting has been provided by the Annual Schedule of regular meetings heretofore adopted and posted on the Public Bulletin Board at the Municipal Building, e-mailed to the Hawthorne Press, Herald News, Record, The Gazette and all persons who have requested the mailing of such schedule, and a copy of said schedule has remained on file in the office of the Borough Clerk from and since December 6, 2012.

INVOCATION

Council President Bertollo invited Pastor Howard Van Dyk to give the invocation.

NOMINATION AND ELECTION OF COUNCIL PRESIDENT

Council President Bertollo then turned the meeting over to Acting Borough Clerk DiBella, who announced the next order of business. She stated that the names for the Nomination and Election of Council President would be called in the order drawn by lots for nomination for Council President and Council Vice-President.

Acting Borough Clerk DiBella asked for nominations for Council President. Councilman Wojtecki nominated Councilman Matthews, seconded by Councilman Bertollo. There were no other nominations. On roll call, all voted yes. Councilman Matthews abstained.

NOMINATION AND ELECTION OF COUNCIL VICE PRESIDENT

Acting Borough Clerk DiBella asked for nominations for Council Vice President. Councilman Wojtecki nominated Councilman Bertollo, seconded by Councilman Sinning. There were no other nominations. On roll call, all voted yes. Councilman Bertollo abstained.

ADMINISTERING OATH OF OFFICE

Frank Matthews , Council President

Mayor Richard Goldberg

I'd like to thank everyone in the audience for joining us tonight, I'd like to thank my fellow colleagues for their support, I'd like to thank my wife Susan, and my children Megan & Timothy for giving me the additional time required, and I'd like to thank Councilman Bertollo and Councilman Bennett for a great year of leadership. Some of you might be looking at me and saying "something looks different"... I shaved my beard off for the first time in 25 years. Up until today, my wife had only seen me for 4 hours without a beard. I did this for a new look..... a new perspective if you will. After

Hurricane Sandy passed thru our area, the amount of devastation and destruction was unimaginable.

It's hard not to see things differently and reassess ones priorities. People's lives were taken, homes were destroyed, and jobs were lost. We as a community suffered greatly but overall, Hawthorne fared better than many of our surrounding towns. This did not happen by chance. It was due to extensive pre-storm planning and fast reactive action during and after the storm. We all pulled together and worked together as a community. The Administration, The OEM team, the Police & Fire Departments, the Ambulance Corps, the Auxiliary Police, the Cert Team, our DPW, our Borough employees, and our Residents all worked together to help each other out. We put aside our differences and came together as a Family. Going forward, we need to concentrate on what unites us not what divides us. It's only by working together, will we do great things. The Council and the Administration have worked well together for a number of years now and I look forward to that relationship again this year. As for the Council, we will be tasked to work with our partners to accomplish our goals.

1. Councilman Bennett and the DPW Committee will be working together with our Engineer to create a plan to make sure our infrastructure can react to a prolonged power outage in the future. The safety of our residents is a top priority.
2. Councilman Lane will continue to work with the County on making strides to improve the safety of the Goffle & Rock Road intersection. We all agree this is a dangerous intersection that needs to be addressed.
3. Councilman Mele has been persistent with the County to get them to make improvements to Goffle Brook Park. They finally realized that Goffle Brook Park is truly one of the Gems in Passaic County and the restoration of the park back to its original design is under way. In addition, the bridges at Warburton and Rea Avenue are also slated for replacement this year as well.
4. Councilman Sinning and the Ordinance Committee will be looking to modify our Ordinances to encourage re-development in areas of town that need it, as well as revising Ordinances to react to issues and conditions that require it.
5. Councilman Wojtecki and Councilman Mele will work with the Shade Tree and Environmental Commissions to make sure any redevelopment projects are environmentally friendly and work well with the area and the community as a whole.
6. Councilman Bertollo and the Finance Committee will be tasked with evaluating all of the proposed projects, prioritize funding, and evaluating the long term costs. At the same time, they will also need to work with the Administration to prepare a Budget that stays within our Cap, provides the tools our employees need, and is as easy on the taxpayers as possible. We know we have financial challenges this year so this will not be an easy task.

The Mayor will be discussing his plan for reaching out to more of our residents in an emergency. I've thought about this as well. With the ever changing world of technology, we need to be able to reach out to our residents through a number of channels.

I have created Council Twitter accounts for every Councilman. The Borough Web Site will be the main center for information but in an after hour's situation or for a specific reason, we can post information to our followers and they will be informed instantly. The addresses will be @Council and their first and last initial. (@CouncilFM)

Working together is the only way we can reach our goals and hopefully we all can see things from a new perspective. Let's keep that spirit of Community and Cooperation going throughout the year and not only during times of emergency.

In conclusion.... We welcome the challenges ahead this year and I look forward to working with the Administration and my fellow Council members on whatever comes our way.

Thank you again and may God Bless you, and may God Bless the Borough of Hawthorne.

John Bertollo, Council Vice President	Mayor Richard Goldberg
<p>Thank you to the Council, Mayor, Administration and every Borough Employee for all your efforts in 2012. Every year it gets harder with budget constraints in the Borough, County, and State level. I am proud to say we met that challenge again and it is not only thanks to the three people on the finance committee. We will meet that challenge again this year. This government works for the people of Hawthorne, we work well together and with all Borough Employees. We spend your money wisely. The volunteers are a tribute to what makes this town special. I am confident in the Council and Mayor we have and we will continue to do great things for the Borough of Hawthorne. I wish you a Happy and Healthy New Year. God Bless the community and God Bless the United States. Thank you.</p>	

COUNCIL REMARKS

Councilman Bennett

Good evening and thank you all for coming out or tuning in tonight. Let me begin by wishing everyone a very happy, healthy and prosperous New Year.

2012 was a year that truly tested the mettle of this community. And in so doing, it also taught us what we need to do going forward to ensure the safety, security, and comfort of the 18,000-plus people who live and work in Hawthorne.

From a public works perspective, we're facing a number of significant challenges in 2013, all of them vital to maintaining our infrastructure. At the top of the list is a need to maintain and upgrade our water system. Thanks to a sophisticated system of artesian wells developed decades ago, Hawthorne has an abundant supply of fresh, clean water. Current estimates put our capacity at 6 million gallons per day. But as Superstorm Sandy taught us, all of that water won't do us much good if we can't get it out of the ground.

A recent technical evaluation by Boswell Engineering determined that six well pumps located near the South Pumping Station range in age from 25 to 60 years old and should probably be replaced – or at the very least refurbished – before they fail. The six pumps at the North Pumping Station are also believed to be more than 25 years old and should probably be serviced. Finally, the Mary Street Booster Pumping Station has two pumps believed to be over 60 years old, and at least one of them needs to be replaced. Boswell Engineering has also recommended replacing numerous check valves with newer, more efficient units. The total estimated cost for these renovations would be approximately \$230,000.

Another high-priority water system requirement the council will be dealing with in 2013 is the need to have some sort of emergency back-up power system to run the pumps in the event the Borough loses power for an extended period of time. After Sandy left us scrambling to get backup power to one of our pumping stations, we asked Boswell Engineering to investigate what it would take to install a backup power system to one or both of our primary pumping stations. Doing both stations with diesel-powered generators would cost in excess of \$500,000. Doing just one pumping station would improve our situation and, of course, save us money, but each station has peculiar technical challenges that will have to be analyzed first before we can arrive at an optimum solution. This will be one of our top priorities in 2013.

Another high priority for 2013 will be getting a new emergency backup power system that can run the whole municipal building, not just the police department. As we learned during Sandy, trying to run an emergency command center in the dark is just not a feasible approach. According to Boswell Engineering, installing a 100kW diesel generator would cost about \$70,000. The public works committee believes the generator we're currently using to power the police department could then be moved to the library so we can use that building as a community shelter in the event of an emergency.

The proposed DPW truck wash facility is still under consideration, because although necessary to maintain and extend the useful life of our trucks and equipment, it will be a costly undertaking and other critical projects, like the backup power systems I just spoke about, keep taking precedence. Phase II of the Washington Ave/Royal Ave drainage project is currently underway and should be completed in the first quarter of this year. As you may recall, in Phase I we installed a larger drain pipe under Washington Ave. and adjoining properties to more efficiently get stormwater from the culvert to the pipe that drains to the river. Phase II is focused on getting the stormwater from the street down into those pipes more efficiently by replacing the current catch basin drains with new 4-foot long slotted drains that will drastically increase the flow.

Boswell Engineering has provided us with two paving plans that would allow us to provide a limited number of parking spaces on the well field near where the new band-shell will be erected. The first

plan would provide 16 spaces and cost about \$70,000; the second would provide 21 spaces and cost about \$90,000.

And finally, new lights will be installed at the Wag 4 athletic field in time for the spring baseball season, allowing us to make even more efficient use of our athletic resources.

As you can see, 2013 is going to be a very busy, very challenging year for us. There will be many tough choices and difficult decisions to be made. I can't predict what the future will bring, but I can promise you one thing. Whatever happens, all of us – mayor and council – will work tirelessly together to make sure the people of Hawthorne are safe, secure, and enjoy the best quality of life we can possibly give them.

Councilman Lane

Wishing everyone a Happy New Year. My colleagues have covered everything. We have a lot of projects ahead of us and a lot of spending. We have to make sure what we are doing is the right thing for the Borough of Hawthorne. Thank you for being here tonight and enjoy a Happy and Healthy New Year.

APPROVAL OF MINUTES

Council President Matthews entertained a motion to approve the minutes of the Regular Meeting of December 5, 2012, and Bid Minutes for Wagaraw Field Four Lighting Project of December 21, 2012, moved by Councilman Wojtecki, seconded by Councilman Bennett. On roll call, all voted yes except Council President Matthews who abstained from the minutes of December 5, 2012.

PUBLIC COMMENT (Agenda items only)

Council President Matthews opened the meeting to the public. He stated if anyone desired to be heard, please raise your hand to be recognized, come forward to the microphone, state your name and address and sign the sheet for the record. He stipulated this be for agenda items only. Seeing none, Council President Matthews entertained a motion to close the public portion, moved by Council Vice President Bertollo, seconded by Councilman Wojtecki. On roll call, all voted yes.

ADOPTION OF ORDINANCES

None.

OLD BUSINESS

Council President Matthews asked if there was any old business to discuss.

Councilman Wojtecki thanked Administrator Maurer for getting the pool report. He asked if there is a punch list for the items listed in that report. There is no punch list but the items will be listed and addressed prior to the start of the pool season. Councilman Wojtecki asked about the idea for a community garden which he brought up at the last meeting. Mayor Goldberg responded it was been discussed and determined that Hawthorne residents have enough space on their own properties for a vegetable garden and we could use that space for other needs, to be determined.

Councilman Sinning asked Administrator Maurer if the poles on Pasadena were picked up as yet. Administrator Maurer responded that it has been reported to PSE&G and he will follow up.

NEW BUSINESS

Council President Matthews asked if there was any new business to discuss.

Councilman Wojtecki inquired as to availability of Verizon Fios on Coolidge Place. Administrator Maurer will research. Councilman Wojtecki also commented on a complaint regarding dog waste along Mohawk Ave sidewalk and No. 8th Street.

Councilman Lane announced that it was his honor to let everyone know that Hawthorne has won an award for our Green Map. There was also a scholarship contest run by The Record this past fall in which Eric Pintos was the recipient. Eric wrote an essay on the impact of social media in our world. Eric is a senior at Passaic Tech and will be attending MIT in Boston in the fall. On behalf of the Mayor and the Council we would like to thank you Eric for his work on the Green Map. Congratulations on winning the scholarship and good luck in your future at MIT. Mr. Pintos thanked everyone and stated it is an honor to represent Hawthorne.

ADMINISTRATIVE AGENDA PRESENTED BY THE MAYOR

Mayor Goldberg stated he looks forward to working with Council President Matthews this year and thanked Vice President Bertollo for the past year and he looks forward to working with him again this year.

MAYOR'S ADDRESS:

Given the incidents of November and December most of us are looking forward to 2013. I want to begin my State of the Borough address by looking at the lessons we learned from super storm Sandy. I was, and am extremely pleased with our response to Sandy. Our emergency management coordinator Rich McAuliffe, along with the department heads, did a great job during the storm. Our emergency services both paid and volunteer did a tremendous job under very adverse conditions. The death Monday evening of Fletcher Fish was a horrible tragedy. Although there were wild rumors on social media we kept the residents updated on our website and by volunteers passing out fliers in the areas without power. At the peak approx. 86% of the Borough was without power. Most troublesome was that both water pumping and treatment facilities at two diametrically sides of the Borough were powerless. While we had our water towers full of water we lacked the ability to pump more water as we drew down the supply. At no time was the Borough about to turn off the spigot, nor did we ever have a boil water alert. We did however reach out to the Passaic Valley water commission to turn on an emergency interconnect near the Prospect Park border. This was the first time we ever opened this interconnect and was able to receive 500,000 gallons of water a day. This lasted about a day until power was restored at the north station. In addition Fire Chief Speranza requested a tanker truck for firefighting. As I mentioned at the time, both Wal-Mart and Home Depot offered bottle water if the emergency worsened. Both the sewer station and police departments' generators work flawlessly. While most of the Municipal building was without power we opened the building and every office was covered. I held daily briefings in the courtroom with all available Borough personnel to plan and report activities throughout the recovery. I was a part of daily conference calls with the Governor to learn what the State was doing to help us. Downed trees were moved roads opened and brush removed in Hawthorne long before surrounding communities and for that I am extremely proud and grateful. On first blush we felt we needed hundreds of thousands of dollars on generators to ensure no interruption to our water service, but I am recommending to the Council that we wire and prepare our water stations to receive rented generators in case of a failure. This plug and play technology will save a tremendous amount of money on the generators as well as maintenance for an event that we may not see again in our lifetime. Conversely, I am recommending to the Council the purchase of a generator that will run both the police department and municipal building. The existing generator will be moved to the library, so that in case of sheltering they will have power. While I was happy with our communications I know we can do better and will be contracting with Nixel, a company that will give us unlimited texts and emails, to those who subscribe. We will be able to create sub groups to give alerts for senior issues, youth issues, garbage and recycling and the like. This should happen early this year and I will fill you in as it happens.

This will be a year of transition for the Police Department. Police Chief Robert Scully will be retiring at the end of March. I have selected Captain Richard McAuliffe to be the next Chief of Police for the Borough of Hawthorne. I have every confidence that Rich will do an excellent job and Chief Scully has vowed to work with the Captain for a smooth transition. Sunday, the accreditation team was here for a visit and hopefully early this year we will hear that the Department will be granted accreditation. The accreditation and our policies ensure that our police officers adhere to the highest standards and we will see a reduction in the Boroughs liability insurance because of it.

We will continue this year to dedicate streets in the memory of our children who bravely went to war and didn't return. I urge those of you who have not witnessed this solemn and special event to be a part of it in June or November.

Hawthorne Day continues to grow as we prepare for Hawthorne Day 5. This is a great day for families and friends to celebrate Hawthorne and the wonderful food, activities, music and fireworks all at no cost to the taxpayers.

To finish my report, today I am making 49 appointments, 21 women and 28 men. 32 are Republicans, 8 are Democrats, 4 are not registered in Passaic County and 5 are Undeclared. I believe that this is a good cross-section of the community, especially when you realize that we have a partisan form of government. In all cases, my appointments were based on ability, not gender or political party. My wishes for a happy and healthy New Year and may God Bless Hawthorne and its residents.

MAYOR'S APPOINTMENTS *(With advice and consent of Council)*

Deputy Court Administrator

Joyce Comerro

Prosecutor
Public Defender

Ralph Fava
Joseph DeMarco

Council President Matthews entertained a motion, moved by Councilman Bennett, seconded by Councilman Bertollo. On roll call, all voted yes. Mayor Goldberg administered the Oaths of Office. Not present was Prosecutor Ralph Fava and Joyce Comerro.

Member/Environmental Commission	Rayna Laiosa
Member/Environmental Commission	Robert Maggio
Member/Environmental Commission	Michael Mariani
Member/Environmental Commission	Lisa Szegedi
Member/Environmental Commission	Patricia Hutzelman
Alternate #1 Member/Environmental Commission	Robert Meier
Alternate #2 Member/Environmental Commission	Hazel Pinos
Member/Environmental Commission, Planning Bd Rep	Marylou Di Mattia

Council President Matthews entertained a motion, moved by Councilman Lane, seconded by Council Vice President Bertollo. On roll call, all voted yes. Mayor Goldberg administered the Oaths of Office. Not present was Lisa Szegedi and Patricia Hutzelman.

Member/Board of Health	Frank Kabrel Jr
Member/Board of Health	Viola Sweeney
Member/Library Board of Trustees	Sharon Abbood
Member/Library Board of Trustees	P. Jean Mele
Member/Library Board of Trustees	Terry Segro

Council President Matthews entertained a motion, moved by Councilman Bennett, seconded by Council Vice President Bertollo. On roll call, all voted yes. Mayor Goldberg administered the Oaths of Office. Not present were Frank Kabrel Jr., Sharon Abbood and P. Jean Mele.

Member/Zoning Board of Adjustment	Raymond Hallock
Member/Zoning Board of Adjustment	Victor Terraglia
Member/Zoning Board of Adjustment, Alternate No. 2	Daniel Melfi

Council President Matthews entertained a motion to record, moved by Councilman Bennett, seconded by Councilman Lane. On roll call, all voted yes. Mayor Goldberg administered the Oaths of Office. Not present was Daniel Melfi.

Member/Municipal Alliance Committee	Christopher Connolly
Member/Municipal Alliance Committee	Helen Pasquale
Member/Municipal Alliance Committee	Sherrine Schuldt
Member/Municipal Alliance Committee	Chief Robert Scully
Member/Municipal Alliance Committee	Emily Spina
Member/Municipal Alliance Committee	Jayne Ten Kate
Member/Municipal Alliance Committee	Therese Bigica
Member/Municipal Alliance Committee	Robert Mooney
Member/Municipal Alliance Committee	John Meola
Member/Municipal Alliance Committee	Joanne Graziano
Member/Municipal Alliance Committee	Irina Carrasco
Member/Municipal Alliance Committee	Pastor Howard Van Dyke
Member/Municipal Alliance Committee	Kathie O'Dowd
Member/Municipal Alliance Committee	Lorraine Powell
Member/ Economic Development Committee	Carl Schmidt
Member/ Economic Development Committee	Frank Coppola
Member/ Economic Development Committee	Barbara Zakur
Member/ Economic Development Committee	Victor Terraglia
Member/ Shade Tree Commission	Rick Hockenberry
Member/ Shade Tree Commission	Bran Van Hook
Member/Board of Recreation	Robert Pasquale
Member/Board of Recreation	Carol Cornett

Council President Matthews entertained a motion, moved by Councilman Bennett, seconded by Council Vice President Bertollo. On roll call, all voted yes. Mayor Goldberg administered the Oaths of Office. Not Present were Lorrain Powell, Kathie O'Dowd, John Meola, Therese Bigica, Emily Spina, Christopher Connolly, Frank Coppola and Robert Pasquale.

Class 4 Member/ Hawthorne Planning Board
Class 2 Member/ Hawthorne Planning Board
Alternate No. 1 Member/ Hawthorne Planning Board

Carmen Ruta
Gene DeAugustines
Norman Kowalski

Council President Matthews entertained a motion, moved by Councilman Bennett, seconded by Council Vice President Bertollo. On roll call, all voted yes. Mayor Goldberg administered the Oaths of Office.

Risk Management Consultant
LEPC Member
Chief of the Ambulance Corps
2013 Solid Waste Advisory Committee Representative
2013 Solid Waste Advisory Committee Representative (Alt)

David Vozza, Vozza Agency
Council President Frank Matthews
Ken Houtsma
Joseph Clementi
Eric Maurer

Council President Matthews entertained a motion to record, moved by Councilman Wojtecki, seconded by Councilman Sinning. On roll call, all voted yes with the exception of Council Vice President Bertollo who abstained. Mayor Goldberg administered the Oaths of Office.

COUNCIL APPOINTMENTS

CA-1 Appointment and Award of Contract of the Municipal Auditor for the year 2013
Robert Swisher, CPA, RMA, of Suplee, Clooney & Company

Council President Matthews entertained a motion to record, moved by Council Vice President Bertollo, seconded by Councilman Wojtecki. On roll call, all voted yes. Mayor Goldberg administered the Oath of Office.

INTRODUCTION OF ORDINANCES

None.

CONSENT AGENDA: R 01-13 through R 18-13

R 01-13 Introduced by Councilman Bennett

To ratify the actions of the Municipal Council Payroll dated 12/28/2012:

CURRENT FUND	WT888889	\$	257,859.52
WATER OPERATING FUND	WT888889	\$	40,456.49
OTHER TRUST II FUND	WT888889	\$	11,244.97
TOTAL PAYROLL		\$	<u>309,560.98</u>
CURRENT FUND TO PAYROLL/FICA	WT888889	\$	13,976.44
WATER OPERATING FUND TO PAYROLL/FICA	WT888889	\$	-
TOTAL FICA		\$	<u>13,976.44</u>

R 02-13 Introduced by Councilman Bennett

WHEREAS, N.J.S.A. 40A:4-19 provides that where contracts, commitments of payments are to be made prior to the final adoption of the 2012 budget, temporary appropriations should be made for the purposes and amounts required in the manner and time therein provided; and

WHEREAS, this resolution will take effect on the first day of January 2013; and

WHEREAS, the said temporary appropriations are limited to 26.25% of the total appropriation in the 2012 budget, exclusive of any appropriations for Debt Service, Public Assistance and Capital Improvement Fund in the said 2012 budget.

NOW, THEREFORE, BE IT RESOLVED, by the Municipal Council of the Borough of Hawthorne, that the following temporary appropriations be made and that a certified copy of this resolution be transmitted to the Treasurer for her records:

TEMPORARY BUDGET
MUNICIPAL OPERATIONS

Salaries & Wages

General Administration	\$36,000.00
Mayor/Council	9,000.00
Municipal Clerk	21,000.00
Financial Administration	36,000.00
Revenue Collection	18,000.00
Tax Assessment	12,000.00
Legal Services	24,000.00
Planning Board	6,000.00
Zoning Board of Adjust	6,000.00
Construction Code	39,000.00
Code Enforcement	15,000.00
Uniform Police	990,000.00
Police Dispatchers	30,000.00
PEOSHA	6,000.00
Fire	3,000.00
Uniform Fire	30,000.00
Prosecutor	9,000.00
Streets	270,000.00
Shade Tree	1,000.00
Sewer	39,000.00
Recycling	1,500.00
DPW Admin	24,000.00
Board of Health	24,000.00
Board of Recreation	18,000.00
Library	153,000.00
Municipal Court	33,000.00
Public Defender	3,600.00

S&W Total **1,857,100.00**

Other Expenses

Administration	5,000.00
Admin/Postage	5,000.00
Mayor/Council	1,000.00
Municipal Clerk	10,000.00
Finance	10,500.00
Revenue Collection	10,500.00
Assessor	9,000.00
Legal	15,000.00
Engineering	18,000.00
Planning	500.00
Zoning Board of Adjustments	500.00
Uniform Construction Code	20,000.00
Local Code Enforcement	1,500.00
Municipal Insurance	200,000.00
Group Insurance	600,000.00
Workers Comp	30,000.00
Uniformed Police	25,000.00
PEOSHA	3,000.00
Emergency Mgmt	4,000.00
Fire	30,000.00
Uniform Fire Safety	1,000.00
Streets	84,000.00
Shade Tree	8,000.00
Sewer	15,000.00
Recycling	150,000.00
Garbage Pickup	120,000.00
DPW Administration	10,000.00
Vehicle Maintenance	32,000.00

Board of Health	4,000.00
Environmental Commission	1,500.00
Board of Recreation	10,000.00
Field/Park Maintenance	10,000.00
Library	75,000.00
Public Events	5,000.00
Bond Fees	5,000.00
Electric/Gas	80,000.00
Street Lighting	40,000.00
Telephone	18,000.00
Passaic Valley Sewer Commission	300,000.00
Gasoline	70,000.00
Tipping Fees	130,000.00
Social Security	85,000.00
PERS	155,000.00
PFRS	221,500.00
Municipal Alliance	5,000.00
Municipal Court	3,500.00

Other Expense Total **2,637,000.00**

Current Temporary Appropriations **\$4,494,100.00**

Current

Debt Service

Bond Principal	\$1,430,000.00
Bond Interest	527,325.00
Note Interest	0.00
NJEIT Loan	158,563.00
NJDEP Loan	81,560.00
Wastewater Loans	<u>50,125.00</u>

Debt Service Appropriations **\$2,247,573.00**

TEMPORARY BUDGET

Water Utility

Salaries & Wages	\$252,000.00
Other Expense	333,500.00
Lab Testing	8,000.00
Group Insurance	50,000.00
Municipal Insurance	30,000.00
Workers Comp	<u>15,000.00</u>

Total **\$436,500.00**

Water Temporary Appropriations **\$688,500.00**

WATER UTILITY

Debt Service

NJEIT 2003 Loan	183,963.00
Note Interest	0.00
Bonds	105,000.00
Interest on Bonds	<u>58,038.00</u>

Total **\$347,001.00**

COMPUTATION OF MAXIMUM FOR TEMPORARY BUDGET

(Exclusive of Debt Service)

CURRENT BUDGET

2012 Budget as Adopted \$19,106,913.00

Add:

Amend 159	37,244.38
	19,144,157.38
Less:	
Capital Improvement Fund	100,000.00
Public Assistance	0.00
Debt Service	<u>1,923,512.00</u>
	2,023,512.00
Net Basis for Computation	<u>\$17,120,645.38</u>
26.25% of Net Basis for Maximum Computation and Maximum for Temporary Budget	<u>\$4,494,169.41</u>

WATER UTILITY BUDGET

2012 Budget as Adopted	\$2,885,633.00
Add:	
Amendments (40A:4-87)	<u>0.00</u>
	2,885,633.00
Less:	
Capital Improvement Fund	0.00
Debt Service	<u>262,712.00</u>
	262,712.00
Net Basis for Computation	<u>\$2,622,921.00</u>
26.25% of Net Basis for Maximum Computation and Maximum for Temporary Budget	<u>\$ 688,516.76</u>

R 03-13 Introduced by Councilman Bennett

WHEREAS, the Petty Cash Funds for the Treasury is returned to general funds as of December 31, 2012 and must be reestablished.

NOW, THEREFORE, BE IT RESOLVED, by the Municipal Council of the Borough of Hawthorne, that the Treasurer be and is hereby authorized to draw a check on the Current Fund and as follows:

<u>Department</u>	<u>Custodian</u>	<u>Amount</u>	<u>Fund</u>
Treasury	Mary Jeanne Hewitt	\$300.00	Current

R 04-13 Introduced by Councilman Bennett

WHEREAS, the semi-annual interest payments for the General Serial Bonds Issue of 2012 have become due and payable on January 15, 2013, and

NOW, THEREFORE, BE IT RESOLVED, by the Municipal Council of the Borough of Hawthorne that the Treasurer is hereby authorized to wire funds in the amount of \$97,176.00 in Interest from the Current Fund, and \$22,678.00 in Interest from the Water Operating Fund.

R 05-13 Introduced by Councilman Bennett

WHEREAS, on December 21, 2012, the Borough of Hawthorne received bids for the Wagaraw Field #4 Lighting in the Borough of Hawthorne authorized by Ordinances #2073-12 and; and

WHEREAS, the bids have been received and reviewed by Boswell Engineering and they have recommended the low, responsive bid of:

Zenith Construction Services, Inc.
256 Grant Avenue
East Newark, NJ 07029

in the amounts as follows: Base Bid - \$119,000.00

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Council of the Borough of Hawthorne approves the acceptance of the above-cited lowest responsive bidder, in the total amount of \$127,500.00, subject to the certification of availability of funds from the Chief Financial Officer, and that the Mayor and Municipal Clerk be directed and authorized to enter into and execute a contract between the Borough of Hawthorne and Zenith Construction Services, Inc. in a form approved by the Borough Attorney when these conditions have been met.

R 06-13 Introduced by Councilman Bennett

A RESOLUTION NAMING OFFICIAL DEPOSITORIES FOR THE BOROUGH OF HAWTHORNE, NEW JERSEY FOR THE YEAR 2013

WHEREAS, N.J.S.A. 40A:5-14 mandates that the governing body of a municipal corporation shall, by resolution passed by a majority vote of the full membership thereof, designate as a depository of its monies a bank or trust company having its place of business in the state and organized under the laws of the United States or this state.

NOW, THEREFORE, BE IT RESOLVED on the 2nd day of January, 2013, by the Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, that:

1. Bank of America, Hawthorne, N.J.;
2. Valley National Bank, Fair Lawn, N.J.;
3. Chase Bank, Hawthorne, N.J.;
4. Atlantic Stewardship, Hawthorne, N.J.;
5. Wachovia Bank/Wells Fargo, Hawthorne, N.J.;
6. TD Bank, Hawthorne, N.J.;
7. Hudson United Bank, Franklin Lakes and Mendham, N.J.;
8. Columbia Savings Bank, Hawthorne, N.J.;
9. New Jersey Cash Management Fund, Division of Investment, Department of Treasury, Trenton, N.J.;

be and are hereby designated as depositories for the Borough of Hawthorne for the year 2013.

Prior to the deposit of any municipal funds in the above-mentioned depositories, said bank shall file with the Chief Financial Officer a statement indicating that the bank is covered under the Government Units Deposit Protection Act (R.S. 17:9-41).

R 07-13 Introduced by Councilman Bennett

WHEREAS, as per N.J.S.A. 40:53 1-2, the Borough of Hawthorne designates the following newspapers as legal papers for the year 2013:

- The Hawthorne Press
- The Herald News
- The Record
- The Newark Star Ledger

R 08-13 Introduced by Councilman Bennett

WHEREAS, the Municipal Council of the Borough of Hawthorne has previously adopted rules, protocols and resolutions setting forth procedural matters for the conduct and operation of the Council meetings and business; and

WHEREAS, the Municipal Council wishes to extend and continue all such rules and resolutions;

NOW THEREFORE, BE IT RESOLVED that the Municipal Council of the Borough of Hawthorne does hereby ratify and reaffirm all previously adopted procedural rules, protocols and resolutions for the year 2013.

R 09-13 Introduced by Councilman Bennett

A RESOLUTION AUTHORIZING THE AWARD OF CONTRACT FOR PROFESSIONAL SERVICES TO DR. STEPHEN T. BOSWELL AND BOSWELL MCCLAVE ENGINEERING

WHEREAS, the Municipal Council of the Borough of Hawthorne has the need for the services of a Borough Engineer for the purpose of performing the engineering services for year 2013, pursuant to

NJSA 40A:5-4, et seq., has been determined to award the same as a non-fair and open contract pursuant to the provisions of NJSA 19:44A 20.5; and

WHEREAS, the Borough Clerk has determined and certified in writing that the value of the contract will exceed \$17,500; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-5 permits a contract for professional services to be awarded without the need for competitive bids; and

WHEREAS, N.J.S.A. 40A-11-5 requires that the award of contracts for professional services be publicly advertised;

WHEREAS, Dr. Stephen Boswell, Ph.D. and the firm of Boswell McClave Engineering has submitted a proposal and contract for said accounting services, said contract to be available for inspection in the office of the Borough Clerk; and

WHEREAS, Dr. Stephen Boswell, Ph.D. has submitted to the Borough of Hawthorne a duly completed Entity Disclosure Certification which certifies that the firm of Boswell McClave Engineering has not made any reportable contributions to a political or candidate committee in the Borough of Hawthorne in the previous one year and that the contract will prohibit Boswell McClave Engineering from making any reportable contributions during the term of the contract;

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, as follows:

1. The Mayor and the Clerk of the Borough of Hawthorne are hereby authorized and directed to enter into a contract with Dr. Stephen Boswell, Ph. D. for services for the year 2013, in accordance with the attached contract and at the rate of compensation as set forth in the contract as annexed.
2. The contract is entered into without competitive bidding as "Professional Service," pursuant to the Local Public Contracts Law as this is a professional service within the meaning of the law.
3. The award of this contract is subject to certification of funds by the Chief Financial Officer.
4. Notice of this award or a copy of the Resolution shall be published in the official newspaper of the Borough of Hawthorne within ten (10) days of passage as required.
5. The Business Disclosure Entity Certification and Determination of Value shall be placed on file with a true copy of this resolution.

R 10-13 Introduced by Councilman Bennett

A RESOLUTION RATIFYING AND AUTHORIZING THE AWARD OF CONTRACT FOR PROFESSIONAL SERVICES TO BURGIS ASSOCIATES

WHEREAS, the Borough Council of the Borough of Hawthorne will require professional services of a professional municipal planning consultant and has determined to award the same as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-5 permits a contract for professional services to be awarded without the need for competitive bids; and

WHEREAS, the Clerk has determined and certified in writing that the value of the contract will in aggregate sum likely exceed \$17,500; and

WHEREAS, N.J.S.A. 40A-11-5 requires that the award of contracts for professional services be publicly advertised;

WHEREAS, the Borough Council of the Borough of Hawthorne has previously retained the services of Joseph Burgis of Burgis Associates, to serve as planning consultant in a number of contexts, including, most recently, the preparation of a Housing Element and Fair Share Plan in satisfaction of Hawthorne's obligation under the Fair Housing Act and to serve as consultant to its Planning and Zoning Boards of Adjustment;

WHEREAS, the Borough of Hawthorne is obligated to monitor the status of affordable housing in the State and will in addition require the services of a planner from time to time;

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, as follows:

1. The Mayor and the Clerk of the Borough of Hawthorne are hereby authorized and directed to enter into a contract with Joseph Burgis and Burgis Associates, for professional planning services, in accordance with the written proposal for planning services previously submitted by Mr. Burgis and at the rates established therein.
2. The contract is entered into without competitive bidding as "Professional Service," pursuant to the Local Public Contracts Law as this is a professional service within the meaning of the law.
3. The award of this contract is subject to certification of funds by the Chief Financial Officer.
4. Notice of this award or a copy of the Resolution shall be published in the official newspaper of the Borough of Hawthorne within ten (10) days of passage as required.
5. The Business Disclosure Entity Certification and Determination of Value shall be placed on file with a true copy of this resolution.

R 11-13 Introduced by Councilman Bennett

**A RESOLUTION RATIFYING AND AUTHORIZING THE AWARD OF CONTRACT
FOR PROFESSIONAL SERVICES TO COMMUNITY GRANTS, PLANNING &
HOUSING, L.L.C.**

WHEREAS, the Borough of Hawthorne is obligated to achieve compliance with the Fair Housing Act and satisfy its obligation to provide the realistic opportunity for the development of low and moderate income housing including the rehabilitation of existing substandard units of housing in the Borough of Hawthorne; and

WHEREAS, in accordance with the Fair Housing Act, the Borough has engaged the services of Community Grants and Planning, Inc., to serve as administrator of its Rehabilitative Housing Program; and

WHEREAS, the Borough Council of the Borough of Hawthorne has determined to award a contract for administration of its Rehabilitative Housing Program as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, Community Grants and Planning has agreed to continue to serve in such capacity in accordance with the same terms and conditions previously set forth in a proposal submitted by said entity; and

WHEREAS, the provision of such services is not subject to the Local Public Contracts Law as such services are professional in nature, therefore not requiring the solicitation of bids; and

WHEREAS, the anticipated cost of such services, as certified by the Municipal Clerk, is not anticipated to exceed \$17,500 per year, thereby exempting the same from the terms of N.J.S.A. 19:44-20.5, et seq.;

NOW THEREFORE IT IS HEREBY RESOLVED, by the Municipal Council of the Borough of Hawthorne that it does retain:

Community Grants, Planning & Housing, Inc.
569 Abbington Drive,
East Windsor, NJ 08520

to serve as administrator of its Rehabilitative Housing Program for the year 2013 in accordance with the Professional Services Agreement previously submitted; and

BE IT FURTHER RESOLVED, that the Municipal Council does authorize the Mayor and Clerk to execute and deliver the aforesaid contract as and for the act of the Borough of Hawthorne, subject to receipt of a Business Disclosure Entity Certification and Determination of Value, the same to be placed on file with a true copy of this resolution.

R 12-13 Introduced by Councilman Bennett

A RESOLUTION RATIFYING AND AUTHORIZING THE AWARD OF CONTRACT FOR PROFESSIONAL SERVICES TO KNAPP, TRIMBOLI & PRUSINOWSKI, LLC

WHEREAS, the Borough Council of the Borough of Hawthorne will require professional services of Labor and Employment Counsel for legal services and has determined to award the same as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-5 permits a contract for professional services to be awarded without the need for competitive bids; and

WHEREAS, the Clerk has determined and certified in writing that the value of the contract will not exceed \$17,500; and

WHEREAS, N.J.S.A. 40A-11-5 requires that the award of contracts for professional services be publicly advertised;

WHEREAS, the Borough Council of the Borough of Hawthorne has previously retained the services of Knapp, Trimboli & Prusinowski, LLC, to serve as legal counsel in connection with employment matters;

WHEREAS, Knapp, Trimboli & Prusinowski, LLC, has submitted to the Borough of Hawthorne a duly completed Entity Disclosure Certification, which certifies that Knapp, Trimboli & Prusinowski, LLC has not made any reportable contributions to a political or candidate committee in the Borough of Hawthorne in the previous one year and that the contract will prohibit Knapp, Trimboli & Prusinowski, LLC, from making any reportable contributions during the term of the contract

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, as follows:

1. The Mayor and the Clerk of the Borough of Hawthorne are hereby authorized and directed to enter into a contract with the law firm of Knapp, Trimboli & Prusinowski, L.L.C., for legal services as Labor and Employment Counsel for the period of January 1, 2013, through December 31, 2013, in accordance with the attached contract. The scope of services shall be as determined by the Administration on a case-by-case or assigned basis. Compensation shall be at the rate set forth in the contract as annexed, it being understood that billing for services shall not include travel time as any part thereof.
2. The contract is entered into without competitive bidding as "Professional Service," pursuant to the Local Public Contracts Law as this is a professional service within the meaning of the law.
3. The award of this contract is subject to certification of funds by the Chief Financial Officer.
4. Notice of this award or a copy of the Resolution shall be published in the official newspaper of the Borough of Hawthorne within ten (10) days of passage as required.
5. The Business Disclosure Entity Certification and Determination of Value shall be placed on file with a true copy of this resolution.

R 13-13 Introduced by Councilman Bennett

A RESOLUTION RATIFYING AND AUTHORIZING THE AWARD OF CONTRACT FOR PROFESSIONAL SERVICES TO MCMANIMON, SCOTLAND & BAUMANN, LLC

WHEREAS, the Borough Council of the Borough of Hawthorne will require professional services of Bond Counsel for legal services and has determined to award the same as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-5 permits a contract for professional services to be awarded without the need for competitive bids; and

WHEREAS, the Clerk has determined and certified in writing that the value of the contract will not exceed \$17,500; and

WHEREAS, N.J.S.A. 40A-11-5 requires that the award of contracts for professional services be publicly advertised;

WHEREAS, the Borough Council of the Borough of Hawthorne has previously retained the services of McManimon, Scotland & Baumann, LLC, to serve as legal counsel in connection with bond matters;

WHEREAS, McManimon, Scotland & Baumann, LLC, has submitted to the Borough of Hawthorne a duly completed Entity Disclosure Certification, which certifies that the firm and its individual members have not made any reportable contributions to a political or candidate committee in the Borough of Hawthorne in the previous one year and that the contract will prohibit McManimon, Scotland & Baumann, LLC, and its members from making any reportable contributions during the term of the contract

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, as follows:

1. The Mayor and the Clerk of the Borough of Hawthorne are hereby authorized and directed to enter into a contract with McManimon, Scotland & Baumann, LLC, for legal services as Bond Counsel for the period of January 1, 2013, through December 31, 2013, in accordance with the attached contract. The scope of services shall be as determined by the Administration on a case-by-case or assigned basis but nevertheless subject to approval by the council. Compensation shall be at the rate set forth in the contract as annexed.
2. The contract is entered into without competitive bidding as "Professional Service," pursuant to the Local Public Contracts Law as this is a professional service within the meaning of the law.
3. The award of this contract is subject to certification of funds by the Chief Financial Officer.
4. Notice of this award or a copy of the Resolution shall be published in the official newspaper of the Borough of Hawthorne within ten (10) days of passage as required.
5. The Business Disclosure Entity Certification and Determination of Value shall be placed on file with a true copy of this resolution.

R 14-13 Introduced by Councilman Bennett

A RESOLUTION AUTHORIZING THE AWARD OF CONTRACT FOR PROFESSIONAL SERVICES TO MICHAEL J. PASQUALE, ESQ.

WHEREAS, the Municipal Council of the Borough of Hawthorne has the need for the services of a Borough Attorney for the purpose of performing legal services for year 2013, pursuant to NJSA 40A:5-4, et seq., has been determined to award the same as a non-fair and open contract pursuant to the provisions of NJSA 19:44A 20.5; and

WHEREAS, the Borough Clerk has determined and certified in writing that the value of the contract will exceed \$17,500; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-5 permits a contract for professional services to be awarded without the need for competitive bids; and

WHEREAS, N.J.S.A. 40A-11-5 requires that the award of contracts for professional services be publicly advertised;

WHEREAS, Michael J. Pasquale, Esq. and the firm of Law Offices of Michael J. Pasquale, Esq. has submitted a proposal and contract for said legal services, said contract to be available for inspection in the office of the Borough Clerk; and

WHEREAS, Michael J, Pasquale, Esq. has submitted to the Borough of Hawthorne a duly completed Entity Disclosure Certification which certifies that the Law Offices of Michael J. Pasquale, Esq. has not made any reportable contributions to a political or candidate committee in the Borough of Hawthorne in the previous one year and that the contract will prohibit Law Offices of Michael Pasquale Esq. from making any reportable contributions during the term of the contract;

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, as follows:

1. The Mayor and the Clerk of the Borough of Hawthorne are hereby authorized and directed to enter into a contract with Michael Pasquale Esq. for services for the year 2013, in accordance with the attached contract and at the rate of compensation as set forth in the

contract as annexed.

2. The contract is entered into without competitive bidding as “Professional Service,” pursuant to the Local Public Contracts Law as this is a professional service within the meaning of the law.

3. The award of this contract is subject to certification of funds by the Chief Financial Officer.

4. Notice of this award or a copy of the Resolution shall be published in the official newspaper of the Borough of Hawthorne within ten (10) days of passage as required.

5. The Business Disclosure Entity Certification and Determination of Value shall be placed on file with a true copy of this resolution.

R 15-13 Introduced by Councilman Bennett

WHEREAS, it is deemed necessary that the Public Agency (the Borough of Hawthorne) shall designate an officer or employee to serve as Public Agency Compliance Officer (P.A.C.O.), whose name title, business address, telephone number and fax number shall be forwarded to the State Affirmative Action Office by January 10, of every year; and

WHEREAS, the P.A.C.O. if the liaison official for matters concerning P.L. 1975, c. 127 (N.J.A.C. 17:27) and should have the authority to make the appropriate correction(s) to the Borough of Hawthorne’s contracting procedures if required; and

NOW, THEREFORE, BE IT RESOLVED by the Municipal Council that the Borough Administrator be and is hereby designated as Compliance Officer and the Clerk if hereby directed to file a copy of this resolution with the Department of the Treasury, Affirmative Action Office, CN-209, Trenton, New Jersey 08625-0209.

PUBLIC AGENCY COMPLIANCE OFFICER DESIGNATION
FOR THE BOROUGH OF HAWTHORNE:
ERIC MAURER

R 16-13 Introduced by Councilman Bennett

A RESOLUTION AUTHORIZING THE AWARD OF CONTRACT FOR PROFESSIONAL SERVICES TO ROBERT W. SWISHER AND SUPLEE, CLOONEY & COMPANY

WHEREAS, the Municipal Council of the Borough of Hawthorne has the need for the services of a Registered Municipal Accountant for the purpose of performing the 2012 Annual Audits pursuant to NJSA 40A:5-4, et seq., has been determined to award the same as a non-fair and open contract pursuant to the provisions of NJSA 19:44A 20.5; and

WHEREAS, the Borough Clerk has determined and certified in writing that the value of the contract will exceed \$17,500; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-5 permits a contract for professional services to be awarded without the need for competitive bids; and

WHEREAS, N.J.S.A. 40A-11-5 requires that the award of contracts for professional services be publicly advertised;

WHEREAS, Robert Swisher, CPA, RMA, and the firm of Suplee, Clooney & Company, has submitted a proposal and contract for said accounting services, said contract to be available for inspection in the office of the Borough Clerk; and

WHEREAS, Robert Swisher has submitted to the Borough of Hawthorne a duly completed Entity Disclosure Certification which certifies that Robert Swisher and Suplee, Clooney & Company. Has not made any reportable contributions to a political or candidate committee in the Borough of Hawthorne in the previous one year and that the contract will prohibit Robert Swisher and Suplee, Clooney & Company from making any reportable contributions during the term of the contract;

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, as follows:

1. The Mayor and the Clerk of the Borough of Hawthorne are hereby authorized and directed to enter into a contract with Robert Swisher and Suplee, Clooney & Company, for accounting services for the year 2013, in accordance with the attached contract and at the rate of compensation as set forth in the contract as annexed.
2. The contract is entered into without competitive bidding as “Professional Service,” pursuant to the Local Public Contracts Law as this is a professional service within the meaning of the law.
3. The award of this contract is subject to certification of funds by the Chief Financial Officer.
4. Notice of this award or a copy of the Resolution shall be published in the official newspaper of the Borough of Hawthorne within ten (10) days of passage as required.
5. The Business Disclosure Entity Certification and Determination of Value shall be placed on file with a true copy of this resolution.

R 17-13 Introduced by Councilman Bennett

A RESOLUTION AUTHORIZING THE AWARD OF CONTRACT FOR PROFESSIONAL SERVICES TO DAVID VOZZA AND THE VOZZA AGENCY FOR RISK MANAGEMENT SERVICES

WHEREAS, the Municipal Council of the Borough of Hawthorne has the need for the services of a Risk Management consultant, as required by the Morris County Joint Insurance Fund and Municipal Excess Liability Joint Insurance Fund and has determined to award the same as a non-fair and open contract pursuant to the provisions of NJSA 19:44A 20.5; and

WHEREAS, the Borough Clerk has determined and certified in writing that the value of the contract will exceed \$17,500; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-5 permits a contract for professional services to be awarded without the need for competitive bids; and

WHEREAS, N.J.S.A. 40A-11-5 requires that the award of contracts for professional services be publicly advertised;

WHEREAS, David Vozza and the firm of The Vozza Agency, Inc., has submitted a proposal and contract for said risk management services, said contract to be available for inspection in the office of the Borough Clerk; and

WHEREAS, David Vozza has submitted to the Borough of Hawthorne a duly completed Entity Disclosure Certification which certifies that David Vozza and The Vozza Agency, Inc. has not made any reportable contributions to a political or candidate committee in the Borough of Hawthorne in the previous one year and that the contract will prohibit David Vozza and The Vozza Agency, Inc. from making any reportable contributions during the term of the contract;

NOW THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Hawthorne, County of Passaic, State of New Jersey, as follows:

1. The Mayor and the Clerk of the Borough of Hawthorne are hereby authorized and directed to enter into a contract with David Vozza and the Vozza Agency, Inc., for risk management services for the year 2013, in accordance with the attached contract and at the rate of compensation as set forth in the contract as annexed.
2. The contract is entered into without competitive bidding as “Professional Service,” pursuant to the Local Public Contracts Law as this is a professional service within the meaning of the law.
3. The award of this contract is subject to certification of funds by the Chief Financial Officer.
4. Notice of this award or a copy of the Resolution shall be published in the official newspaper of the Borough of Hawthorne within ten (10) days of passage as required.
5. The Business Disclosure Entity Certification and Determination of Value shall be placed on file with a true copy of this resolution.

RESOLUTION OPPOSING THE APPROVAL PROCESS FOR NON-SHBP HEALTH INSURANCE PLANS AS PROPOSED BY N.J.A.C. 5:30-18.1 THROUGH 18.4 and N.J.A.C. 6A:23A

WHEREAS, The New Jersey Local Finance Board and the New Jersey Department of Education have proposed rules requiring that all labor contracts providing for health insurance outside the State Health Benefits Program need to be approved by the State and requiring that local entities and school boards perform a static comparison of health insurance costs to State Health Benefit Program costs; and

WHEREAS, These rules are in conflict with Section 42.c of Chapter. 78, which is ostensibly used as authority for the regulation, but is actually meant only to apply to public entities wishing to enter into contract that included a contribution schedule from employees that substitutes for that as laid out in the statute; and

WHEREAS, The regulations, as proposed, extends this authority to require all public entities electing not to provide health benefits through the State Health Benefits Plan (SHBP) and the School Employees' Health Benefits Program (SEHBP) to submit to the process established under the proposed regulation; and

WHEREAS, this interpretation that is contrary to the regulations is supported by:

- The plain reading of the statute;
- The explanation contained in Local Finance Notice (LFN) 2011-20R, Section VI. Alternate Employee Health Care Contribution; and
- The following language from the "Statement" found at page 121, line 35 of the Bill (underlining added)::

The bill allows boards of education and units of local government, that do not participate in the SHBP or SEHBP, to enter into contracts for health care benefits coverage, as may be required to implement a collective negotiations agreement, and agree to different employee contribution rates if certain cost savings in the aggregate over the period of the agreement can be demonstrated. The savings must be certified to the Department of Education or the Department of Community Affairs, as appropriate; and

WHEREAS, the proposed regulation is cumbersome and places a significant burden on any public body intending to utilize the employee contribution schedule contained within the law, but wishing obtain health benefits outside the SHBP or SEHBP; and

WHEREAS, the de facto effect of this regulation, if adopted, will be to drive public bodies into the SHBP or SEHPB and stifle competition; and

WHEREAS, New Jersey already has one of the nation's most uncompetitive health insurance markets according to the Henry J. Kaiser Family Foundation (October 2011):

- In the individual market, one carrier, Horizon BCBS, controls 73% of the market with only two carriers having 5% or more of the market.
- The same carrier controls over 75% of the governmental market, largely by virtue of its relationship with the SHBP and SEHBP.

Finally, Horizon controls 43% of the small group market; and

WHEREAS, If the regulation causes a significant number of local entities to move to the SHBP and SEHBP, a negative result will be to increase market concentration and further reduce carrier competition in the State; and

WHEREAS, This will result in an increase in fully insured costs for other persons, governmental entities, not for profits, and business in the State; and

WHEREAS, The regulations' definition of "net employer cost" is not inclusive of all relevant items

and should be modified:

- For instance, members of JIFs own a proportionate share of fund surplus that should be included in a valid comparison.
- Likewise, JIF members receive dividends that reduce net employer cost.
- Finally, JIF rates could include supplemental assessments that represent a liability to

the member regardless of whether it stays in the joint insurance fund or moves to the SHBP.; and

WHEREAS, most local entity labor contracts cover multiple year periods:

- A comparison using the most current year is misleading and invalid because the comparison can change in subsequent years.
- In addition, school districts that belong to health JIFs renew on July 1 of each year.
- The differences in renewal cycles between the health JIF, the SEHBP, and the commercial market will further complicate comparisons; and

WHEREAS, The regulations do not address differences in plan design between an employer plan and the plan or plans offered by the SHBP and the SEHBP and such differences are critical to any valid comparison of plan economics; and

WHEREAS, The regulations do not address legal restraints on local entities considering their obligations to retirees, and obligations to employee groups that are not a part of the contract in question; and

WHEREAS, In situations where a local health plan has negotiated benefits that are richer than, or even different than, those provided by the SHBP and SEHBP, the local unit will be subject to sanctions for failing to honor its labor agreements; and

WHEREAS, The comparison is burdensome to local units and of limited use given that the requested details do not allow for a valid comparison of net cost and benefits; and

WHEREAS, SEHBP rates are reduced by the amount of the A4 retiree surcharge paid by entities not in the state plan and the rates for local school districts not in the SEHBP are increased by the surcharge further limiting the fairness and utility of the comparison; and

WHEREAS, SEHBP and SHBP rates in the past have been impacted by one time sources of revenue such as the Tobacco settlement and the use of one time sources of revenue that are not available to local units does not permit for a fair and valid comparison; and

WHEREAS, The regulations favor the SEHBP and SHBP to the exclusion of health joint insurance funds (JIFs) that have faithfully served New Jersey local government, under enabling statutes, for over 20 years:

- Health JIFs are a valid alternative for entities with unique plan designs, good loss experience, and a willingness to participate in JIF governance.
- Health JIFs are the largest “shared services” effort in the State for local government from a revenue standpoint.
- To the extent that the regulations operate to the disadvantage of health JIFs, the regulations are in opposition to, and indeed are hostile to, statutes that authorize JIF creation and operation.
- By extension, the regulations foster a “big government” mentality and are hostile to both “shared services” and “home rule” concepts.
- If the regulation seeks to encourage “due diligence”, then members of the SEHBP and SHBP should also be required to compare their claims and cost to the health JIF

and commercially insured alternatives.

NOW, THEREFORE, BE IT RESOLVED, that, for the foregoing reasons, the Mayor and Council of the Borough of Hawthorne respectfully beseeches that the Departments modify and reissue the proposed regulations to:

- Apply only when a local unit proposes an employee contribution schedule different from that contained in the statute;
- Require any comparison to take into consideration differences in plan design and eligibility;
- Require the evaluation criteria to consider dividends received from a health JIF and shares of surplus retained by the health JIF;
- Promote, rather than undermine, healthy competition among the various options available to local units shopping for health insurance;

BE IT FURTHER RESOLVED that certified copies of this resolution be forwarded to Governor Christie, the NJ Local Finance Board, the NJ Department of Education, and to local legislative representatives.

Council President Matthews entertained a motion, moved by Councilman Bennett, seconded by Council Vice President Bertollo. Council President Matthews asked if there was any discussion. None was raised. On roll call, all voted yes.

NEW BUSINESS (2)

NB-1 Approval of Used Car License Renewals for the Year 2013

- M & P Foreign Used Cars, Inc. II
- Hawthorne Auto Sales (2 locations)
- Nissan of Hawthorne, LLC
- O'Brien Imports
- Paul's Motors
- Triangle Auto Sales

Council President Matthews entertained a motion to approve NB-1, moved by Councilman Sinning, seconded by Council Vice President Bertollo. Councilman Wojtecki asked for the difference between Nissan of Hawthorne, LLC and O'Brien Imports. It was explained that nothing has changed and issuing them this license renewal will not grant them permission to sell cars at the location in question. Council Vice President Bertollo asked if NB-3 has finished the approval process with planning. It has. On a roll call, all voted yes.

NB-2 Approval Wholesale Car License Renewal for the Year 2013

- Big E's Auto Sales

NB-3 Approval New Wholesale Car License Renewal for the Year 2013

- Maaloo Machinery Co.

Council President Matthews entertained a motion to approve, moved by Council Vice President Bertollo, seconded by Councilman Sinning. On roll call, all voted yes with the exception of Councilman Lane who voted no on NB-2 and yes on NB-3.

NB-4 Approval of Amusement Device Renewals for the Year 2013

- Lorano Services db at Hawthorne Liquors/ Rumors – 2 devices
- Lorano Services db at Diamond Pub formally Diamond Liquors– 1 devices
- Wayne Vending db at Front Porch – 1 devices
- Wayne Vending db at R.D. Benders – 1 devices
- David G. Neeb db at Jiggles – 1 device
- American Family Fun db at Skuffy's – 3 devices

Council President Matthews entertained a motion to approve NB-3, moved by Council Vice President Bertollo, seconded by Councilman Sinning. Council President Matthews asked if there was any discussion. Councilman Wojtecki asked if the one letter from the Police Department covers the inspection of all of the establishments. Acting Borough Clerk responded that it does. On roll call, all voted yes.

BILLS

VENDOR	CHECK#	TOTAL	DESCRIPTION
CURRENT FUND			
MARY JEANNE HEWITT	14751	300.00	PETTY CASH
MORRIS COUNTY MUNI JT INS FUND	14752	202,816.24	VARIOUS
NO JERSEY MUNI EMPL BNFT FUND	14753	139,510.00	GROUP INSURANCE O/E
VOZZA AGENCY, INC	14754	<u>10,197.00</u>	MUNICIPAL INSURANCE O/E
TOTAL CURRENT		\$ 352,823.24	
WATER OPERATING			
MORRIS COUNTY MUNI JT INS FUND	9151	\$ 45,000.00	VARIOUS
NO JERSEY MUNI EMPL BNFT FUND	9152	\$ 50,000.00	GROUP INSURANCE EMPLOYEES
STATE OF NJ - PWT	9153	<u>\$ 1,001.95</u>	WATER UTILITY O/E
TOTAL WATER OPERATING		\$ 96,001.95	
TOTAL BILL LIST		<u>\$ 448,825.19</u>	

Council President Matthews entertained a motion to approve the bills and forward them to the Treasurer for payment, moved by Councilman Bennett, seconded by Councilman Sinning. Council President Matthews asked if there was any discussion. On roll call, all voted yes.

PUBLIC COMMENT

Council President Matthews opened the meeting to the public. He stated if anyone desired to be heard, please raise your hand to be recognized, come forward to the microphone and state your name and address.

Seeing no one, Council President Matthews entertained a motion to close the public portion, moved by Councilman Lane, seconded by Council Vice President Bertollo. On roll call, all voted yes.

BENEDICTION

Council President Matthews invited Pastor Howard Van Dyk to give the Benediction.

ADJOURNMENT

Council President Matthews entertained a motion to adjourn the meeting at 8:11 p.m., moved by Councilman Sinning, seconded by Councilman Bennett. On roll call, all voted yes.

THE NEXT REGULAR MEETING OF THE MUNICIPAL COUNCIL WILL BE ON **WEDNESDAY, JANUARY 16, 2013**. THE WORK SESSION TO BEGIN AT 7:00 P.M. AND REGULAR MEETING IMMEDIATELY AFTER. IF A PERSON WITH DISABILITIES REQUIRES AIDES SUCH AS: SIGN LANGUAGE, INTERPRETER, TELECOMMUNICATIONS, BRAILLE, TAPES OR LARGE PRINT, THE BOROUGH CLERK’S OFFICE SHOULD BE NOTIFIED TEN DAYS PRIOR TO ATTENDANCE AT A MEETING SO ACCOMMODATIONS MAY BE MADE.

Frank Matthews
Council President

Lori DiBella
Acting Borough Clerk