

Work Session
Mayor and Council
March 10, 2011

A Work Session of the Mayor and Council was called to order at 7:40 p.m. by Mayor Barra who announced that the requirements of the Open Public Meetings Act were met by the required posting and notice to publications.

The following individuals answered roll call: Council members Bernstein, LaMonica, Schoepflin, White, Wilczynski and Mayor Barra. Mrs. McCarthy and Mr. Bole were also present.

Public Comment

Mr. Bruce Beck of 203 West Allendale Avenue was present to discuss his water bill. He said he was at the January 6, 2011 meeting of the Mayor and Council and his issue has not been resolved although he was assured it would be.

Mr. Barra said it was his understanding that Mr. Beck's water bill issue had been resolved. The Water Committee met the day after Mr. Beck came before the Council. The billing issue Mr. Beck raised previously raised by a glitch in the billing system and it was resolved. He asked if the issue being raised this evening was a different issue.

Mr. Beck said the issue of his check not being applied to his account was resolved. He continued to describe his current concern.

After some discussion Mrs. Wilczynski asked Mr. Beck if he was trying to charge the Borough a reverse late fee.

Mr. Beck said he should receive a \$30 credit because the town had use of his \$77 for two years.

Ms. LaMonica said the interest rate Mr. Beck wants to charge the Borough is approximately 40%.

Mr. Barra said his response is no, but he will discuss this with the Water Committee and give Mr. Beck a formal response.

Solid Waste Collection Contract

Mrs. White said currently Allendale pays \$372,000 per year for collection of solid waste in addition to \$187,182.75 for disposal with a total cost of \$559,182.75. The garbage contract is up on April 15th. We received bids in February and were shocked with the bids that were received. The lowest bid was from Suburban Disposal which is the company we currently use. For a three year rear yard contract the price was \$342,000 per year with a \$165,000 tipping fee and \$1500 for Crestwood collection to total \$508,500. This would be an annual savings of \$50,682.75. The cost for curbside collection would be \$204,000 per year plus a \$165,000 tipping fee and \$1500

for Crestwood collection to total \$370,500 per year. That would be an annual savings of \$188,682.75.

There is also an option for a five year contract. The price for five years of rear yard pickup was bid at \$349,000 per year with a \$167,500 tipping fee and \$1500 for Crestwood to total \$518,000 per year. For a five year curbside contract the numbers are \$204,000 per year with a \$167,500 tipping fee and \$1500 for Crestwood to total \$373,000 per year. That number would result in a savings of \$186,182.75 a year.

Mrs. White said there are a couple of things to keep in mind. Each tax point is \$130,000. The savings would amount to approximately 1.5 tax points. We currently are mandated to keep our tax increases to a 2% cap. Two percent would be about \$260,000 on our budget. She commented that the numbers are astonishing.

Mayor Barra also commented that the bidders were also asked to give a price for once a week pickup. Suburban who is the present contractor and also the low bidder gave the same bid for once a week verses twice a week pickup, so once a week pickup was eliminated as an option to be considered. Mr. Barra said he received 12 to 15 e-mails and some phone calls. The overwhelming number of people he heard from appreciated the cost savings and said they were okay with curbside collection. One person found garbage at the curb to be an aesthetic issue. One person said he would rather have curbside collection than see a Borough employee lose their job. Another said she wouldn't like to see the contractor lay off a worker if the Borough chooses curbside collection. Mr. Barra said he doesn't think that will be an issue because the contractor serves more than one town and when the employees leave this town they go on to another. Mr. Barra referred to an individual who lives on Brookside who said she has a 365 foot driveway and curbside collection would be an enormous imposition. Another person asked if any arrangements would be made for someone who is a senior or has a disability. Mr. Cauwenberghs has spoken to the contractor who said he would charge a reasonable fee for someone who cannot bring their garbage to the curb. Mr. Barra had four e-mails from senior citizens who were more concerned about their taxes and being able to stay in Allendale. He also had a call from an 89 year old man who was born and raised in Allendale. He had previously signed a petition for the town to stay with rear yard collection but he has since changed his mind due to the financial advantage of curbside collection.

Mrs. White added that the contractor will offer a monthly fee for any resident who wishes to continue to have rear yard pickup.

Ms. LaMonica said she believed the price for this service will be about \$40 a month and the contractor will need 50 people in order to offer this service.

There was a discussion about the hours when garbage can be put to the curb and when it must be taken in. Currently those hours are 6 p.m. the night before the collection and 6 p.m. the day of the collection. Ms. LaMonica said the Council has talked about amending those hours.

Mr. Barra opened the meeting to the public for comments.

Mr. Gary Kositis of 27 Edgewood Road said he came to speak on favor of curbside pickup. He has heard that there is a link between curbside pickup and lowering property values. He couldn't find any correlation but he did find a correlation between the effect of high property taxes on property values. Mr. Kisitit enumerated the number of curbside pickups that have already been held this year due to bulky trash and recycling. He noted that other towns in our immediate areas have dealt with the same issues that Allendale is dealing with and they have managed to survive. He believes it's great to give residents the option of rear yard pickup if they want to pay an additional fee for it. When he looks at New Jersey he sees the perfect financial storm. Home rule from an organizational standpoint is a train wreck and the underlying issue for many of the problems that we have. Sharing services is the only way to get rid of home rule. Mr. Kisitit stated that sharing services with other Departments of Public Works and Police Departments has the potential to impact on people's livelihood and possibly public safety, but this particular decision is relatively painless.

Mr. Barra commented that a lot of towns have not had the transparency that Allendale has had in communicating with their residents.

Bob Benz of 148 Myrtle Avenue said that in the past he has been a big proponent of rear yard pickup, but based on the recent numbers, he is a recent convert to curbside collection. Mr. Benz has found his personal dealings with Suburban to be wonderful. There are problems with people who don't manage their garbage. The garbage collectors reach the point that they ignore garbage that is out for weeks in cardboard boxes and other receptacles that they don't take. Suburban doesn't pick up items at the Foreit site. His biggest issue with Suburban is that they do a bad job emptying the receptacles in the downtown area. The garbage can lids are left upside down. This week one side of the street was emptied but the cans by the Post Office were overflowing. If we are going to give them a five year award they have to provide a better level of service in this area. Snow is an issue that concerns him about curbside collection. Also plastic cans will blow into the street when they are empty. He suggested the hours of 6 p.m. to 6 p.m. may be unrealistic for people who are coming home from work to get their garbage cans away from the curb. He concluded that he has an issue with the cleanliness of the Recycling Center. There are many bags in the trees and the property which could be cleaned up by the people who work in the facility on the weekends.

Mr. Barra said he is working with the Boy Scouts to get the stream across from the A&P cleaned up. Now that the town commingles, items can be placed in a plastic bag and then into the bin. This will help to eliminate the items that are blowing around the town.

Mr. Benz said the morale among the DPW employees needs to be improved. He thinks if we offer a five year contract to Suburban there should be a quarterly review of their service.

Mr. Bernstein asked if there is a requirement for a resident to use a garbage can or if they can only use plastic bags.

Mr. Barra said he didn't believe there was a requirement. There is an issue with animals getting into plastic bags, however. There has previously been a discussion about Chatham in which this contractor was selling bags for garbage collection to their residents. Mrs. White said the

contractor should be able to save a great deal of time with curbside collection and garbage would not be left out for pickup for as many hours.

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Mr. Frank Scardino, Director of Operations for Future Sanitation said Allendale is one of five towns in Bergen County that requires having the hauler pay for disposal fees. The average cost to municipalities in our area is \$58-60 a ton. The price Allendale was given in the bid by Suburban was \$66 a ton. To dispose of solid waste ourselves would be a big savings. He stated that the competition would have been better if the bid had not included disposal costs. As a smaller company when he pays disposal costs he has to wait to be reimbursed by the town and that is difficult financially. Larger companies can afford to wait for reimbursement. Mr. Scardino asked if it was considered to put out a bid spec for disposal only.

Mayor Barra said at one point Allendale used to collect its own garbage. Allendale also used to dispose of its own solid waste. There were issues with the contractor dumping more items than what was collected in Allendale. Our Director of Operations realizes that these prices are higher but they eliminate this issue.

Mr. Scardino said today's disposal costs are the lowest in ten years. He stated that our current procedure is to reimburse the contractor for disposal costs but there is nothing to prevent that contractor from including additional items before the trucks are taken to a disposal facility. Diaz failed because they didn't have the financial backing to cover the disposal fees. Mr. Scardino urged the Council to test the waters and call the transfer stations before they make a final decision.

Mayor Barra said the savings would amount to approximately \$2500 a year. He added there are a lot of things to be considered on each side of the equation of rebidding. On Monday morning he will speak to Mr. Cauwenberghs who is capable, knowledgeable and incredibly honest.

Also with regard to curbside vs. backyard service, Mr. Scardino said animals are an issue with curbside service. Wind is another factor. With backyard service if an animal gets into your garbage it is at your doorstep and not in the road. Twenty-one of the towns he services have curbside pickup and one has backyard service.

Bill Scharff of East Crescent Avenue said he is in favor of saving money if it is done in the right way. He is concerned about cans in the road and the mess that will come along with having garbage at the road. The town can't get the town to follow-up on snow removal. Mr. Scharff also has a house in Secaucus and garbage is an issue there. He also said the town should investigate the additional savings for disposal costs that were pointed out earlier this evening.

Mr. Barra said there is almost nothing the town can do to save such a large amount of money in five years.

Bob Benz of 148 Myrtle Avenue asked if it was a good idea to take less than a three or five year contract because there are times when locking in for the long term isn't the best choice.

Mr. Bernstein asked if we could have a three year contract with a two year option.

Mayor Barra replied that we have to deal with the choices we offered.

Molly Kissel Patrick of 100 Elmwood Avenue asked if this lower bid will affect the tax rate or if it will only eliminate a service.

Mr. Barra said taxes will not go lower but the increase will be less because of a lower garbage cost.

Ms. LaMonica said the 2011 budget isn't locked in at this point in time but if the town doesn't take this savings the taxes will increase more than if we did take this savings. She said the Council estimates the tax increase will be between 0 and 1% which is very good when you look back to 2005 when increases were in the range of 7 to 11%. The municipal portion only represents 26 cents of the tax dollar. With regard to questions about Northern Highlands and Allendale elementary, they operate on a fiscal year not a calendar year. Ms. LaMonica recommended speaking to the Business Administrators at each of the districts and directing any Borough financial questions to her.

Mayor's Report

Mayor Barra stated that Mayor Dick Martell of Mahwah passed away on Monday. His funeral will be held on Saturday. Mr. Barra called him a good man who gave his life to Mahwah. He has had congestive heart failure for some time. His wife does all of the substitute assignments for the Mahwah School District.

PSE&G Update

Mrs. White said PSE&G has finished at Orchard and Franklin. They will spend about a week at each of their new locations.

On a motion by Mrs. White, seconded by Mrs. Wilczynski, the Council voted unanimously to adjourn to Regular Session at 9:12 p.m.

Respectfully submitted,

Gwen McCarthy
Municipal Clerk