

**MINUTES OF
MUNICIPAL COUNCIL
WORKSESSION MEETING
February 23, 2015**

The Worksession Meeting of the Municipal Council of the Township of Edison was held in the Council Chambers of the Municipal Complex. The meeting was called to order at 6:09 p.m. by Council President Diehl, followed by the Pledge of Allegiance.

Present were Councilmembers Diehl, Gomez, Karabinchak, Lombardi, Mascola, Prasad and Shah.

Also present were Acting Township Clerk Russomanno, Deputy Township Clerk Kenny, Township Attorney Jong Sook Nee, Business Administrator Ruane, Recreation Director Halliwell, Public Works Director Roderman, Health Director Elliot, Fire Chief Latham and Cameraman D'Amato.

The Clerk advised that adequate notice of this meeting as required by the Open Public Meetings Act of 1975, has been provided by an Annual Notice sent to The Home News and Tribune, The Star Ledger and the Sentinel on December 11, 2014 and posted in the Main Lobby of the Municipal Complex on the same date.

PRESENTATION: DR. O'MALLEY, SUPERINTENDENT OF SCHOOLS.

Dr. O'Malley said based upon questions that Board of Education members have heard from the public, he is here to present some facts on the upcoming bond referendum for the James Monroe School. He said he is not here to elicit support. He thanked the Mayor and the Council for their open communication with the Board of Education. He said the fire occurred one year ago and there has been a down turn in working with the insurance company. He said the estimated cost of the new school is \$28 million and the insurance company will only pay \$9 million, leaving a shortfall of \$18 million. There is a strict two year time limit to rebuild the school and without the approved referendum they cannot secure State aid. He said there are only four times a year when a referendum can be held which is set by the State.

Mr. Lattimer, Insurance Broker, stated that the District did have sufficient insurance and he explained the coverage.

Dr. O'Malley said cost is the number one issue and the cost on the average home will be \$21.00. He also said that any monies received from the insurance company must go to pay down the debt. He said they are constructing a two-story building in order to expand while maintaining the same footprint. This is a brand new building so it will only cost \$250,000 to install air-conditioning. He said if this referendum fails, they can go out to the public again in September. If it fails a second time they can appeal to the Commissioner of Education. The worst case scenario would be that the school is not built and the other schools would have to absorb the students.

Councilmember Karabinchak said he has questions relating to the design and the cost. He felt the goal is to keep the burden to the taxpayers at a minimum. He asked the architect what stage the design drawings are in and also about the 10% contingency fee.

Lam Associates, Architect, said the design drawings are in the final stages and have been submitted to the State and the State mandates at least a 5% contingency fee.

Councilmember Karabinchak asked if the project comes in under cost and funds are not utilized, what would happen to that money.

Dr. O'Malley said by law, any dollar not utilized must go to pay down the debt. He said they are hoping that the insurance money will come through first and the taxpayers will never see an increase.

02/23/2015

Councilmember Gomez asked if the insurance money does not come through when residents can expect to see the impact of this bond.

Dan Michaud, Business Administrator, said they will go out for short term notes in the hopes that the insurance money will come through.

Councilmember Gomez asked what the interest rate is.

Mr. Michaud said he expects it to come in under 2%.

Councilmember Karabinchak asked if the worst case scenario happens, can adjustments be made to cut the cost of the building.

The Architect said certain parts of the building can be cut if they need to save money.

Councilmember Karabinchak asked the duration of the contract and if there are liquidated damages built in.

The Architect said Labor Day, 2016 is the target date and they have not yet finalized the liquidated damages.

Councilmember Karabinchak asked if there will be busing and re-districting if the referendum fails.

Dr. O'Malley said there are many contingency plans but they all take time and money.

Councilmember Lombardi said a large part of the insurance issue focuses on a \$10 million code upgrade. He asked if this is the most we can expect to recover from insurance.

Dr. O'Malley said they hope to recover all from the insurance company.

Councilmember Dr. Prasad asked what the taxpayers are getting for \$28 million. Will it be four walls or a fully functioning school.

Dr. O'Malley said we are replacing the school that burnt down and all the supplies will come from St. Cecelia's.

Council President Diehl said there is a lot to cover in a short period of time. He said they are committed to allowing the public to ask and have their questions answered.

Bill Brunner, 215 Loring Avenue, asked what the difference between the \$23 million cost of the school and the \$28 million they are bonding for is.

Dr. O'Malley explained the fees that make up the difference.

Bob Spiegel, 206 Tyler Road, asked the difference between short term and long term financing.

Mr. Michaud explained the difference.

Council President Diehl opened the meeting for comments from the public.

Bob Spiegel, 206 Tyler Road, asked the status of Generated Materials. He said he thought it was supposed to be shut down.

Mr. Elliot said at the request of the Council and the neighbors, the DEP did revoke their permit and they are awaiting a hearing on the revocation of that permit.

Mr. Spiegel felt we should get a ruling from the Fire Department as this could spontaneously combust. He asked how much of a risk this poses.

Mr. Elliot said the DEP asks for reports from the Fire department on a regular basis.

Lois Wolke, 10 Peake Road, submitted a list of questions for the Board of Education on the bond referendum.

Council President Diehl said he will get Ms. Wolke the answer to her questions for Wednesday evening.

Hearing no further comments, this public hearing was closed, on a motion made by Councilmember Lombardi, seconded by Councilmember Karabinchak, with all in favor.

6. APPROVAL OF MINUTES

- a. Accepted as submitted.

7. REPORTS FROM ALL COUNCIL COMMITTEES:

None

8. POINTS OF LIGHT -

Council President Diehl wished Deputy Clerk, Robin a Happy Birthday!

9. FROM THE BUSINESS ADMINISTRATOR:

- a. No comment was made.

10. FROM THE DEPARTMENT OF FINANCE:

- a. through e. No comments were made.

11. FROM THE DEPARTMENT OF HEALTH:

- a. through e. No comments were made.

12. FROM THE DEPARTMENT OF LAW:

- a. This item was pulled from the agenda.

13. FROM THE DEPARTMENT OF PLANNING AND ENGINEERING:

- a. Councilmember Mascola asked for an explanation

Ms. Ruane explained that this is money to purchase generators for low and moderate income households and this Resolution is for the entity to run the program.

- b. through e. No comments were made.

- f. Councilmember Mascola asked the difference between this item and item a.

Ms. Ruane explained that this is authorization to spend the funds.

14. FROM THE DEPARTMENT OF PUBLIC WORKS:

- a. Council President Diehl asked for an explanation.

Mr. Roderman explained that we lost our liquid calcium tank in the fire so we could not treat our salt.

Council President Diehl asked if preparations are being made for any impending storms.

Mr. Roderman said nothing is forecasted for this week

b. through h. No comments were made.

15. FROM THE CHIEF OF FIRE:

a. No comment was made.

16. FROM THE TOWNSHIP CLERK:

a. and b. No comments were made.

17. FROM THE COUNCIL MEMBER TO THE PLANNING BOARD:

Councilmember Shah reported that there was a meeting held on February 18th and two items were on the agenda. The first was from Open Road Honda/BMW to open a Mini Dealership which was passed. The second from Markham homes to demolish two existing homes and build eight new homes was granted preliminary approval.

18. UNFINISHED BUSINESS:

ORDINANCES FOR FURTHER CONSIDERATION, PUBLIC HEARING, AND FINAL ADOPTION:

O.1895-2015 No comment was made.

O.1896-2015 No comment was made.

19. DISCUSSION ITEMS:

Council President Diehl:

a. He said this will be presented on Wednesday.

b. He said this appointment will be on the agenda for Wednesday.

Councilmember Gomez:

None

Councilmember Karabinchak:

None

Councilmember Lombardi:

None

Councilmember Mascola:

- a. He asked how a resident gets placed on the Township call list for emergencies.

Ms. Ruane said residents can call the Township to be placed on the list.

Councilmember Prasad:

None

Councilmember Shah:

- a. She asked if we have the fire report on the DPW fire and if not is there a timetable on when it will be completed. She asked if the prosecutor is still involved.

Ms. Ruane said we do not have the fire report as of yet and yes, the prosecutor is still involved.

CLOSED SESSION:

The Council retired to Closed Session at 7:26 p.m., on a motion made by Councilmember Lombardi, seconded by Councilmember Shah and duly carried. The Township Clerk read the following Resolution into the record:

CLOSED SESSION RESOLUTION

WHEREAS, Article VI of the Open Public Meetings Act provides that a public body may hold a closed session; and

WHEREAS, the Township Council will during this meeting enter into discussion of the following matters:

- 1) Personnel

WHEREAS, the matters to be discussed in closed session are to remain in the strictest of confidence by all Council Members in furtherance of their fiduciary duties to the Township of Edison;

NOW, THEREFORE, BE IT RESOLVED, matters discussed at this meeting will be released to the public when the reasons for discussing and acting upon them in closed session no longer exists.

The Council returned from Closed Session at 8:10 p.m., on a motion made by Councilmember Lombardi, seconded by Councilmember Shah and duly carried.

On a motion made by Councilmember Lombardi seconded by Councilmember Shah, with all in favor, the meeting was adjourned at 8:10 p.m.

Robert Diehl
Council President

Cheryl Russomanno
Acting Municipal Clerk