

**MOUNT LAUREL FIRE DISTRICT #1
BOARD OF FIRE COMMISSIONERS
SPECIAL MEETING / WORK SESSION**

September 7, 2010

Fire Department Headquarters Station

Meeting Minutes #17

IN ATTENDANCE:

1. Commissioner Cornue
2. Commissioner Nash
3. Commissioner Roura
4. Commissioner Shestack
5. Chief of Department Gallos
6. Administrator Jones
7. Solicitor Braslow

NOT PRESENT:

1. Commissioner Shapiro
2. Deputy Chief Colucci

Commissioner Cornue reported that he had received a phone call earlier this evening from Commissioner Shapiro stating she would be late.

The meeting was called to order by Commissioner Cornue at 7:01 PM.

The Pledge of Allegiance was recited and a moment of silence observed.

The Public Announcements were read by Commissioner Roura.

General Discussion:

"Fee for Service" Proposal:

Commissioner Cornue tabled discussion on this agenda item until Commissioner Shapiro arrived later in the meeting.

Building Maintenance Issue Update:

Administrator Jones reported that we have paid for the Station 361 and Station 363 storm drain work that has been completed and that we have taken delivery of the new fire hydrant that the MUA has agreed to install behind the Shop. He added that the Station 361 and Headquarters roof repairs have been completed and that we are now waiting for the next rain storm to see if everything was addressed. He reported that the donated Station 361 ice maker has been installed, sanitized and tuned up for a little more than \$1,000, which is about 40% of the cost of a new machine. He was working on the specifications for the Station 362 shower reconstruction and should be advertising it this week. The pre-bid meeting for that project will be on 9/23 with a bid opening on 10/1. He will present a review of submitted bids to the Board at the 10/4 Special Meeting for a decision on whether to proceed. Commissioner Shestack asked him for a guess at where the bids will come in at. Administrator Jones felt that it would probably be around \$20,000, which combined with the mold remediation project means that this issue cost around \$58,000. The replacement of carpeting still needed to be done on the 3rd floor, which would probably be around \$4,000 or so. Commissioner Shestack summarized that this would put us close to \$70,000 for everything, which is less than the initial estimate of \$100,000. Commissioner Cornue asked Administrator Jones if the Construction Official had approved the plans and Administrator Jones replied that they have reviewed them twice and were okay with them.

SCBA Grant Update:

Chief of Department Gallos reported that the new SCBA equipment has been ordered on State Contract through MES-Pennsylvania, who would provide invoicing to separate equipment acquired through the grant and equipment acquired through the referendum. The vendor was able to provide us with color coding and numbering of the SCBA cylinders that will meet our requirements, but that it will add 2 weeks to the delivery time, meaning that we should have everything by the end of October or early November. He added that we are not going to request the release of the grant funds from FEMA until we have the equipment in hand so that we do not incur any penalties.

He reported that Administrator Jones would be preparing the bid specifications for the new Station 361 SCBA that was part of the referendum, which would complete the purchase of all major items in this years' budget.

Station 362 World Trade Center Memorial Update:

Commissioner Cornue reported that there will be a formal acceptance and display of the WTC steel beam that we received on Thursday at Station 362. Chief of Department Gallos reported that a Fire Commissioner will be needed to say a few words in front of members of Township Council, County Freeholders, Lieutenant Governor and the Port Authority that will be there. Commissioner Roura asked him if Congressman Adler had been invited to the event and the Chief of Department Gallos indicated that his office has been contacted. Captain Evans will make sure that the station is presentable and ready for the ceremony.

2010 Awards Recognition Banquet Discussion:

Commissioner Cornue reported that this topic was discussed at the Volunteer Labor/Management Relations Committee meeting last month and at the last Board Special Meeting on 8/3. The volunteers felt that this event was very important to them in recognizing their members' accomplishments during the year and that the entire Committee wants to see it happen, even if it is only a matter of when. Fellowship President Einstein and Battalion Chief Bigoss have both requested that the Board reconsider their insistence that it occur prior to the end of the year, due to the difficulty in getting a date during late November and December because of the holidays.

President Einstein reminded the Board that back in April, when there was a lot of media attention about the possible lay-offs, he volunteered to postpone the banquet because of the bad timing. At the time, he recalled that the Board appreciated his gesture but now the volunteers wanted to get this event back to the traditional January timeframe. He added that at either the July or August Board meetings, Board members felt that it didn't seem like a good idea to have it in January because the 2010 funds would have to be encumbered and because of the public perception of holding the banquet before the election. He added that unfortunately, not only is a date in November or December more difficult to get, it is significantly more expensive. The volunteers discussed this situation at their August meeting and felt strongly about the tradition of having it in January.

Commissioner Roura advised him that the August Regular Meeting had been cancelled because there was no quorum, so it has not been discussed any further since the 8/3 Special Meeting. He recalled that in the spring when President Einstein had agreed to initially postpone it, it was his recollection that it was being postponed until the latter part of the year so that the Board could determine if they could still fiscally afford it, which he thought was a great idea and gesture at the time. He was never under the impression that it was going to be pushed past the end of the year into January, which he has a fundamental problem with. He was aware that there have been examples cited by those that support encumbering funds for the banquet so that it can be held in January, but these encumbrances involve physical items that are ordered at the end of the fiscal year when funding permitted and were actually paid for in the following year when the items were actually delivered. He felt that the banquet did not meet this criteria and recalled stating at the time that if the Board was able to financially support a banquet in 2010, it should be held in 2010. He added that we have tried to get away from holding banquets prior to the February election because we are required to operate under a temporary budget during that period, which he felt prohibited funding a banquet in that timeframe. President Einstein asked how a banquet was held in January in previous years and Commissioner Roura replied that he did not know because he was not on the Board at that time. He clarified that his opinions on this were his own and that he was dead set against it and preferred to see it held at the end of the year to avoid any of these issues.

Commissioner Shestack respectfully disagreed, saying that cash is cash and it doesn't matter if the Board pays for the 2010 banquet in December or in January since the funds would not be coming from the 2011 temporary budget. Administrator Jones stated that encumbering the funds in 2010 and spending it for something that is held in January 2011 would be considered a "prepaid expense", which is something that we are not supposed to do unless it is unavoidable, such as binding insurance coverage that must be in place before the start of the year. In the past, the only things that funds have been encumbered for at the end of a year are for those discretionary items that we purposely hold off purchasing; usually fire equipment, uniforms, turnout gear and other supply restocks. We do this because at the end of the year, we know whether our budget is sufficient to make those purchases or not. We don't encumber "services" because they become a prepaid expense and have to be reflected as such on the annual audit. Banquets were held in January many years ago before budgets started getting defeated, when public perception was not as big an issue and we did not have as many expenses that had to fit within the limited cash reserves we have during the 1st 2 months of the year. For example, when the budget was defeated back in 2004, the Township Council closely reviewed our budget and wanted to eliminate the banquet expense, but they could not because we had to admit that those funds had already been spent. This was our 1st indication that Township Council does not hold banquets in the same esteem that we did and since then, for this simple reason, no banquets supported by the Board have occurred in January.

Commissioner Shestack felt that this boils down to a conflict between internal and external forces. Internally, the banquet is excellent for morale but externally, it is a public perception issue and can be difficult to justify to taxpayers why we are spending thousands of dollars for essentially a 5 hour party. Whether it is good or bad or not for the organization, it is increasingly important to realize that public perception is crucial on this particular expense and in today's economy, it can be difficult for the Board to justify funding it. On the other hand, the only perception that the public has about the Fire Department is the one that we create. Our members create this perception and whether we have a banquet in December or in January, if the public has a negative perception of us, it is because it has been generated by people within our Department. There is no public announcement of the banquet and very few public attend our meetings, so the only way that the public is going to know that there are any issues with the banquet is if it's comes from within.

Commissioner Nash stated that the critical issue for him is that the Board budgeted for a banquet and he doesn't want the volunteers to lose out on something that they feel is important to do for their morale just because it comes down to holding it in January. He does not see any reason that it could not be held in early December and suggested that they try to do so in order to alleviate the concerns expressed by Commissioner Roura and Administrator Jones. However, he wanted the volunteers to know that he appreciated what they had agreed to do last April in postponing the banquet and he felt an obligation to work with them on a suitable resolution to the problem. Commissioner Roura clarified that he was in favor of the volunteers having a banquet, it was just his concern about the date.

Chief of Department Gallos recalled President Einstein making his postponement offer in April because of the potential for layoffs and the tight financial situation at the time and he recalled him mentioning that they would like to move it back to the January timeframe in the future. He recalled that the cost of banquets in January was more reasonable and that the volunteers had agreed to cover any costs exceeding the amount that the Board had budgeted. President Einstein explained that he had to sell the postponement to his members back in April because they were waiting for the banquet and one of the reasons that they agreed to wait was because there was a chance to get it back into the January timeframe in the future.

Administrator Jones asked that if we return to the January timeframe for the banquet and it becomes a public perception issue or Township Council issue again, who is going to be responsible for taking the heat? He recommended that the Board seriously consider this when they make the decision to support a January date because they will be the ones on the hot seat if their decision is questioned. He recalled the uncomfortable position that decisions like this can put the Board in when they have to answer questions from Township Council after the budget is defeated, which is the sole reason that we got away from having the banquet prior to the election.

President Einstein stated it appears that the only issue involved here is that the volunteers want the banquet in January and some members of the Board want them to have it in December, which is a difference of 30 days or so. He asked that the Board not vote on this issue tonight and that he will bring a contingent of volunteers to the next Board meeting to address your concerns. He understood the concerns of both the Board and the Administrator, but he did not agree with them.

Commissioner Cornue suggested giving President Einstein time to explore what can be accomplished later this year and if there are actually places that are competitive pricewise and the Board will take a look at that. He said that the Board will vote on this tonight but before they do, he wanted President Einstein to know that the Board greatly appreciates what the volunteers have been doing for the Department and managing the money that they have been allocated for recruitment and retention.

Commissioner Roura suggested that the Board move on to get this issue off the table and vote on holding the banquet in January 2011 using funds encumbered from the 2010 Budget and he assured everyone that there would be no hard feelings on his part. Firefighter Pine commented on the public perception issue, stating that if the Board is going to spend the money for a banquet and some of the public are upset about it, they will vote however they choose to. They would probably be voting that way because of something else anyway, so in his opinion, public perception on this issue is unfounded.

Commissioner Nash made a motion to allow the volunteers to proceed with the planning for the 2010 banquet up to a limit of \$7,500 for a date in either December 2010 or January 2011 as they see fit, in recognition of their willingness to postpone it from earlier this year with the stipulation that all future banquets financially supported by the Fire District will not be scheduled to occur during the months of January or February. The motion was seconded by Commissioner Shestack and approved by a vote of 3 'aye' (Cornue, Nash & Shestack) to 1 'nay' (Roura).

Commissioner Nash added that President Einstein and Firefighter Pine need to know how much the Board tries to support them and do the right thing for the Department and the taxpayers, no matter how hard it is sometimes. Commissioner Roura wanted them to know that this Board really tries to be as neutral as possible and see both sides of every situation. There are times, however, when it becomes very difficult for the Board because they just have to say 'no'. Commissioner Shestack wanted everyone to know that this is not a popularity contest, but you won't find 5 people that care more about everybody in this organization than you have on this Board and that includes the Chief of Department, Deputy Chief and the Administrator as well. He said that not everyone likes the decisions that he makes or the opinions that he provides to the Board, but the Administrator's job is to make sure the Board does things by the book and is aware of pitfalls that they might fall into and nobody will find anybody better at it than Administrator Jones.

New Bureau of Fire Prevention Vehicles and Vehicle Assets to be Sold Update:

Administrator Jones reported that all 3 new Ford Escapes are now in-service. He still has to acquire plastic file storage boxes for them to organize and carry paperwork, but everything else is installed and operating. He added that we did everything that needed to be done on this project and were about \$3,000 under budget. Fire Marshal Kownatsky indicated that the fuel savings alone from these vehicles are going to be substantial as Fire Inspector McVey is using about 1/6 of the fuel he was using in the vans that the Bureau used to operate.

He reported that the last 2 vehicles earmarked for sale will be the other Fire Inspector van due to an oil consumption issue and the old spare command vehicle.

2010 FEMA Rescue Truck Grant Update:

Chief of Department Gallos reported that the \$790,000 grant requiring a 10% match has been submitted. He hoped that we would know whether we are getting it by January 2011. Commissioner Shestack asked Administrator Jones if we included any sales of asset revenue in the 2010 Budget and he replied that we had not because we did not know what we could expect from the vehicles that we were going to sell off. He hoped to raise somewhere between \$5,500 and \$6,000 through vehicles sales by the time we are finished this year.

Chief of Department Gallos asked the Board for authorization to apply for a SAFER grant. FEMA is changing the way they allocate these funds due to the economy and the number of lay offs that are occurring. He would apply for funds toward retention of the remaining staff in the events that lay offs, injury or normal retirements occur. The grant is a 2 year award that covers salaries and benefits but does not cover overtime. The only stipulation is that if the grant is accepted, we are required to replace any firefighting vacancies that occur during the grant period so that the total number of responders remains the same. The grant must be submitted by 9/17 and if awarded, the Board has the option to accept it in whole or partially or reject it if they don't like the conditions of acceptance. Unfortunately, if we accept a grant award and then have to implement a lay off plan, we would have to reimburse FEMA for our grant expenditures.

Commissioner Nash stated that the biggest concern he had in accepting a grant under those conditions is the position we are currently in because of the arbitration. We have no clue what the arbitrator is going to award, when he will make the award or what the impact of the award may have on our financial situation. He did not want our hands to be tied through acceptance of a grant that might eliminate the implementation of lay offs. He would love to have FEMA pay almost all of the costs involved in replacing up to 2 firefighters that may leave us, but there may be too many strings attached. Chief of Department Gallos repeated that it would be the Boards' decision whether to accept it or not once an award was made.

Commissioner Roura felt that this is a "no brainer" because we have no obligation to accept the grant just because we applied for it. He added that because there was only a 2 year commitment in maintaining the same level of force, all of our force reduction options would return in the 3rd year. Chief of Department Gallos confirmed this and indicated that FEMA's #1 priority is hiring laid off firefighters, their #2 priority is the retention of currently employed firefighters and their #3 priority is getting more new firefighters hired. Commissioner Roura made a motion to authorize Chief of Department Gallos to proceed with the SAFER Grant application process that was seconded by Commissioner Shestack. The motion was unanimously approved by the Board.

Commissioner Cornue asked Chief of Department Gallos about a letter he had received from the officers of the Holiday Village East Homeowners Association. They were thanking us and the Union for making contract concessions to assist the Township in balancing their budget. They were apparently confused because they thought that the Fire District was part of Township government. Chief of Department Gallos stated that he responded to their letter clarifying the responsibilities of both government agencies, thanked them for their support and provided them with an overview of the austerity measures that we have taken recently.

Adoption of Resolutions:

Resolution #2010-57 "Promotion of Edwin Munoz to the Position of Captain". Commissioner Nash made a motion to approve the resolution, which was seconded by Commissioner Roura. The motion was unanimously approved by the Board.

Commissioner Cornue tabled Resolution #2010-58 until Commissioner Shapiro arrived later in the evening.

Administrator Jones briefed the Board on the next resolution, which had been requested by our Bond Counsel to officially confirm and adopt the findings of the Local Finance Board with regard to the refinancing of our 2001 bond issue.

Resolution #2010-60 "Resolution of the Board of Fire Commissioners of Fire District #1, Township of Mount Laurel, County of Burlington, New Jersey Confirming the Findings of the New Jersey Local Financial Board". Commissioner Roura made a motion to approve the resolution, which was seconded by Commissioner Shestack. The motion was unanimously approved by the Board.

Resolution #2010-59 "Closing of Meeting Pursuant to Open Public Meetings Act". Commissioner Shestack made a motion to approve the resolution, which was seconded by Commissioner Roura. The motion was unanimously approved by the Board.

Administrator Jones reminded the Board that as a result of discussions at the last meeting, all future Regular and Work Session / Special Meetings will be held on the 1st and 3rd Mondays of the month starting at 7:00 PM. He reported that he and the Chief of Department will be finishing up the 2011 Budget proposal tomorrow. He asked the Board whether it should be presented initially to the Finance Committee for discussion and approval or directly to the full Board. Commissioner Shestack stated that he would like a chance to review it before it goes to the rest of the Finance Committee. Administrator Jones suggested that the Board members check their calendars so that we can pick a couple of dates in late September for budget discussions. He stated that the 2011 Budget as currently developed contains no tax increase, which was only possible because of the passage of the referendum this year. He felt that this could be very helpful in getting public support for a new Apparatus Capital Lease in February because there would be no impact on the tax rate. It also acknowledged the challenges of the current economy and that we were doing everything possible to hold the line on taxes. Commissioner Shestack suggested that we might want to maximize the amount that we can raise taxes under the new 2% limit so that we can satisfy whatever costs the arbitrator might saddle us with when he issues his ruling. Administrator Jones suggested that to do so, we would have to substantially increase a number of additional line items, which could require explanation. Commissioner Roura suggested that we restore funding to those line items that we had to "reserve" last spring in order to continue funding the provisions of the labor contracts. Commissioner Shestack stated that his primary concern was that we maintain sufficient reserves at the end of 2010 to cover the 1st 2 months of expenses next year.

Commissioner Cornue reminded everyone that the Arbitration Hearing is scheduled for 10/28/10 @ 10:00 AM.

THE OPEN SESSION ADJOURNED AT 8:51 PM.

A CLOSED SESSION BEGAN AT 8:58 PM.

THE CLOSED SESSION ADJOURNED AT 9:27 PM.

THE MEETING ADJOURNED AT 9:30 PM.