

BOROUGH OF PARK RIDGE
MAYOR AND COUNCIL MEETING
WORK SESSION with BOARD OF PUBLIC WORKS

September 28, 2010
6:30 P.M.

Present: Council members; Misciagna, Hopper, Maguire, Viola (6:55 p.m.), Maughan,
Council President Kane and Mayor Ruschman

Board
Members: George Mehm, Charles Moore, Matt Levinson, John Poletsos, and Robert Ludwig

Absent: None

Also Present: Robert Mancinelli, Borough Attorney
Helene Fall, Administrator
Bill Beattie, Director of Operations
Colleen Ennis, CFO
Kelley O'Donnell, Borough Clerk

Mayor Ruschman read the compliance statement as required by the Open Public Meeting Act, P.L. 1975, Chapter 231.

Mayor Ruschman stated that awhile back it was suggested that the Board of Public Works and Mayor and Council meet. Council President Kane prepared this evening's agenda with input from Council and Utility members. Mayor Ruschman further stated that he realizes that there will be areas where there is disagreement, but asks that all present be understanding of one another.

Mayor Ruschman turned the meeting over to Council President Kane. Council President Kane stated that he had received input on the agenda from all members of the Council. Councilmember Misciagna stated that he did not add to the agenda; in his opinion the meeting was one to open the lines of communication between the Board and the Mayor and Council.

Review of Governing Body Authority

Mr. Mancinelli stated that last year and again this year he had been asked for his opinion on the authority the Mayor and Council have with regard to Boards. He further stated that the Borough of Park Ridge has a Borough form of government. Under State Statute municipalities are empowered to create and operate their own public utility facilities. Utility Board adopts their own resolutions, forwards to Mayor and Council for final approval. Under Title 40A, the Council has the authority to make decisions controlling the finances. Mr. Mancinelli stated that the Board of Public Works was established under a State Statute which was subsequently repealed in 1987. Mr. Mancinelli further reviewed the memo distributed to the Mayor and Council and Board of Public works. His summary states that the Board of Public Works is not a separate, independent local autonomous municipal agency, but instead, is a department within the Borough of Park Ridge subject to authority and powers of the Mayor and Council. Mr. Mancinelli stated that he has received a copy of the Board's 1975 Bylaws; but they are outdated. It was discussed earlier at a meeting that the Borough Code conflicts with the State Statute. He further stated that he was

not only referring to the Utility Board; this applies to all the Boards. In a Borough form of government the Council has directive with regard to any financial matters.

Council President Kane asked if anyone present wished to comment.

George Mehm asked that a copy of Mr. Mancinelli's memo be distributed to all present.

Mr. Mehm further stated that it was understood by the Board that there are some things the Council has final authority on; bonding, hiring, etc. He further stated that there may be more agreement than disagreement.

Council President Kane asked that the memo be distributed to all and invited anyone that wished to comment on the memo to do so.

Mr. Mancinelli stated that he agreed with Mr. Mehm; there is probably more agreement than disagreement between the Board and Council.

Communication between the Board of Public Works and Mayor and Council

- Council President Kane stated that communication is something that everyone has been trying to improve.
- Councilman Maguire stated that as Utility Board Liaison he feels that it is his responsibility to communicate between the Council and the Board.
- Council President Kane stated that the Council still has not received copies of the Utility Board minutes, though they have been requested. He further went on to demonstrate what is received from the Planning and Zoning Boards.
 - Group discussion that the minutes are not approved by the Mayor and Council, they are distributed for review purposes only. Mr. Mancinelli confirmed.
 - Group discussion on posting minutes on the web site; similar to the other boards.
- **John Poletsos suggests the Council read the minutes and familiarize themselves with the content, prior to them be uploaded to the web site. After the Board approves the minutes they will be distributed to the Mayor and Council for review.**
- Charlie Moore stated that there was no conversation between the Mayor and Council and the Board, when the Council decided to close the Recycling Center on alternating Saturdays. It was only a directive from the Mayor and Council. He further stated that there should have been a conversation about saving \$20,000 in the Road Department instead of the way it was handled.
- Councilman Viola stated that the primary issue is who is in control. He asked Mr. Mancinelli to comment and Mr. Mancinelli repeated what was said earlier. Councilman Viola stated that fundamentally it is a financial decision and the Mayor and Council have the ultimate authority.
- Councilman Hopper stated that at the end of June a request was made that the Borough needed \$50,000 to close the gap. The Utility Board offered \$30,000 and a decision had to be made. Time had run out.
- Disagreement between the Council members on what was discussed in June.
- Charlie Moore stated that maybe the Council can do what they are talking about but the question is should they.

- Discussion that the Board has never worked this way with a Council in 48 years.
- George Mehm stated that Bill Beattie, Director of Operations reports to the Utility Board and is given tasks to accomplish and when other things are added by the Mayor and Council the Utility Board needs to be advised.
 - Council President Kane states that this is the first time the Mayor and Council are hearing this.
 - **Information should go through the liaison.**
- Councilman Maguire stated that the Utility Board does a great job of setting goals and objectives and reviews periodically.
 - Council agrees.
- **Council President Kane states that at a minimum the Utility Board and Mayor and Council should meet semi-annually.**
 - Councilman Viola states that issues should be brought up by the liaisons at work sessions
 - George Mehm stated that the major issues and concerns are being brought back to the Council.
- Bill Beattie stated that the Board is seeing that he is doing more than he did before. He further stated that he does not have a road supervisor; so he is doing some of that work. He further stated that he is not complaining; but with the combination of requests and loss of management it is very difficult.

Financial Budget/Operations – Annual Budget

- Councilman Maughan stated that the process began two years ago with the Finance Committee and the Utility Budget.
- Charlie Moore stated that the Board looks at the residents as rate payers and the Council looks at them as tax payers. He further stated that taxes are deductible, rates are not. He again stated that it is not a question of what the Council can do it is a question of what they should do.
 - Councilman Maguire stated that prior councils felt it was important to keep the Board somewhat autonomous.
- Councilman Maughan stated that the borough needs to look at the utility as an asset.
 - Charlie Moore stated that the borough benefits from a number of things provided by the Utilities.
- Councilman Maughan stated that the utility rates and tax rates are approved by the Council.
- George Mehm stated that Councilman Maughan is of the opinion that the Council would take whatever they want and didn't even look at the budget; only concern was how much money would be given to help the borough.
 - Councilman Maughan stated that none of the Council wants to operate the utilities. They are not interested in micromanaging the day to day decisions.
 - Charlie Moore stated that the utilities have been integral in helping with the Borough's budget.
 - Councilman Maughan stated that the budget is fluid, ever changing, there is no set number.
 - Councilman Viola stated that when the Council is requesting money it is to help the tax payers.

- George Mehm questioned whose responsibility the Recycling Center is. The employees that work the Recycling Center report to Bill Beattie.
- George Mehm stated that there were a number of discussions on what was needed to fill the budget hole. Utility Board was told \$30,000, and then at the last hour they were asked for \$50,000.
- Council President Kane advised those present that at times there are shortfalls in the cash flow, especially when tax bills go out late. He asked those present if they could agree philosophically to transfer money for 30 days. Those present were reminded that the Water Utility money also belongs to Woodcliff Lake.
 - Discussion on this year when he Board was approached for a loan and they requested an interest charge, the Auditor agreed.
 - Those present were reminded that the Water Utility is regulated by the Board of Public Utilities.
 - George Mehm stated that as long as an interest rate was charged on the loan the Utility Board felt it would hold up to a review if questions. George Mehm reminded those present that Ridgewood was being sued for a rate increase. Bettering the town at the expense of the rate payers.
 - **Councilman Viola stated that he did not know the regulations of a Public Utility, asked about the minutes of the meeting in which it was discussed.**
 - Discussion on the question of a loan from utilities and what was put in the minutes.
- Councilman Maughan emphasized that it is a “we” and not an “ours” and “yours”.
- Discussion by all on the 2009 Audit being approved at tonight’s meeting. Request was made by the Utility Board for a change on one point.
 - Councilman Maughan stated that access to the Auditor was given to the Utility Board.
 - Discussion on Utility Budget.
 - Councilman Maughan stated that the Mayor and Council should be included in the Utility Budget. Discussion that the Utility Board is responsible for their budget. George Mehm asked if the Council would want the Utility Board included in the Borough’s budget.
- Charlie Moore stated as tax payers they have the right to look at the Borough budget and make comments and recommendations. The Mayor and Council are elected the Utility Board members are appointed.
 - Councilman Maguire stated that the Utility Board never looks at it as separate problems.
- Colleen Ennis stated that one of the findings in the Audit was the payment of bills process for the utilities. The Mayor and Council have the authority to appoint a point person for payment of bills so there is no delay.
 - Councilman Maughan stated that the Council wants to become more familiar with the utility bills.
 - Council President Kane recapped the Utility Board meeting with the Auditor. Auditor made a recommendation to appoint a point person. Councilman Maughan would like to see 3-6 months of bills to develop a familiarity. Discussion on the fact that a point person has been used for 45 years.
 - **Council President Kane stated that the Council will discuss tonight.**
 - **Audit Resolution to be pulled from this evening’s agenda.**

- Helene Fall stated that the Auditor advised the Borough of the statute, and stated that it does not preclude the Board from acting as they have. The Audit recommendation can stand as stated, Utility Board would like to see the comment expanded.

Utility Electric/Water Rates and Power Adjustments

- Council President Kane thinks it has been working fine
 - **Council has the right to adjust the rates**
 - **Power Adjustments – authority lies in the Utility Board**
 - **Councilman Maughan asks to see the ordinance**
 - Council President Kane asks that the Council be advised by the Utility Board
- **George Mehm stated that the basic rate structure is the Mayor and Council approve based on Utility Board recommendation. He further stated that there will most likely be a rate adjustment this year. Rate payers will receive a credit.**
 - Charlie Moore stated that the electric has been bought out to 2014.
 - Council President Kane stated that it is a request to be kept in the know, not micromanaging.

Stipends for Utility Workers

- **Cannot be discussed until the Council goes into Closed Session.**
- Councilman Hopper suggests for the future a program “Education for Conservation” – green team meetings

Relationships

- Council President Kane thinks everyone did a great job. Interacted well with each other, professionals and A-team.
- Councilman Misciagna stated that it is important to look at what the Council can do and what they should do. The Board has done a great job and the Council should let them continue.
- Mayor Ruschman stated that everyone did a great job tonight. Hopefully, there is better understanding of each other. He thanks council president Kane.

Work Session adjourned to Public Hearing at 8:00 p.m.

Respectfully submitted,



Kelley R. O'Donnell, RMC
Borough Clerk