

**MINUTES OF THE JOINT CONSOLIDATION STUDY COMMISSION OF  
WANTAGE TOWNSHIP AND SUSSEX BOROUGH,  
HELD AT THE WANTAGE TOWNSHIP MUNICIPAL BUILDING ON  
NOVEMBER 5, 2008**

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Commission Chairman Earl Snook called the meeting to order at 7:00 PM, and requested Secretary Lee Abbott to call the roll. Upon roll call, the following members of the Commission were present:

E. Snook, S. Laguttuta, P. Flynn, G. Kresge, C. McKay, A. Jacobs, W. Dunn. S. Hosking arrived shortly thereafter.

Also present: G. Fehrenbach & R. Burkholder, consultants and J. Doyle, NJDCA liaison.

Commissioners Meyer and Little were absent.

Mr. Snook stated, "This meeting is being held in compliance with the provisions of the Open Public Meetings Act, Public Laws 1975, Chapter 231. It has been properly noticed and posted to the public, and certified by the Secretary."

Mr. Snook led the assembly in the Salute to the Flag.

### **APPROVAL OF MINUTES**

It was moved, seconded and unanimously carried to approve the minutes of the meeting of the Joint Consolidation Study Commission of Wantage Township and Sussex Borough held on October 1, 2008.

It was moved, seconded and unanimously carried to approve the minutes of the open forum of the Joint Consolidation Study Commission of Wantage Township and Sussex Borough held on October 8, 2008.

### **OLD BUSINESS**

E-Mail - Mr. Snook reminded the commissioners that e-mails regarding Commission business should be included in the records. E-mails copied to the secretary will be kept on file.

Public Relations Committee - Mr. McKay reported that the Open Forum went well, although some people were expecting responses from the commissioners. The PR Committee will follow up on a request from the Kiwanis.

Review of Work Plan - the work plan presented at the regular October meeting was to be reviewed and modified if necessary as a result of issues raised at the open forum. Consensus was that no major changes were needed. Mr. Fehrenbach asked for clarification of the requirement in the RFP to address privatization vs. regionalization. Mr. Dougherty, administrator for Wantage, was present and explained that this was included in the RFP because members of the public have

questioned if privatization of water / sewage, along with municipal functions such as public works, solid waste, and tax collection would be more cost-effective. Regionalization primarily related to police coverage. The water / sewer report was not required by the original RFP. The consensus of the Commission was that privatization / regionalization should be replaced by the water / sewer report and population projections. Mr. Fehrenbach will modify work plan accordingly.

Police Services Report - The report was distributed at the October meeting. Since then, the Council on Local Mandates determined that charging communities for state police coverage was an unenforceable unfunded mandate. The Governor's office has not responded to this decision. The lack of data from the state police was discussed at the last meeting, and the situation remains unchanged. Mr. Burkholder stated that statistics would have been helpful in preparation of his report. The information would still be useful. It was agreed that the Public Safety subcommittee (Mr. Kresge and Mr. Meyers) should make an Open Public Records Act (OPRA) request; they will develop the request for the secretary to submit.

The pros and cons of accepting the report were discussed. Acceptance signifies that the requirement of the RFP has been satisfied. Once the report is accepted it should be made available to the public. Since charging for state police coverage has been deemed unenforceable, the report is essentially obsolete. It was moved by Mr. Jacobs and seconded by Ms. Hosking that the report submitted last month be considered final with the addition of 1) an introduction explaining that police coverage is no longer on the table for the CSC but could be an issue for the municipalities in the future, and 2) the October 24, 2008 decision of the Council on Local Mandates. Voting in favor of the motion: Commissioners Snook, Lagattuta, Flynn, Hosking, Kreske, McKay, Jacobs and Dunn. Opposed, none. Abstained, none. The consultants will make these additions and e-mail the revised report to the secretary.

Consensus was that once reports are accepted, they will be available to the public at the municipal offices and the library and electronically via website.

Fiscal Aspects of Consolidation (Draft Report) - Mr. Doyle distributed an updated draft and reviewed the highlights:

- Both communities have been fiscally responsible and are financially sound.
- Both communities were commended for their efforts to share services; this limits the savings that would result from consolidation, but there are opportunities to save on overhead and duplication of services.
- Both communities are seeing a reduction in state aid; the impact on Sussex is more significant.
- Aid for education is now based on a per-pupil formula, so there will be no change in aid. The schools were asked for projections based on separate and consolidated municipalities.
- Consolidation projections show a reduction in property taxes for Sussex; Wantage would see a small increase. Wantage property owners would be eligible for a tax credit for the increase for as long as they owned the property.
- The ratio of debt is similar for both communities.
- Collection rates are similar.

- Wantage has open space funds; Sussex does not. This issue must be addressed; Green Acres has been contacted.
- COAH is covered in a separate report.
- Sussex water utilities costs are paid by its customers. This is covered in a separate report.

The following questions were raised:

- Sussex has received small cities grants; what will happen to these?
- If the two communities were consolidated, would the state aid for Sussex be restored to the level Wantage is receiving?
- Sussex growth is very limited, but Wantage may grow. How would the burden of increased students affect Sussex? Mr. Doyle responded that per the statute this study compares only the prior year and the following year, based on the projected year of consolidation. Mr. Jacobs noted that Sussex / Wantage school enrollment is currently declining, not increasing.

Commissioners will review the most recent draft and contact Mr. Doyle with any additional questions by November 10. The final report will be sent out prior to the December meeting.

## **NEW BUSINESS**

Three reports from the GMA consultants were reviewed:

Workload Study Report (preliminary) - The report's methodology was developed from the work of a group of New Jersey municipalities collaborating on studies of performance measurement. Sussex Borough and Wantage Township staff provided information that was compared with benchmarks from the collaboration. The results are presented in terms of personnel (Full-Time Equivalents / FTEs) and outputs (miles of road, items processed). The theoretical consolidated community would experience the economies of the shared services already in place plus the elimination of some redundant positions (approximately 10% of the total for both communities). A dollar values has not yet be calculated. Data on salaries and benefits will be collected.

The following question was raised:

Would consolidation put all contracts on the table? Civil Service policies would remain the same; labor contracts would expire, with new collective bargaining. Salaries tend to rise toward the highest level (harmonization of wages), which reduces the cost savings. Other reasons for consolidation--efficiency, potential future savings--must be considered.

The next steps involve development of a consolidated organization plan and defining the costs. Ms. Hosking moved and Mr. Lagattuta seconded that the consultants proceed with the next steps. Voting in favor of the motion: Commissioners Snook, Lagattuta, Flynn, Hosking, Kreske, McKay, Jacobs and Dunn. Opposed, none. Abstained, none.

COAH Report (Council on Affordable Housing / preliminary) - COAH was started in 1975, and rules and formulas have changed over the years. The concept of growth share was introduced in 2004. The League of Municipalities opposes the newest regulations, and an appeal is being considered. Units not yet satisfied carry over, and new units are added. The consolidation model would add the two municipalities' units together. Sussex is under a mandate for completion by

the end of 2008 or be open to a builder's remedy lawsuit. Wantage is already under a builder's remedy lawsuit, with three possible outcomes: the judge can keep it under his jurisdiction, recognize an agreement between the municipality and builder or assign a master to oversee the process. Sussex has a total obligation of 55 units (15 to be satisfied by a Small Cities Block Grant) and Wantage a total obligation of 253.79.

A motion was made by Mr. Jacobs and seconded by Mr. McKay to accept as final the COAH report. Voting in favor of the motion: Commissioners Snook, Lagattuta, Flynn, Hosking, Kreske, McKay, Jacobs and Dunn. Opposed, none. Abstained, none.

Sussex Water / Sewer Utility Report (preliminary) - Highlights of the report include:

- The utility is solvent.
- Debt service is at its peak and declining.
- Both water and sewer systems need capital improvements; Inflow and Infiltration (I&I) of the sewer system is the biggest problem, and progress toward resolution continues.
- There are 115 water customers outside the Borough, two sewer customers (most notably the A&P Shopping Center).
- There is significant excess water capacity, and sewerage capacity could be freed up by I&I control.

There was discussion of the potential for growth and challenges for maintenance and expansion. The Sussex Commissioners Meyer and Little, the most knowledgeable about the Utility, were not present; their input is important. Further discussion and the vote on this report were tabled until the December meeting.

## **OPEN PUBLIC SESSION**

It was moved, seconded and unanimously carried to open the session to the public. No one from the public was present. It was moved, seconded and unanimously carried to close the meeting to the public and return to the regular order of business.

## **COMMENTS OF THE COMMISSIONERS**

Mr. Snook reported that he has contacted Ernest Reock, Professor Emeritus, Center for Government Services at Rutgers to come to a future Commission meeting.

The Chairman thanked the commissioners for their hard work. He may not be at the December meeting; Mr. Lagattuta will chair the meeting if Mr. Snook is absent.

With no other items for consideration it was moved, seconded and unanimously carried to adjourn the meeting.

Mr. Snook declared this meeting to be adjourned at 10:08 PM.

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Lee Abbott, Secretary