

Executive Session
Mayor and Borough Council
July 27, 2009
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Mayor and Borough Council
Executive Session – 7/27/09
Time: 8:00 p.m.

Present: Mayor Eppinger, Councilmembers Trzeciak, Almeida, Guindi, Hutchison,
Razzano, Trenga, Andrew J. Salerno, Borough Administrator,
Gary M. Schwartz, Esq., Borough Attorney

RESOLUTION

WHEREAS, Section 8 of Chapter 231, Public Law 1975 permits the exclusion of the general public from a meeting of the Governing Body under certain circumstances; and

WHEREAS, the Mayor and Council of the Borough of South River are of the opinion such circumstances presently exist.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Mayor and Council of the Borough of South River in the County of Middlesex of the State of New Jersey, that the public be excluded upon the hereinafter specified subject matter and that such subject matter to be so discussed is as follows:

Anticipated Litigation
Pending Litigation – Ianetta vs. Borough of South River
Contract and lease negotiations
Personnel

BE IT FURTHER RESOLVED that such record of the above discussion will be made public when confidentiality is no longer required.

DATED: JULY 27, 2009

/s/ Anthony Razzano
Councilmember

/s/ Rui Almeida
Councilmember

ROLL CALL VOTE

YEAS: Almeida, Guindi, Hutchison, Razzano, Trenga, Trzeciak
NAYS: None

Contract and lease negotiations

Mr. Schwartz advised that the lease with the South River Emergency Medical Services was signed by them and now the Mayor and Clerk have to sign it. The signed lease is needed for insurance coverage. He asked that once the lease is signed by the Mayor and Clerk tonight, copies be sent to the South River Emergency Medical Services tomorrow.

Mr. Schwartz discussed a tri-party agreement. The Borough Council appropriated \$59,500 to the South River Rescue Squad to start up the paid EMS. South River Emergency Medical Services is a private organization and cannot receive money from the Borough. The money must be repaid. The Rescue Squad gives money to emergency Medical Services as a loan. An arrangement has to be made so the money can be paid back to the Rescue Squad in terms of finances. The Rescue Squad is primarily a fund raising organization and operating as Public Safety Division. How does money get paid back by the Rescue Squad?

Mayor Eppinger stated the intention was to get Paid EMS off the ground.

Mr. Schwarz stated that are three entities: South River Emergency Medical Services, South River Rescue Squad – Division of Public Safety and South River Volunteer Rescue Squad. There were agreements between the Borough and South River Rescue Squad. There must be an agreement between South River Rescue Squad and South River Emergency Medical Services. We need a new lease with volunteer Rescue Squad. South River Rescue Squad no longer needs the building.

Mr. Schwartz discussed the deed given to the Borough from South River Rescue Squad. The deed eliminates a reverter clause. If building is ever sold, it requires two-third's of signatures that filed declaration. Mr. Schwartz said that he will speak to the Rescue Squad. The deed would no longer have restrictions if all the members that signed the declaration are deceased. Mr. Schwarz said that no ordinance authorizing the lease was ever done.

Mr. Schwartz suggested that a new lease with the South River Rescue Squad be prepared. Mayor Eppinger said to get lease between the Borough and South River Rescue Squad up and running and get a title search. Mr. Schwartz said there is no need for a title search. He needs to know if we have title insurance. He will speak to the Rescue Squad attorney. Mr. Schwartz said there are a number of agreements between the Rescue Squad. He believed that we do not have a valid lease because no ordinance was in place. Mr. Schwarz said that we need a lease with the Rescue Squad similar to the one we have with South River Emergency Medical Services. He said that that he will check if insurance coverage is in place. Mr. Salerno stated that we have to make sure we have paid coverage. Mr. Schwartz said he is working on it.

Pending Litigation – Ianetta vs. Borough of South River

Mr. Salerno stated that the legal bills on this matter are getting astronomical. The legal fees are in the range of \$50,000 at this point. JIF is appealing ruling that we won. He has spoken to the attorney representing the Borough. It was noted that JIF is fighting this because it is a precedent setting matter.

Anticipated Litigation

Mr. Salerno stated that there are no suits filed against the Borough at this time.

Personnel

Councilmembers discussed a memo distributed by Mr. Salerno requesting Council consideration on salary increases for certain staff.

Councilman Razzano stated that he had several concerns about this and was against it. He was against merit raises for public employees. Money comes out of public funds. It is different than private industry. He recommended we keep spending down by not giving merit raises. Mr. Salerno stated that the people in the memo do not have contracts. Mr. Razzano stated that the memo does not apply to everyone and he had concerns with that. Reviews are subjective and based on their own reports. Mr. Razzano commented on the OOA Director, Kim Bell, stating that she did not start or implement the programs that are credited to her in the memo. He stated the former OOA Director, Amy Berg, was responsible for the programs. Councilman Razzano then commented that Ms. Berg left on less than good terms. Mr. Salerno said that the programs were started by Ms. Bell because when he got here Ms. Berg was working out of a trailer and soon after his arrival, she left Borough employment. Mr. Razzano continued to state that none of the people recommended brought in extra money to the Borough. Mr. Salerno reminded him that in fact most if not all of them did through the implementation of enhanced collection techniques, new grants and CO programs. Mr. Razzano also stated that merit raises to some would reduce morale to those who did not. Mr. Salerno advised that he commented in his memo on this very subject, but felt it could eventually be interpreted as an incentive to excel. Mr. Salerno went on to say that the \$20,000 was budgeted specifically for merit consideration. Mr. Razzano commented we could give it to the Fire Department or Public Works. Mr. Salerno advised he was recommending Donna Stoddard from PW, but Mr. Razzano would rather give it to union people. Mr. Razzano then stated he was appalled that Chief Bouthillette was not included. Mr. Salerno informed Mr. Razzano that the Chief was under contract and had a clause that would adjust his salary once he became Chief on September 1st. Mr. Salerno stated he did not want to get into a debate, that these were his recommendations subject to Council approval. Mr. Razzano acknowledged that all of the people in the memo do a great job. Mr. Salerno discussed his recommendations and noted that the people in the memo are not in the union. He

commended all the staff in the memo with doing a phenomenal job and thought that the Council should consider bringing them up to market share. He noted that there is a possibility that the Borough could lose three people. Mr. Razzano stated then we could look at it at that time.

Mayor Eppinger stated he supported the merit increases but would not bring it for a vote unless it was unanimous. He did not want to make specific employees and their pay a political issue. The Mayor then asked each Councilman their opinion.

Councilman Almeida said he was concerned with setting a precedent. He did not think it was a good time to give increases.

Councilman Guindi was opposed to increases.

Councilman Trenga supported the increases.

Councilman Hutchison stated that although he supported the increases, after hearing Mr. Almeida and Mr. Guindi understood their position that it might not be a good time.

Councilman Trzeciak supported the increases.

Mayor Eppinger said this matter would not be on an agenda at this time.

Motion made by Councilman Razzano to adjourn executive session at 8:30 p.m. Councilman Almeida seconded the motion.

Respectfully submitted,

Patricia O'Connor, RMC
Borough Clerk