

5/12/08 Closed Session

Present: Eppinger, Buffalino, Hutchison, Krenzel, Trenga, Trzeciak
AJS, Gary Schwartz, Esq.

Absent: Razzano

Beach Electric

Mr. Salerno advised that Beach Electric asked to waive penalty. Beach Electric offered credit of \$10,000 on future work on substation in return for the Borough forgiving it. Beach Electric blamed problems on the Gulf Coast in 2005 for transformer delays. A sixty-day extension was given for the benefit of the borough. The borough did not supply any line of power. Beach advised they had trouble finding subcontractor because of damage to Gulf Coast. Mr. Salerno stated that \$45,000 is owed to the borough. Mayor Eppinger stated that he wants cash and that Beach Electric should make a better offer.

Dave Wroblewski

Mr. Salerno advised that Peter Barnes is looking for a figure from him of what the borough would be willing to kick into a settlement. Mr. Salerno said that Mr. Melski's claim is not worth anything. Mr. Salerno told Mr. Barnes to go to JIF to see what they will contribute. Mr. Schwartz suggested that JIF Committee members be present when settlement is announced at a Borough Council meeting.

53 Obert Street

Mr. Salerno stated that he spoke with Igor. The appraisal is now public record. The property is appraised at \$189,000. He will send Igor an official letter to formally start negotiations. Mayor Eppinger asked Mr. Salerno to get a copy of the appraisal for the Borough Council members.

51 Reid Street

Mr. Salerno advised that the decision date was 5/9/08. We are going for summary judgment.

Acquisition of property

Mr. Salerno stated that the draft feasibility report was sent to him today. He will send the report out via e-mail to the council members. The draft is a highly sensitive document.

Contract negotiations

Mr. Hutchison left the meeting during this discussion.

Water Bids

Contract A -

Mr. Salerno advised that Middlesex Water and Sewer is the low bidder for Contract A. If we try to privatize, it could get very crazy. Three employees are involved. One could be moved to electric, two could be directed to move to Middlesex Water and Sewer or they could retire.

Contract B –

Mr. Salerno stated that Contract B would not be needed if we have Contract A.

Mayor Eppinger stated that we have to do something. Eight to ten people would be needed and \$1,000,000 in equipment if we did our own work. Middlesex Water Co. employees remain with the Borough. Mr. Salerno said that the infrastructure would remain ours. We are outsourcing the management of the water utility. It would still be a South River Water Utility bill. We already have been outsourcing water for years. Councilwoman Buffalino suggested that the costs of keeping the maintenance in-house compared to outsourcing be presented to the public. Mr. Trenga noted that Middlesex is not a union company and that will be brought up.

Mr. Schwartz stated that he is reviewing the bids of Contract A and Contract B and will hold off in sending an opinion letter until the Borough Council knows what it wants to do.

Adjournment

8:20 p.m.

Respectfully submitted,

Patricia O'Connor, RMC
Borough Clerk

Approved for release at the regular meeting
held on October 9, 2012