

Work Session
Mayor and Council
March 14, 2013

A Work Session of the Mayor and Council was called to order at 7:39 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, McSwiggan, Strauch, White and Mayor Barra. Mrs. Wilczynski arrived at 8:10 p.m. Ms. LaMonica was absent. Mrs. Goddel and Mr. Bole were also present.

Public Comments

Mr. Jim Walsh, the New Jersey Director of Food and Water Watch, a non-profit organization with an office in New Brunswick was present.

He stated that his organization is very concerned about water privatization in general. They try to be of service to municipalities that are dealing with the issue of water privatization. There is a movement right now in which private water companies are making a conscious effort to buy up, control and maintain all of the water on the planet. His organization is concerned about something that people need to live being treated as a commodity.

The Food and Water Watch group has seen the costs associated with private water companies exceed those of municipal systems. He hasn't looked at the financial data yet but his group will be seeking information to better evaluate the water system Allendale currently has. He referred to an article that was in the paper about United Water increasing their rates. That rate increase won't concern this deal but it will affect the facilities that they own and the bulk water that Allendale buys from United Water. In many instances the public/private partnerships that are being established can and often do lead to broader purchases down the road. Private water companies have a long term plan to "get their hands" on public water systems. There is a conscious effort to own, control and maintain water around the globe including our water here in New Jersey and in Bergen County.

Mr. Walsh noted that the capital improvement cost of \$5,000 that is in the proposed contract with Allendale is a very low number. He doesn't know what capital cost the other bidders came back with but that may be the reason why United Water's bid was so much lower. He added that the cost of oversight isn't factored in anywhere and that will be needed. Re-municipalization costs aren't included in the price in the event that the municipality wants to take the system back.

Mr. Walsh encouraged the Council to read the report that is included in the packet of information that he distributed to them. He said there is a possibility of pay cuts and fewer benefits for employees who worked for the municipality who would be working in the future for United Water.

Mr. Walsh said his organization is consistently opposed to water privatization both ideologically and practically. In summary he believes privatization brings lower service and quality, higher rates for consumers and lower employment and pay.

Mayor Barra cautioned Mr. Walsh that some of the comments he made to him before the meeting were either inaccurate or don't accurately reflect the terms of the contract. Mr. Barra stated that he expects Mr. Walsh to give Allendale's residents an accurate representation of what is going on because if he gives out inaccurate information he will be called to task about it at the public hearing.

Mr. Barra said this issue is something the Council has looked at for over a year and they believe it is in the best interest of Allendale's residents from a cost and a service perspective. He insisted that Mr. Walsh provide the residents with an accurate reflection of the facts of the contract.

Mr. Walsh asked what inaccurate statements he had made.

Mr. Barra responded that earlier Mr. Walsh had made several statements which he assumed were accurate but were not. They included remarks about the current employees all going to United Water and Allendale not being left with employees who were knowledgeable about how to take the system back if necessary. There are also statements on their handout which are incorrect, including saying the contract has "loopholes" and indicating that the Water Department's capital budget has changed. He reiterated that statements to the residents must be fair, unbiased and factual.

Mayor Barra recommended that Mr. Walsh secure additional information about the Water Department by viewing the Borough's website and the Water Utility Budget.

There was further discussion between Mayor Barra and Mr. Walsh.

Mr. Barra said the Borough is not giving up control of the Water Department, they have the ability to make changes if they have to, and the items he had read on the Food and Water Watch website are not very different from what is being done with this contract.

Mrs. McSwiggan said she would meet with Mr. Walsh.

Mr. Walsh said he would provide his materials to Council members and asked for them to tell him if they see any errors in the information.

Mayor Barra said the items Mr. Walsh has requested will be provided to him, and Mrs. McSwiggan has asked that Mr. Walsh provide his materials to the Council.

Mayor Barra opened the meeting to the public for additional comments.

Mr. Mark Savastano of 22 Vreeland Place said he heard an earlier conversation between Mr. Barra and Mr. Walsh. He said he did not have all the information but he is concerned about two

issues: he is against having a foreign company having anything to do with managing, owning or distributing Allendale's water supply, and the fact that the residents have not had access to this document.

Mr. Barra said all of the request for proposals, the documents including the proposal by United Water and the contract are available to the public. There will be a public hearing on this issue on March 28th. There will be an additional seven day period for comments by the residents. The contract will then go to the Boards of Public Utilities for comments and then the issue will go back to the Council before a vote is taken.

Mrs. White said the issue has been discussed publically for over a year. Allendale has been in partnership with United Water for a number of years.

Mr. Barra said the information is available and he invited people to come in and take a look at it. He agreed with Mrs. White that this has been a long process and it has been discussed publically many times.

Mr. Barra said he is concerned about being confronted with issues that reflect a misunderstanding and misconception about this process.

Mr. Savastano said if there are issues that are of concern they should be raised to the public.

Mayor Barra agreed. He said he would like facts presented at the public hearing which people can agree or disagree with, but they will be discussing facts and not assumptions or innuendo.

Agenda Review

Ordinance 13-03

Mr. Barra clarified that a five year plan was set up a year ago that allowed for a five percent increase on water rates with an additional three percent for commercial customers. The commercial customers had not been paying the same amount as residential customers. It was decided that this year the residential rates would not be raised, but the rates for the commercial customers will be raised by three percent to bring the two groups closer together so they can meet the five year plan.

Ordinance 13-05

Mayor Barra stated that this ordinance establishes the position of Deputy Municipal Clerk for the Borough of Allendale. Mrs. Coleen Goddel was present this evening filling in for Mrs. McCarthy. The position of Deputy Clerk was established upon the retirement of Mrs. Knispel and the job has been restructured but costs have been kept the same. Mrs. Goddel will be doing more to assist the Municipal Clerk in many different areas.

Ordinance 13-06

Mr. Barra said that this ordinance will be introduced tonight. Its intent is to make the Borough responsible to repair those sections of the sidewalks and curbs that have been uprooted by Shade Trees. Such repairs are normally the responsibility of the homeowner.

Municipal Budget

The Municipal Budget will be introduced this evening and the public hearing on the Budget will be held on April 25th.

On a motion by Mr. Strauch, seconded by Mrs. White, the Council voted unanimously to adjourn to Regular Session at 8:15 p.m.

Respectfully submitted,

Gwen McCarthy
Municipal Clerk