

**REGULAR TOWNSHIP MEETING  
MUNICIPAL BUILDING**

**April 26, 2011  
DELRAN, NJ**

**CALL TO ORDER**

**SALUTE TO THE FLAG**

**Sunshine Statement:** Be advised that proper notice has been given by the Township Council in accordance with the sunshine law in the following manner. Notice advertised in the Burlington County Times and Camden Courier Post on December 23, 2010 and posted on the bulletin board on the same date.

**ROLL CALL:** Mrs. Kolodi, Mr. Schwartz., Mr. Moran and Mr. Morrow were present. Mr. Catrambone arrived at 7:20 P.M.

**ALSO, PRESENT:** Mr. Paris, Mayor, Mr. Long, Solicitor, Mr. Hatcher, Administrator and Ms. Eggers, Municipal Clerk.

Mr. Schwartz made a motion seconded by Mr. Moran to approve the minutes for March 2, 2011, March 9, 2011, March 16, 2011 and March 22, 2011.

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran and Mr. Morrow voted aye.

Ayes: 4  
Nays: None

**2011 MUNICIPAL BUDGET**

**TOWNSHIP OF DELRAN  
RESOLUTION 2011-49**

**WHEREAS**, N.J.S.A. 40A:4-8, as amended by Chapter 259, P.L. 1995 provides that the budget may be read by title only at the time of the public hearing if a resolution is passed by not less than a majority of the full governing body, providing that at least one week prior to the date of hearing, a complete copy of the budget has been made available for public inspection in a free library, if any located within our municipality and a county library. If there is no county library located within the municipality, then it must be provided to any county library in the county wherein the municipality is located. Further, the public officer delegated the responsibility for delivery of the copies to said libraries has completed a certification forwarded to the governing body that such deliveries were made and copies have been made available by the Clerk to persons requesting them; and

**WHEREAS**, these two conditions have been met.

**NOW, THEREFORE, BE IT RESOLVED**, that the budget shall be read by title only.

Mr. Moran made a motion, seconded by Mrs. Kolodi to adopt the Resolution 2011-49.

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran, Mr. Catrambone and Mr. Morrow voted aye.

Ayes: 5  
Nays: None

Motion Approved

## **PUBLIC HEARING ON 2011 MUNICIPAL BUDGET**

Mr. Moran made a motion, seconded by Mr. Schwartz to open the meeting to the public for comments on the 2011 Municipal Budget. All were in favor, motion approved.

Mr. Hatcher went through the budget information packets provided for the residents. The municipal tax rate went up 1.5 cents, for the average assessed home owner, the increase will be \$32.95 per year. In regards to the sewer utility budget, Mr. Hatcher reported that the minimum bill for residential users is increasing from \$82.15 to \$102.75 and the commercial rate is increasing from \$143.00 to \$197.20. The sewer budget has been reduced the budget from 2010 to 2011. We only provided one year of information because this is our first year with the Sewer Department. Mr. Hatcher stated that over the last several years, revenues from connection fees and interest income continued to go down.

William Pfeffer, 43 Chester Avenue, stated that in the sewer budget there appears to be an increase in salary and wages of \$327,000 over last year and asked if someone can explain.

Mr. Hatcher stated that that information is incorrect, he does not have the exact numbers with him tonight, but the salary and wages went down.

Mr. Pfeffer asked if the individual salaries for the employees in the Sewer Department went up from last year.

Mr. Hatcher stated that contractually they went up 3% but the total salary budget went down. He can get the information together from the previous Sewer Authority Budgets.

Mr. Pfeffer stated that in previous minutes Mr. Hatcher relayed to Council that the Sewer Authority had exceeded revenues in the amount of \$500,000 to \$600,000 in 2009 and 2010. He asked if that information is correct.

Mr. Hatcher stated that he is not sure about both years but as per the audit, it was stated that they spent about \$500,000 more than their revenues.

Mr. Pfeffer asked who was responsible for the oversight of the Delran Sewer Authority.

Mr. Paris stated that it was an autonomous body.

Mr. Long stated that there is an oversight at the state level not at the Township level.

Mr. Moran stated that Council had been watching the Authority but we had no control.

Mr. Pfeffer asked if a previous Sewer Authority Member is receiving extended healthcare benefits through June 24, 2012. He believes that this benefit is \$400.00 a month.

Mr. Hatcher stated it was an employee, not a Board member and it was a benefit that was a contractual obligation.

Mr. Pfeffer stated that over a 25% increase in sewer is just outrageous. We are forcing this on seniors and residents on fixed income. He expects this Council to keep a tight watch on the budget.

Mr. Paris stated that this Council has worked very hard on the municipal budget and we will continue to do the same on the sewer budget.

Mr. Pfeffer stated that last year Council sat down with the School Board and gave them everything they wanted when their budget went down.

Mr. Moran stated that that is not correct; we reduced their budget by about \$350,000.

Mr. Morrow stated that some of the increase in the school budget is the referendum that was approved by the votes. Council has no control over that portion of the budget. We did cut \$350,000 from the portion of their budget that we could control.

Mr. Catrambone stated that he was on the sub-committee that met with the School Board last year to review the budget. They received a significant reduction in state aid. There were many people here last year asking us to increase the school budget. He let the residents know that because the budget failed we needed to reduce the budget. We cut an amount that we felt was fair and would not impact the students.

Mr. Catrambone stated that as far as the Sewer Authority is concerned the board to not raise rates in two years when it was recommended by the audit. They chose to spend down their surplus and that combined with the drop in revenues has created this problem. The rate increase was necessary to run the Sewer Department. We hope that things will stabilize over the next few years once the debt is paid off in 2013.

Mr. Pfeffer asked if any of the Sewer Authority members are now employed by the Township full-time.

Council stated that no member of the previous Sewer Authority Board is an employee of the Township.

Mr. Pfeffer asked if any of the township's 4.4 million dollar surplus, can help with the impact of the sewer increase.

Mr. Hatcher stated that it could not help without severely impacting the township's budget.

Mr. Paris stated that this Council cares very much about the residents of this town. We have worked very hard over the past few years to keep this budget down. The employees have also helped keep the cost down.

Mr. Pfeffer asked if the municipal workers contribute any money towards healthcare.

Mr. Hatcher stated that they will begin contributing at the end of this year but at this time, they do not.

Mr. Pfeffer stated that after working in the private industry for a few years now, the going rate of contribution towards healthcare is about 15% - 20%. The employees here are making fantastic money and they can afford to begin contributing.

Don McCabe, Faunce Street, stated that as long as we keep thinking in the box we will not get there. We need to start thinking outside the box. He asked what happened to the six million dollars that the Sewer Authority misappropriated before the Township took over. The Township should have put a stop to any spending by the Authority. He stated that he asked for receipts and the only one he was received was for the purchase of a truck. He asked why we gave the employees a raise after all of this.

Mr. Moran stated that we decided to honor the contract of the workers. We wanted to give them stability.

Mr. McCabe stated that we are paying more in salaries for administration than we are for workers. He stated that the Superintendent is making \$104,000.

Mr. Moran stated that they are all workers.

Mr. Morrow stated that the salaries were all negotiated by the Sewer Authority. All this Council did was honor the contract.

Mr. Hatcher stated that the Superintendent did not receive a salary increase in 2011. Mr. Hatcher stated that if he reviews the sheets provided on the sewer budget he will understand the drop in revenues. He even went back and provided numbers in the charts from 2007. Because of the economy, interest on investments have dropped and also connections fees. If there is no rate increase it does not take long for three million dollars in surplus to disappear. That is why it is so important to manage the surplus.

Mr. McCabe stated that the members of the Authority misappropriated funds.

Mr. Moran stated that the only thing they did was use those funds to balance their budget.

Mr. Catrambone stated that for the last several years there was some poor decision made. Even if we did a forensic audit, all we would find out is that they used cash to buy most things.

Mr. Morrow stated that Council asked why they did not bond for the purchase of the truck. The Authority was advised by their Auditor to use the cash.

Mr. Moran stated that we may not agree with the fiscal management policy of the Sewer Authority but the members of that Board deserve better than this. They put in a lot of time.

William Pfeffer, Chester Avenue, stated that on the line item budget that is on the computer, the salary line item for the Sewer Department shows an increase over 2010 of \$327,860. He asked Mr. Hatcher if he can answer if that is correct.

Mr. Hatcher stated that he is not sure what he is seeing but he quickly added the numbers up and there is a decrease in that total line item from 2010. He would be happy to provide him with the number but he does not have them here tonight.

Harry Fox, 15 Clay Street, stated that he was a past member and Chairman of the Sewer Authority. Mr. Fox stated that he wanted to clear up the question on the salary line item. The document on line does show that increase but he believes that the 2010 number reflects only half the year because Council did not assume the Authority until July 14, 2010.

Mr. Fox asked why the income from service fees was reduced to \$2,893,000, when we have been collecting over \$3,000,000 each year.

Mr. Hatcher stated that it is the maximum amount that we can anticipate because of what was collected last year. Also, the water consumption numbers were down from last year.

Mr. Fox stated that there was nothing on the charts about capital improvements.

Mr. Hatcher stated that we budgeted \$32,500 for down payment money on capital projects, which is too small to show up on the charts. Most of the money would be shown in debt service.

Mr. Fox thanked Council for his appointment to the Sewer Authority and also the Zoning Board.

Mr. Fox stated that the jetter cost \$292,000 and he contacted the Auditor to ask whether they should bond for the cost. He stated that the bond costs would have been about 25% - 30% of the cost of the truck. They were advised that because of the cost to bond, it would be better to pay cash. They looked at the possibility of using one of the Township trucks, but it could not handle what they needed.

Mr. Fox stated that the Sewer Authority audits were prepared by Bowman & Company, which is the same company used by the Township. As of December 31, 2009, the audit stated that the Unrestricted Funds were \$1,540,454. Total net assets were \$9,515,940.86. In the overall analysis, it states that the Authority is in overall sound financial condition. As of July 14, 2010, the unrestricted funds were negative \$829.00. He stated that he does not know where that number came from but it seems funny that in March 2010 when they were handed the audit they were in sound financial condition. Then someone else hires them and as of July 14, 2010, it is reported as negative \$829.00.

Mr. Catrambone asked him what he is trying to say.

Mr. Fox stated that the only knowledge they had was what the Auditor reported to them.

Mr. Hatcher stated that the 2009 audit also called for a rate increase.

Mr. Fox stated that when the article came out in the Burlington County Times, he did not want to comment because he was trying to get out if he said she said. Now he wants to find out what happened. He feels that it may be a different accounting system.

Mr. Catrambone asked if it is possible that they used a different accounting system to prepare the audit.

Mr. Hatcher stated that the audit was prepared based on the Authority's operations.

Mr. Fox stated that the 2009 audit states that a 2010 rate increase may be implemented to account for the reduction in connection fees. It does not state that a rate increase is required.

Mr. Hatcher stated that the Auditor only makes recommendation.

Mr. Fox stated that the July 14, 2010 audit mandates an increase.

Mr. Hatcher stated that is due to having a negative surplus.

Mr. Fox stated that the 2010 Sewer Authority budget was reviewed by the Auditor and sent to the state. They eliminated one administrative position and also a lab position which reduced their 2010 budget by 2%.

Mr. Morrow asked Mr. Fox what the percentage of increase was given to the non-union Sewer Authority employees.

Mr. Fox stated that it was around 2%. They used to give 3% but it was cut down over the last two years.

Mr. Paris asked what the percentage increase was for the Superintendent.

Mr. Hatcher stated that it was 5% the first year and then 4% each year after for the remainder of the contract.

Mr. Fox stated that he agreed with those numbers.

Mr. Fox stated that he is not putting blame on the Auditor but his recommendation is all they have to go on.

Mr. Moran stated that he appreciates Mr. Fox trying to determine whether the reports are correct.

Mr. Fox stated that that is exactly what he is getting at. He relied on the professional reports just as we do. Mr. Fox reported that the Sewer Authority gave funds to the Township every year. They always gave the maximum amount by law.

Mr. Moran stated that Council did not take those funds in 2010.

Mr. Fox stated that there was an inter-office memo from the Sewer Authority Administrator that indicated the surplus was \$1,461,312.69 in surplus as of October 2009. He also spoke to the Auditor who confirmed that surplus. Mr. Fox stated that there have been some statements made that there was no transparency. He stated that two of the members of the Authority were appointed by this Council. He feels that there was transparency. Mr. Fox asked if Council was able to save the \$100,000 that was anticipated in the feasibility study.

Mr. Paris stated that we were able to save money in salary and wages. Unfortunately, when we took over we were not aware of the financial condition.

Mr. Fox stated that he was also surprised with the condition. He did not want to get involved with but after two articles in the newspaper and the website, it is beginning to affect him professionally and personally.

Mr. Moran stated that he was never about blame.

Mr. Fox stated that the article said that the Authority ignored pleads by the Auditor to raise rate. Mr. Fox stated again that the 2009 Audit stated that the Sewer Authority was in good financial condition, there were no pleads to raise rates. He stated that they can ask all seven members of the Authority if the Auditor ever came to them to demand that they raise rates. The Mayor's Message on the Township website stated that the Sewer Authority drained the surplus to negative \$829.00 and that they operated with blatant disregard to the residents of Delran.

Mr. Paris stated that he said that because he feels the funds were mismanaged.

Mr. Morrow stated that this Council did not want to see the \$1.5 million in surplus diminished. We were shocked when we saw the audit.

Mr. Fox stated that he is going to have an independent Auditor look at this and take action.

Mr. Catrambone stated that if he is going to do that, without it costing the residents anything, he will do anything he can to help.

Mr. Fox stated that he feels everyone should hold their opinion on who is right until we figure this out. He stated that there is also a shell game with the Auditor and knowing that raising rates is going to hurt Mayor and Council, they may want to be able to place blame on the Sewer Authority.

Mr. Long stated that he advised Council to keep the Authority in place and let them face the rate increase.

Mr. Fox stated that he wished that they would have done that.  
Mr. Paris stated that we will now be accountable to the residents.

Mr. Fox stated that when we were going through the dissolution he stated that only time will tell whether we will save money. Well time has told.

Mr. Morrow stated that this Township now be responsible for the sewer budget.

Mr. Fox stated that the plant is in great shape and we should not have to make any repairs.

Mr. Morrow stated that that is great for the residents and in 2013; the debt from the plant will be paid off.

Mr. Fox stated that he does feel the Authority would have raised the rates in 2010, but he does not feel the Authority would have raised the rate 25%. He feels that they would have been able to hold the increase to 5%.

Mr. Hatcher stated that the Authority would not have been able to make their debt payment without raising the rates. The Township had to loan the sewer budget \$500,000 to make the payment.

Mr. Fox stated that he believed that was a cash flow problem, because the bill were late, not a budget problem.

Mr. Hatcher stated that it was both. He stated that if Mr. Fox has a financial analysis done it is clear where the money went. When the expenses exceed the revenues, it is very easy to diminish the surplus. Mr. Hatcher stated that in the 2010 budget they anticipated \$100,000 in investment income, when in 2009 they only received about \$9,000 in interest income. That combined with the connection fees anticipated is about \$150,000 of income that was not realistic. There was not enough revenue coming in to keep up with the expenditures.

Mr. Fox stated that there was a lot of money spent on a court order which mandated upgrades to the plant. By 2013, one million dollars in debt service will be gone. Mr. Fox stated that he was advised by the Auditor that the 1.2 million dollars in surplus was sufficient, and that is why they chose to buy the jetter truck in cash. The only reason he came tonight is because of the press, he is not easy to read. Some of the things that were said, especially on the website, are making residents think someone ran away with 1.5 million dollars.

Mr. Moran stated that he would never accuse anyone of misappropriating funds. It was a fiscal policy that the Authority used the surplus to put back into the budget and now there is no more surplus. The dissolution of the Authority was nothing personal.

Mr. Morrow stated that Council executed their rights to take over the Authority. This Council did not spend any of the 1.5 million dollars in surplus from the Authority.

Mr. Fox asked if Council, in the meantime, could stop making statements about funds being mismanaged until this is worked out.

Mr. Paris stated that we relied on our professionals and when we saw the audit numbers, we were shocked. He did question how that money was managed.

Mr. Catrambone stated that if there is anything he can do to help find out where that money went please let him know. He stated that we did not influence the auditor in anyway.

Mr. Fox asked if the 2010 Audit is finished.

Mr. Hatcher stated that it is being completed now.

Mr. Fox stated that it will be interesting to see those numbers and asked when it will be complete.

Mr. Hatcher stated that it should be completed by the end of May.

Pat Pomeranz, 21 Alden Avenue, stated that she know the employees will begin contributing to their health benefits after this year but asked if Council ever looks at the actual benefits. Such as the possibility of change co-pays.

Mr. Hatcher stated that we moved all the employees to the state health benefits during the last negotiations, which had a significant savings.

Pat asked if that was because the benefits were changed or because we found a cheaper carrier.

Mr. Hatcher stated that we received savings from both. Every two years we review the benefits. At a minimum, the employees will begin paying 1.5% of their salaries to health insurance in 2012.

Pat stated that, with her company, the employees need to make up the difference if the health insurance rates go up.

Pat stated that in regards to the Sewer Authority, has anyone asked the Auditor to show them the receipts to see where the 1.5 million dollar surplus went.

Mr. Catrambone stated that it is not a forensic audit. They are there to make sure they are following the laws.

Pat asked why Council can't find out that information.

Mr. Catrambone stated that it will come at a cost to the Township and we will not get that 1.5 million dollars back.

Pat stated that it would have saved us months of aggravation if we all knew where that money went.

Mr. Moran made a motion to close the public hearing on the 2011 Municipal Budget. All were in favor, motion approved.

### **RESOLUTION 2011-50 RESOLUTION TO ADOPT THE 2011 CY BUDGET**

**BE IT RESOLVED**, by the Township Council of the Township of Delran, County of Burlington that the budget hereinbefore set forth is hereby adopted and shall constitute an appropriation for the purpose stated of the sums therein set forth as appropriations, and authorization of the amount of:

	a) \$10,704,500.00 (Item 2 below) for municipal purposes, and	
	d) \$325,000.00 Open Space, Recreation, Farmland and Historic Trust Fund Levy	
1.	General Revenues	
	Surplus Anticipated	2,500,000.00
	Miscellaneous Revenues Anticipated	2,105,500.00
	Receipts from Delinquent Taxes	375,000.00
2.	Amount to be raised by taxation for municipal Purposes (Item 6(a), Sheet 11)	10,704,500.00
	Total Revenues	15,685,000.00

Mr. Catrambone made a motion, seconded by Mrs. Kolodi to adopt the Resolution 2011-50.

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran, Mr. Catrambone and Mr. Morrow voted aye.

Ayes: 5  
Nays: None

Motion Approved

**ORDINANCES ON SECOND READING**

**TOWNSHIP OF DELRAN**

**ORDINANCE 2011-7**

**BOND ORDINANCE AUTHORIZING THE ACQUISITION OF REAL PROPERTY IN THE TOWNSHIP OF DELRAN; APPROPRIATING THE SUM OF \$450,000 THEREFOR; AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OR BOND ANTICIPATION NOTES OF THE TOWNSHIP OF DELRAN, COUNTY OF BURLINGTON, NEW JERSEY, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$427,500; MAKING CERTAIN DETERMINATIONS AND COVENANTS; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING**

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**BE IT ORDAINED** by the Township Council of the Township of Delran, County of Burlington, New Jersey (not less than two-thirds of all the members thereof affirmatively concurring), pursuant to the provisions of the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"), as follows:

**Section 1.** The purposes described in Section 7 hereof are hereby authorized as general improvements to be made or acquired by the Township of Delran, County of Burlington, New Jersey ("Township").

**Section 2.** It is hereby found, determined and declared as follows:

- (a) the estimated amount to be raised by the Township from all sources for the purposes stated in Section 7 hereof is \$450,000;
- (b) the estimated amount of bonds or bond anticipation notes to be issued for the purposes stated in Section 7 hereof is \$427,500; and
- (c) a down payment in the amount of \$22,500 for the purposes stated in Section 7 hereof is currently available in accordance with the requirements of Section 11 of the Local Bond Law, N.J.S.A. 40A:2-11.

**Section 3.** The sum of \$427,500, to be raised by the issuance of bonds or bond anticipation notes, together with the sum of \$22,500, which amount represents the required down payment, are hereby appropriated for the purposes stated in this bond ordinance ("Bond Ordinance").

**Section 4.** The issuance of negotiable bonds of the Township in an amount not to exceed \$427,500 to finance the costs of the purposes described in Section 7 hereof is hereby authorized. Said bonds shall be sold in accordance with the requirements of the Local Bond Law.

**Section 5.** In order to temporarily finance the purposes described in Section 7 hereof, the issuance of bond anticipation notes of the Township in an amount not to exceed \$427,500 is hereby authorized. Pursuant to the Local Bond Law, the Chief Financial Officer is hereby authorized to sell part or all of the bond anticipation notes from time to time at public or private sale and to deliver the same to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their date to delivery thereof. The Chief Financial Officer is hereby directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the bond anticipation notes pursuant to this Bond Ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

**Section 6.** The amount of the proceeds of the obligations authorized by this Bond Ordinance which may be used for the payment of interest on such obligations, accounting, engineering, legal fees and other items as provided in Section 20 of the Local Bond Law, N.J.S.A. 40A:2-20, shall not exceed the sum of \$90,000.

**Section 7.** The improvements hereby authorized and the purposes for which said obligations are to be issued; the estimated costs of each said purpose; the amount of down payment for each said purpose; the maximum amount of obligations to be issued for each said purpose and the period of usefulness of each said purpose within the limitations of the Local Bond Law are as follows:

<u>Purpose/Improvement</u>	<u>Estimated Total Cost</u>	<u>Down Payment</u>	<u>Amount of Obligation</u>	<u>Period of Usefulness</u>
		<u>†</u>	<u>§</u>	<u>§</u>
A. Acquisition of Real Property in the Township Located at 1207 South Fairview Street and identified on the Official Township Tax Map as Block 65.06, Lot 28.01, together with the completion of all work necessary therefor or related thereto	\$450,000	\$22,500	\$427,500	40 years

**Section 8.** The supplemental debt statement provided for in Section 10 of the Local Bond Law, N.J.S.A. 40A:2-10, was duly filed in the office of the Clerk prior to the passage of this Bond Ordinance on first reading and a complete executed duplicate original thereof has been filed in the Office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. The supplemental debt statement shows that the gross debt of the Township, as defined in Section 43 of the Local Bond Law, N.J.S.A. 40A:2-43, is increased by this Bond Ordinance by \$427,500 and that the obligations authorized by this Bond Ordinance will be within all debt limitations prescribed by said Local Bond Law.

**Section 9.** The full faith and credit of the Township are irrevocably pledged to the punctual payment of the principal of and interest on the bonds or bond anticipation notes authorized by this Bond Ordinance, and to the extent payment is not otherwise provided, the Township shall levy ad valorem taxes on all taxable real property without limitation as to rate or amount for the payment thereof.

**Section 10.** The applicable Capital Budget is hereby amended to conform with the provisions of this Bond Ordinance to the extent of any inconsistency therewith, and the resolution promulgated by the Local Finance Board showing full detail of the amended Capital Budget and Capital Program as approved by the

Director of the Division of Local Government Services, is on file with the Clerk and available for inspection.

**Section 11.** The Township hereby declares its intent to reimburse itself from the proceeds of the bonds or bond anticipation notes authorized by this Bond Ordinance pursuant to Income Tax Regulation Section 1.150-2(e), promulgated under the Internal Revenue Code of 1986, as amended ("Code"), for "original expenditures", as defined in Income Tax Regulation Section 1.150-2(c)(2), made by the Township prior to the issuance of such bonds or bond anticipation notes.

**Section 12.** The Township hereby covenants as follows:

(a) it shall take all actions necessary to ensure that the interest paid on the bonds or bond anticipation notes authorized by the Bond Ordinance is exempt from the gross income of the owners thereof for federal income taxation purposes, and will not become a specific item of tax preference pursuant to Section 57(a)(5) of the Code;

(b) it will not make any use of the proceeds of the bonds or bond anticipation notes or do or suffer any other action that would cause the bonds or bond anticipation notes to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code and the Regulations promulgated thereunder;

(c) it shall calculate or cause to be calculated and pay, when due, the rebatable arbitrage with respect to the "gross proceeds" (as such term is used in Section 148(f) of the Code) of the bonds or bond anticipation notes;

(d) it shall timely file with the Internal Revenue Service, such information report or reports as may be required by Sections 148(f) and 149(e) of the Code; and

(e) it shall take no action that would cause the bonds or bond anticipation notes to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

**Section 13.** The improvements authorized hereby are not current expenses and are improvements that the Township may lawfully make. No part of the cost of the improvements authorized hereby has been or shall be specially assessed on any property specially benefited thereby.

**Section 14.** All ordinances, or parts of ordinances, inconsistent herewith are hereby repealed to the extent of such inconsistency.

**Section 15.** In accordance with the Local Bond Law, this Bond Ordinance shall take effect twenty (20) days after the first publication thereof after final passage.

Mr. Schwartz made a motion to open the meeting to the public, seconded by Mr. Catrambone. All were in favor, the motion was approved.

Pat Pomeranz, 21 Alden Avenue, stated that in this economy we do not need to spend \$450,000 on the purchase of this property.

Mr. Long stated that the voters approved the open space tax and there is not much remaining land in the Township. Because of the economy, it is very inexpensive to borrow money.

Pat stated that she does not see many people using the parks that we have. She does not feel a dog park would be a good idea and now the Township will need to take care of another park.

Mr. Moran stated that we had many residents request that we use open space funds to preserve that property.

Pat asked what will be done with the open space tax once there is no more land to purchase.

Mr. Moran stated that it can be used for the improvement of Township parks.

Charles Carroll, 92 Pancoast Blvd., thanked Council for using those funds to preserve that land.

Raymond Reeve, 19 Harper Blvd., stated that he is in favor of preserving that land for open space. He stated that there is a lot of wildlife back there.

Kathy Morrow, 94 Pancoast Blvd., thanked Council for using the open space funds to purchase this property. This will benefit the entire community. She would love to volunteer to help come up with ideas for this park.

Dolores Cannone, 910 Hubbs Street, thanked Council for preserving this property. It is the right thing to do with the funds.

Pat Pomeranz, 21 Alden Avenue, apologized if she upset anyone. She understands where they are coming from and if she lived there, she would feel the same way. The entire town is spending that money and she just does not feel residents from other areas will use this park.

Mr. Paris stated that this issue has involved a lot of residents in that area. It is not just one person trying to get this done.

Pat Pomeranz asked why they chose to bond instead of using the cash available in the Open Space Fund, since we are not earning much interest on the money.

Mr. Hatcher stated that has been the policy of Council to use those funds to pay down debt service.

Anthony Cannone, 910 Hubbs Street, thanked Council for preserving this property.

Harry Zierler, 128 Jacqueline Avenue, thanked Council for all they do. He feels that when we improve something in one area we are doing it for the whole community.

Mr. Moran made a motion to close the public portion, seconded by Mrs. Kolodi. All were in favor, motion approved.

Mr. Catrambone made a motion, seconded by Mr. Moran to adopt the ordinance on second reading.

There being no question, the roll was called.

Mrs. Kolodi, Mr. Schwartz, Mr. Moran and Mr. Catrambone voted aye. Mr. Morrow abstained.

Ayes: 4  
Nays: None  
Abstained: 1

Motion Approved

## **RESOLUTIONS ON CONSENT AGENDA**

Resolution 2011-51 Refunding payment for Tax Sale Certificate #200730

Resolution 2011-52 Approving Final Change Order for Brown Street Pump Station a Reduction of \$700.00

Resolution 2011-53 Authorizing Delran Township to execute an agreement with Burlington County for cooperative participation in the Community Development Act of 1974

Resolution 2011-54 Awarding Janitorial Contract to Crystal Cleaning in the amount of \$17,000

Resolution 2011-55 Approving addendum to the contract for Jeffrey Hatcher, Business Administrator

Resolution 2011-56 Appointing Walt Bauer as the Emergency Management Coordinator and Kevin Devlin as the Deputy Emergency Management Coordinator

Resolution 2011-57 Waiving the quarterly sewer bill for residents affected by the fire in the Garden Club on January 1, 2011

Resolution 2011-58 Supporting Tom Davis, Tax Assessor to pursue an internal reassessment program on behalf of the Township

Mr. Moran made a motion, seconded by Mr. Catrambone to adopt the resolutions.

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran, Mr. Catrambone and Mr. Morrow voted aye.

Ayes: 5  
Nays: None

Motion Approved

## **MOTIONS**

Mr. Catrambone made a motion to appoint Keith Pogoda to the Zoning Board as Alternate No. 2 for a term to expire 12/31/2011. The motion was seconded by Mrs. Kolodi.

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran, Mr. Catrambone and Mr. Morrow voted aye.

Ayes: 5  
Nays: None

Motion Approved

Mr. Moran made a motion authorizing the payment of bills including all purchases made under the Cooperative Purchasing Agreement. The motion was seconded by Mrs. Kolodi.

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran, Mr. Catrambone and Mr. Morrow voted aye.

Ayes: 5  
Nays: None

Motion Approved

Mr. Moran made a motion, seconded by Mr. Catrambone to accept the report of the Tax Collector/CFO and the Township Clerk.

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran, Mr. Catrambone and Mr. Morrow voted aye.

Ayes: 5  
Nays: None

Motion Approved

Mr. Moran made a motion granting the mercantile licenses listed below. The motion was seconded by Mr. Catrambone.

1. Amcor Rigid Plastics, 2900 Cindel Drive
2. Juan's Elite Auto Sales, 150-11 Carriage Lane
3. SSS Auto, 207 A-2 Carriage Lane
4. Savaria's Pizzeria, 4000 Route 130 North Unit 20
5. Jojo's Auto Sales, 207-24 Carriage Lane
6. Cars Are Moving, 207-12 Carriage Lane
7. Premiere Motorworks, 207-16 Carriage Lane
8. Foyster's Dockside, 73 Norman Avenue

There being no questions, the roll was called.

Mrs. Kolodi, Mr. Schwartz., Mr. Moran, Mr. Catrambone and Mr. Morrow voted aye.

Ayes: 5  
Nays: None

Motion Approved

**REPORTS**

**Mr. Hatcher** – No report.

**Mr. Long** – Mr. Long stated that Mayor and Council received a letter from Mr. and Mrs. Mellwig regarding the flooding of the River Drive. Mr. Long recommended that we put this on the agenda for the May 18<sup>th</sup> work session.

**Mr. Bauer** – Mr. Bauer, Fire Commissioner, stated that we had an accident on Bridgeboro Road. The vehicle was a BMW and it held up very well.

Mr. Bauer stated that the Fire Department was out there during the floods on Saturday night into Sunday doing everything they could to help.

They also sent an engine and rescue truck into Maple Shade.

Captain Hullings stated that they have had an influx of fire alarm calls in the Grande, especially on Hawthorne Way. The units are a combination fire and carbon monoxide detector. They initially believed it to be the batteries but when they were replaced, it did not help. They removed the units and notified the residents that they had malfunctioned. Since then they have found out that the units have a seven year life span. After the seven years, there will be an intermittent chirp and it can not be turned off. The unit will have to be replaced

and will not work. This is the beginning of all 97 units in the development. We will be issuing a new release that will go to the property manager in the town homes section. They will also reach out to the manager for the single family homes. If the units are not replaced the residents will have no protection. The information will also be posted on the Fire Department website.

**Mr. Schwartz** – Mr. Schwartz thanked the Fire Department for the amount of work they did during the flood. He also thanked the Emergency Management Coordinator for gathering the information to apply to FEMA for funding.

Mr. Schwartz stated that the work on Yansick and Moreland will begin shortly.

Mr. Schwartz thanked Mr. Moran for his service.

**Mrs. Kolodi** – Mrs. Kolodi stated that it was an honor to be part on this Council during the proceedings tonight.

Mrs. Kolodi wished Councilman Moran the best and thanked him for his service.

**Mr. Catrambone** – Mr. Catrambone stated that Delran Clean-Up day begins on Thursday.

Mr. Catrambone stated that it was great to see many departments work together during the flood.

Mr. Catrambone stated that it was a pleasure working with Mr. Moran.

**Mr. Morrow** – Mr. Morrow echoed everyone's comments about the flooding near River Drive. He has never seen it this bad. Even the residents were out there helping their neighbors.

Mr. Morrow stated that John Moran is what a Councilman should be. He has learned so much from him. He is proud to call him a friend and wished him luck.

**Mayor** – Mr. Paris stated that the Fire Department and Sewer Department did a great job on the flooding. It was great to see a community come together.

Mr. Paris reminded everyone that the School Board election is tomorrow.

Mr. Paris stated that Mr. Hatcher worked very hard on the budget along with the Department heads.

Mr. Paris stated that he first talked to Mr. Moran back when he was on Council and he showed an interest in getting involved. Mr. Moran is one of the strongest people he knows and cares a lot about the residents and this community. He will miss him as a member of Council.

Mr. Paris presented Councilman Moran with a plaque in recognition of his service.

**Mr. Moran** – Mr. Moran stated that he will be leaving Council at the end of this month. He reminded the residents that we should do everything we can to volunteer in the community. He thanked all the residents, the Fire Department, EMT and all the volunteers. Mr. Moran thanked the Mayor and Council for the job they have done and feels like this Township is in good hands. He thanked the professionals, Mr. Long, Solicitor, and Mr. Valesi, Engineer. He stated that he is very grateful to all the employees that work for the Township, they do a tremendous job. Mr. Moran thanked Ms. Eggers and Mr. Hatcher for all they do.

**PUBLIC PORTION**

Mr. Schwartz made a motion, seconded by Mr. Catrambone to open the meeting to the public for any questions. All were in favor, the motion was approved.

Carolyn Mellwig, 26 River Drive, stated that around midnight on April 16, 2011, the river came right over the banks. She stated that she has never seen anything like this and for the first time she is afraid she will lose her house. All the trees are going right into the river and there is nothing there that will hold the river back. She stated that their neighbor lost their car in the storm and the Fire Department pumped two feet of water from their basement. The banks are in need of repair. She has sent pictures to Mayor and Council for them to review.

Mr. Morrow request that the residents attend the work session on May 18, 2011 to discuss this issue with the Township Engineer.

Kathy Morrow, 94 Pancoast Blvd., stated that TAR Construction in on the Planning Board agenda for next week and asked how fast the process is of acquiring the property.

Mr. Long stated that in general, the Township will make an offer to the owner and if it is accepted, we go to closing. If the offer is not accepted, they will go through the condemnation process. Once the complaint is filed with the courts, the Township has title to the property. At that time, the developer will be barred from the property.

Mr. Catrambone made a motion to close the meeting to the public, seconded by Mr. Moran. All were in favor, the motion was approved.

Mr. Moran made a motion, seconded by Mr. Catrambone to adjourn the meeting. All were in favor, the meeting adjourned.

Submitted,

Jamey Eggers  
Municipal Clerk