

February 9, 2021

Regular meeting of the Mayor and Council of the Borough of Victory Gardens held on February 9, 2021.

Mayor Holeman called the meeting to order and declared a quorum present.

Pledge of Allegiance to the Flag of Our Country.
Please remain standing for a moment of silence for our military.

This meeting has been advertised in one newspaper, The Daily Record, in compliance with the New Jersey Open Public Meetings Act.

ATTENDANCE: Councilwoman Cheatham, Councilman Glass, Councilwoman Hedgepath, Councilwoman White, Councilman Lorenzo, Councilwoman Garcia Montes.

ABSENT: Attorney Feintuch.

Motion to accept the minutes of January 12, 2021 as received by Councilwoman Montes, seconded by Councilman Lorenzo and approved on verbal vote. None opposed.

CORRESPONDENCE:

The Clerk said there is no correspondence except we have the new quote from Cargill Salt. It is \$83 dollars a ton and it is down \$2 from last years price.

Motion to approve the cost for Cargill at \$83 per ton for salt. Motion made by Councilwoman Montes, seconded by Councilman Lorenzo and approved on roll call:

Councilwoman Cheatham	Yes
Councilman Glass	Yes
Councilwoman Hedgepath	Yes
Councilwoman White	Yes
Councilman Lorenzo	Yes
Councilwoman Garcia Montes	Yes

Motion to accept the correspondence as recieved by Coucnilwoman Montes, seconded by Councilman Lorenzo and approved on verbal vote. None opposed.

VOUCHERS:

The Mayor asked if there were any questions on the vouchers? Hearing none, he asked for a motion to pay the bills. The Clerk said that our meeting of January 26, 2021 was cancelled because of snow. I had received permission to pay the bills from that meeting and I will include them in this set of minutes as well.

Motion made to approve the vouchers for payment by Councilwoman Montes, seconded by Councilwoman Hedgepath and approved on roll call:

Councilwoman Cheatham	Abstained
Councilman Glass	Yes
Councilwoman Hedgepath	Yes
Councilwoman White	Yes
Councilman Lorenzo	Yes
Councilwoman Garcia Montes	Yes

(See Vouchers Next page)

VOUCHER REPORTS

Date of Council Meeting:
January 26, 2021

<u>Voucher #</u>	<u>Payable to:</u>	<u>Type of Service</u>	<u>Amount</u>
01/41/2021	AT&T	Utilities	39.98
01/42/2021	Deborah Evans - Petty Cash receipts	Clerk OE	60.00 80.00
01/43/2021	Dover Board of Education	School Taxes	92,746.67
01/44/2021	Gannett New Jersey Newspapers	Clerk OE	63.64
01/45/2021	Glass Gardens, Inc. - Shop Rite	Clerk OE	56.98
01/46/2021	Gramco Business Comm.	Clerk OE	1,095.00
01/47/2021	Herbert Evans, Jr.	Bldgs. & Grnds.	350.00
01/48/2021	Home Depot Credit Services	Clerk OE	480.67
01/49/2021	Interstate Waste Services, Inc	Trash Removal	10,933.33
01/50/2021	JCP&L - #1 - Fire	Fire OE	107.29
01/51/2021	JCP&L - #2 - Main	Utilities	418.01
01/52/2021	JCP&L - #3 - Streets	Street Lighting	618.97
01/53/2021	JLM Computers	Clerk OE	95.00
01/54/2021	Konica Minolta Business Solutions	Clerk OE	139.41
01/55/2021	Morris County MUA	Streets & Roads	263.25
01/56/2021	NJNG - #2 - Borough Hall	Utilities	759.00
01/57/2021	Optimum	Utilities	11.45
01/58/2021	Philip Feintuch	Legal Services OE	2,150.46
01/59/2021	R&L DataCenters, Inc.	Finance - Payroll	301.68
01/60/2021	RVRSA	RVRSA Share	10,608.00
01/61/2021	TJ's Trophy	Clerk OE - K. Lewthwaite name plate	26.00
01/62/2021	Town of Dover - Fire Services	Adm. & Exec. - Fire	16,500.00
01/63/2021	Verizon - #1 - 263-0001-56	Utilities	76.83
01/64/2021	Verizon - #2 - 366-5312	Utilities	253.92
01/65/2021	VSP - Vision Service Plan	Group Insurance	98.70
01/66/2021	WEX Bank	Streets & Roads	543.45

TOTAL

138,797.69
20.00
138,817.69

VOUCHERS CONTINUED:

VOUCHER REPORTS

Date of Council Meeting:
February 9, 2021

<u>Voucher #</u>	<u>Payable to:</u>	<u>Type of Service</u>	<u>Amount</u>
2/1/2021	Anderson & Denzler Asso. Inc.	Engineering	2,634.65
2/2/2021	County of Morris - Dept. of Fianance	Open Space Taxes	1,584.18
2/3/2021	County of Morris - Dept. of Fianance	County Taxes	53,311.87
2/4/2021	Eduardo Martinez	Streets & Roads - Fuel reimbursement	59.03
2/5/2021	Feintuch, Porwich & Feintuch, ESQ	Legal services - Littering Ord.	475.00
2/6/2021	Morris County MUA	Streets & Roads - Jan. shade tree	204.75
2/7/2021	NJNG	Fire OE	210.00
2/8/2021	Office Concepts Group	Clerk OE - office supplies	55.61
2/9/2021	R & L Data Centers, Inc.	Finance	561.00
2/10/2021	TJ's Trophy	Clerk OE	34.00
2/11/2021	Training Unlimited USA	Clerk OE - Debbie D., classes	159.00
2/12/2021	Verizon - #1 - 263-0001-56	Utilities	58.44
2/13/2021	Verizon - #3 - 361-7536	Utilities	66.94
2/14/2021	State of NJ - Div. Pensions & Bene.	Group Insurance	5,794.88
		TOTAL	65,209.35

NEW BUSINESS:

RESOLUTION REJECTING GARBAGE BIDS - The Clerk said in order for us to rebid this we first have to reject the bid we received.

RESOLUTION REJECTING BIDS

Whereas, the Borough of Victory Gardens advertised for Bids in connection for a Contract for collection of garbage, trash & recyclables commencing April 1, 2021 and ending on March 31, 2026 and the Bids were opened at a public meeting on December 8, 2020 and were rejected by the governing body; and

Whereas the need for the collection of garbage, trash and recyclables still exists,

NOW THEREFORE, the governing body authorizes the Borough Clerk, Administrator to re-advertise for bids as soon as practicable.

DAVID HOLEMAN, Mayor

I, Deborah Evans, Clerk of the Borough of Victory Gardens, do hereby certify that this is a true and exact copy of a Resolution passed at a meeting of the Mayor and Council, which meeting was held on ~~Tuesday, January 26, 2021.~~ Feb. 9, 2021.

Deborah Evans
DEBORAH EVANS, Borough Clerk

NEW BUSINESS CONTINUED:

Motion on the resolution rejecting the garbage bids made by Councilwoman Montes, seconded by Councilwoman Cheatham and approved with going out to rebid again for the contract. Roll call:

Councilwoman Cheatham	Yes
Councilman Glass	Yes
Councilwoman Hedgepath	Yes
Councilwoman White	Yes
Councilman Lorenzo	Yes
Councilwoman Garcia Montes	Yes

NEW QUOTE FOR SALT - We already did this earlier in the meeting.

OLD BUSINESS:

ADOPTION OF CAP ORDINANCE - Everyone has a copy of this. We did this at our first regular meeting in January.

Motion to adopt the Ordinance by Councilwoman Montes, seconded by Councilman Lorenzo and approved on roll call:

Councilwoman Cheatham	Yes
Councilman Glass	Yes
Councilwoman Hedgepath	Yes
Councilwoman White	Yes
Councilman Lorenzo	Yes
Councilwoman Garcia Montes	Yes

CALENDAR YEAR 2021 MODEL ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK

ADOPTION OF LITTER ORDINANCE - The Clerk said we did this back at our first meeting in January it was adopted. Now we need ot adopt.

AN ORDINANCE AMENDING AND REPLACING CHAPTER III CONDUCT AND PROHIBITIONS, SECTION 3-12 LITTERING

Motion to open the meeting to the public on the ordinance only. Motion made by Councilwoman Montes, seconded by Councilman Lorenzo and approved on verbal vote. None opposed.

Jim Janone - Wanted to know what was changed in the update? The entire language from the old ordinance Section 3-12 be deleted. It is to control litter throughout the Borough and then it listed what the minor changes are. The State said we had to update the ordinance because it was old.

Hearing no other comments from the public, the Mayor asked for an adoption of the Ordinance.

Motion to close the meeting to the public on the ordinance by Councilwoman Montes, seconded by Councilwoman Hedgepath and approved on verbal vote. None opposed.

Motion to adopt the ordinance by Councilwoman Montes, seconded by Councilwoman Hedgepath and approved on roll call:

Councilwoman Cheatham	Yes
Councilman Glass	Yes
Councilwoman Hedgepath	Yes
Councilwoman White	Yes
Councilman Lorenzo	Yes
Councilwoman Garcia Montes	Yes

OLD BUSINESS CONTINUED:

SEWER ORDINANCE DISCUSSION WITH CHIEF FINANCIAL OFFICER. - The Clerk said we have several discussions on this matter. Joe is here tonight to go over this with the Council. At this time the meeting was turned over to the CFO.

AN ORDINANCE AMENDING THE SEWER RATE SCHEDULE FOR THE
BOROUGH OF VICTORY GARDENS

Joe asked if there was any specific the Council wanted to know or do you just want an overview? The Council asked for an overview.

Reviewing our budget over the past several years, since 1986 we have not raised the sewer rates in the Borough. What we are bringing in for the sewer revenue and our costs to provide the sewer service the gap has narrowed. I am working on the financials for 2020 and with the pandemic and a lot of the businesses doing the business that they would normally do, we did not hit our numbers this year for the revenue for the sewer. The gallonage charges weren't there because a lot of businesses were shut.

RVRSA lawsuit has not been finalized. It is ongoing with no end in site. Revenue projections were down because of the pandemic and the fact that we haven't raised the sewer fees in town since 1986. We are recommending the increase. We want to raise the rates for residential from \$190 a year to \$238 per year. The commercial rates from \$760 to \$900.

These rates are the fair market value for these services. I went on line and pulled the amounts that other towns are paying that are in the RVRSA.

As a town, you don't have many ways that we get revenue. With this pandemic these ways of revenue are shrinking. Court costs are not generating as much as usual, with the pandemic the building department is way under for collecting fees.

For us to be able to sustain general municipal operations this portion of the budget needs to be self sustaining. This increase in the ordinance will keep us going for the next several years.

RVRSA is down slightly for this year. In 2020 they had a 26% increase. We don't have any control of the RVRSA and really don't know what is going on with it until they tell us. We have to insulate ourselves to make sure that we have enough revenue in this line item to cover the costs. I am trying to put us in a position so we don't have to increase sewer fees every year. If I can raise it now then we won't have to do it every year. We should try to look at the sewer ordinance every 5 years. Joe asked if there were any questions from the Council?

Councilwoman Montes said that she does. How much is for Administration fees? Joe said he did an analysis when we had the initial meeting. Everyone was given a copy of that. I gave you an estimated cost if you had a stand alone sewer authority. With that, you would have administrative costs. Right now your current fund operations bear all of that cost. That means Deb's time as your Admin/Clerk, Karens time as your collector, my time as your CFO. None of that is currently funded by your sewer revenues. We are not covering any of those administrative costs. We are barely covering the RVRSA assessment. Increasing these fees, you would help put some of the money back into the current fund and that would cover the costs that you are not paying right now.

Also, Councilwoman Montes said we have had at least 10,000 left over in this account over the years so why, right now do we have to increase when people are struggling? Joe said that last year was the year we wanted to do this. That is when RVRSA went up 27% in one year. That narrowed that cap so you don't have that savings anymore in that line item. RVRSA went down slightly this year but don't forget that RVRSA litigation is still out there. We have money for that don't we? We have some in Legal. If it is more that what legal has in it then we could take it from the RVRSA line item. BUT we can't take it from that if there is no money in there. As I said before, with the hjt the businesses took because of being shut down we aren't getting the gallonage that we were getting. We are only getting the baxe charges because that hasn't been touched. We haven't hit our target for RVRSA for revenue and those gallonage charges are the biggest reason why.

Councilwoman Montes said I know you are comparing us to our neighbor towns but they are much bigger than us. Joe said he is comparing the towns that are in the RVRSA with us.

Councilman Lorenzo asked how much under we are in the sewer? Right now \$2,800. We anticipated \$139,000 in sewer revenue, we came in about \$136,000. I don't like to work with that small of a margin.

OLD BUSINESS CONTINUED:

SEWER ORDINANCE CONTINUED - Councilman Lorenzo said he can understand the increase but can't we do this later on down the road? This way we can try to have the pandemic go by as much as it can. Joe said you want to do this as soon as possible because it has to move along for your collections and the billing. You would like to see the impact at least by the second billing. The increase is \$48.00 on the year. I bet no one turned their cable off if they were hit so hard by the pandemic. As your CFO it is up to me to keep the town financially viable.

The Clerk asked if the RVRSA fees go up and we don't raise the fees, we still have to pay RVRSA. Where do we take that money from in order to pay them? The CFO says it comes from taxes. One way or the other the bill has to get paid. So if you don't raise the sewer fees the taxes will go up to cover the costs? Yes.

The Mayor asked how much taxes would go up if we don't raise the sewer bill? We don't know because we don't know when businesses will be open back up again and when we will see the increase in the gallonage. The Mayor said that no doubt taxes will be going up this year. Joe stated that the rest of the world is moving forward. They have to sustain operations. Gas prices are going up, school taxes will go up and everything else is going up. We have to pay the bills.

Councilwoman Montes asked if we have a separate line item for the sewer in our budget? Yes. We have it in the budget on the revenue and the expense side. Excess money in that line item, does it stay there for the following year? No, it doesn't work that way. The extra money would go back to the town and then we use it in the following years budget. This is why we need to regenerate surplus because we use that to offset taxes so in a way the tax payers are getting that money back.

Councilwoman Montes asked what type of formula the CFO used to come up with this increase? We looked at the numbers of properties in town. Between the auditors and myself we did the base fee and the looked at the gallonage for overages. We tried to do the best balance to put more on the users that use the most water. That is most of our commercial accounts. The persons using the most water, which is the businesses would bear the brunt of the increase because they use the most water. Such as the laundry, the dry cleaners, etc.. Does this increase have to be that amount or can we do less? It doesn't have to be. I was trying to do it so we don't have to do this every year. Maybe we would have to do it every 5 years. But if you cut the rate to less, then we will have to look at this again next year.

Councilwoman Montes said she would feel better with everything going on, the pandemic, people losing their jobs it would be better if we cut the costs in half. Joe said we can do that - it is reasonable. it is a starting point. Joe said we can go from \$190 a year to \$210 a year. Then the rate for commercial would go to \$790 a bill instead of the \$900.

The Clerk asked if we can just change the ordinance numbers so we don't have to keep postponing this? You can do that the CFO said. If Council agrees to change the \$238 to \$210 and makes the \$900 go down to \$790 then we can introduce this tonight? Yes.

Motion to approve the Ordinance with the changes we made tonight. Motion made by Councilwoman Montes, seconded by Councilwoman Hedgepath and approved on roll call:

Councilwoman Cheatham	Abstain
Councilman Glass	Yes
Councilwoman Hedgepath	Yes
Councilwoman White	Yes
Councilman Lorenzo	Yes
Councilwoman Garcia Montes	Yes

OLD BUSINESS CONTINUED:

The Clerk wanted to remind everyone that next Tuesday, February 16th will be our budget meeting.

Motion to open the meeting to the public by Councilwoman Montes, seconded by Councilwoman Hedgepath and approved on verbal vote. None opposed.

Jim Janone - Are you going to have a public hearing on the sewer ordinance you just introduced? Yes. It will be at the next meeting once it is advertised in full in the paper. How come you can't have a dedicated sewer account. I know the collections go up and down every year. CFO said because there is no dedicated sewer authority in the Borough. You do it for Capital. Yes but that is a separate fund. You would have to decide that you want to run a separate sewer utility in the town. The problem with have a separate utility is that once you have a deficit in sewer operations, that debt gets kicked back over to the current fund which would have to be raised thru taxation in the budget. Mayor, have you had a meeting with Dover regarding the fire/ems shared services? No. You are supposed to have it annually. We haven't gotten together with Dover. Did Dover give Victory Gardens any fees for money they collected from EMS billings? We haven't received anything from Dover. They would only pay us money if they charged Victory Gardens residents through their insurance. Do we know anymore on the school busing contract? The Clerk said she spoke with the attorney today and he said he heard something back from the attorney from Dover. I spoke with Patricia in transportation the Clerk said and she said they are still remote and there is no contract for busing as of yet.

Councilwoman Montes asked if we are holding payment? The Attorney said at our meeting that he would write them once more and that if we didn't hear anything back from them, they were given notice that we are holding payment. He did hear back from them. My discussion with him was brief today so I have to wait to hear what was discussed.

Motion to close the meeting to the public by Councilwoman Montes, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Motion to adjourn the meeting by Councilwoman Montes, seconded by Councilwoman Hedgepath and approved on verbal vote. None opposed.

Submitted By:

Deborah Evans

Deborah Evans
Borough Clerk