

Township of South Hackensack  
Bergen County, New Jersey  
February 14, 2013 7:30 P.M.  
*Regular Meeting*  
MINUTES

Frank Cagas, Mayor.....*Present*  
Gary Brugger .....*Present*  
Walter Eckel, Jr.....*Present*  
William Regan .....*Present*  
Vincent Stefano.....*Not Present*

Donna L. Gambutti, Municipal Clerk  
David V. Nasta, Esq., Municipal Attorney

*Call of Meeting to Order*

Mayor Cagas called the Regular Meeting to order at 7:37 p.m. The Clerk advised that this is a regular scheduled meeting of the Township Committee of South Hackensack. The date, time and location of this meeting has been advertised in the official newspapers of the Township, filed with the Township Clerk and posted on the bulletin board in the municipal building. All notice requirements of the Open Public Meetings Act for this meeting have been fulfilled. Mayor Cagas led the flag salute. The Municipal Clerk called the roll. Vincent Stefano is not present.

*Correspondence & Reports*

General Correspondence – January 2013 – On a motion made by Gary Brugger and seconded by Bill Regan; all were in favor of accepting and filing January’s correspondence.

Monthly Department Reports – January 2013- On a motion made by Walter Eckel and seconded by Gary Brugger; all were in favor of accepting and filing January’s reports.

Filomena Barricella, February 11, 2013- Extension of personal leave to May 11, 2013- On a motion made by Gary Brugger and seconded by Walter Eckel; all were in favor of granting this request until May 2013.

Sgt. John Rizer # 36, January 15, 2013- Notice of eligibility of retirement for 2013- On a motion made by Gary Brugger and seconded by Walter Eckel; all were in favor of accepting this correspondence.

Deputy Chief Michael Montenegro, January 15, 2013- Notice of eligibility of retirement for 2013- On a motion made by Walter Eckel and seconded by Gary Brugger; all were in favor of accepting this correspondence.

Fred Hum, 1<sup>st</sup> Lt. SHFD, January 31, 2013- Annual Clothing Allowance List for 2012- On a motion made by Gary Brugger and seconded by Frank Cagas; all were in favor of accepting this correspondence. ***On the question-*** *Walter Eckel asks if he could discuss LOSAPS under New Business. All members are in favor of this request.*

H. James Riley, Chief of South Hackensack Ambulance Corps., January 31, 2013- Annual Clothing Allowance List for 2012- On a motion made by Gary Brugger and seconded by Walter Eckel; all were in favor of accepting this correspondence.

### Old Business

Township E-mail & Back-up ( Microsoft 365 Upgrade)- David Nasta, Esquire, Township Attorney explains his research on the plan the committee is considering. Bill Regan adds that large files can now be stored securely on “the cloud system”. There will be no more email forwarding and Microsoft 365 offers many options to the township users. *On a motion made by Gary Brugger and seconded by Walter Eckel; all were in favor of approving this upgrade to plan 1.*

COAH Housing Trust Fund- Planner Authorization ( Kauker & Kauker)- Gary Brugger explains that bills from the planner are dangerously close if not exceeding the cap that set by the Township Committee. David Nasta adds that he will speak to Michael Kauker. Lydia Heintzelman, Housing Liaison explains that if the planner exceeds the set amount then the funds would have to be replaced by the township. It is discussed by the committee on how many rehabilitation projects could be possible with the funds and the money should go towards the projects. *On a motion made by Gary Brugger and seconded by Walter Eckel; all were in favor to moving this matter to next meeting- March 7, 2013.*

Shared Services Agreement- COAH Rehabilitation Fund- Authorize Mayor Cagas to sign agreement with The County of Bergen- On a motion made by Gary Brugger and seconded by Walter Eckel; all were in favor to authorize the Mayor to sign this agreement with The County of Bergen.

### New Business

LOSAPS- Walter Eckel asks the Clerk if the Fire Department can be revisited by a Lincoln Financial representative. The Clerk agrees to call Lincoln Financial as soon as possible.

## Ordinances

*No ordinances at this meeting for introduction or adoption.*

## Resolutions

Closed Executive Session – On a motion made by Gary Brugger and seconded by Frank Cagas; all were in favor.

Consent Agenda 2013-02A- On a motion made by Gary Brugger and seconded by Bill Regan; all were in favor. No members of the Township Committee wanted any resolutions removed.

Resolution # 2013-066- Appointing Elizabeth Donnarumma as Accounts Payable Clerk, Payroll Clerk and Assistant to the Chief Financial Officer- On a motion made by Bill Regan and seconded by Frank Cagas; all were in favor to approve this appointment by roll call vote.

Resolution # 2013- 067- Alsan Realty Company LP V. Township of South Hackensack- Tax Appeal Settlement- On a motion made by Gary Brugger and seconded by Bill Regan; all were in favor to approve this resolution by roll call vote.

Resolution # 2013-068- Township of South Hackensack advs. Mt Laurel, LLC- (330 Main Street Block 1.04 – Lot 1) Tax Appeal Settlement- On a motion made by Gary Brugger and seconded by Bill Regan; all were in favor to approve this resolution by roll call vote.

Resolution # 2013- 069- Township of South Hackensack advs. Mt. Laurel, LLC- 378 Route 46 (Block 1.02 -Lot 1.02)- Tax Appeal Settlement- On a motion made by Gary Brugger and seconded by Bill Regan; all were in favor to approve this resolution by roll call vote.

Resolution# 2013-075- Person to Person, Place to Place Transfer- Teggiano, Inc to Wine and Liquor Depot, LLC- On a motion made by Gary Brugger and seconded by Bill Regan; all were in favor to approve this resolution by roll call vote. David Nasta, Esquire explains that as per the Developers Agreement they will sell packaged goods and host wine tasting events.

## Committee Reports

Gary Brugger- Reports on the many tax appeals the Township is facing; comments on the need for another refunding bond ordinance to pay for the appeals and stresses the need for re-assessment for the Township.

Bill Regan- Thanks everyone for spending Valentines Day at a Township Committee meeting. Asks Dolly Montenegro if there is any bus tickets left for the Sands Casino trip next month. ( to benefit the Fire Department) Dolly announces there are seats left and the trip is to PA.

Walter Eckel- No report.

Frank Cagas- Reports that he just spent time with Larry Paladino in one of our snow plows; was surprised to see private contractors pushing the snow back into the street. He asks who is responsible if there is an accident from this problem. Also notes that none of the cars in the Garfield Park section were moved and this is wrong as it makes it harder to plow the streets properly. Asks the Township Attorney if there is a time limit after it snows for cars to be moved back onto the street? David Nasta, Esquire informs the Mayor that he does not believe a time limit exists. It is discussed by the Township Committee that the police should ticket cars that are parked in the street during a snowstorm. Bill Regan adds that AEP had contractors snow-blowing all night and we have to look into the guidelines for contractors removing snow at all hours of the day or night. Mayor Cagas also reports that he attended a meeting at the Meadowlands with the Clerk, Donna Gambutti regarding the DEP's dredging of the Saddle River.

### Public Comments

Mr. Nasta, Jr. 45 Kinzley Street- Explains that he snow plows with Larry Paladino as well and sees residents shoveling snow back into the street after it has been plowed. He asks why the police are not giving out summons and if they are how many did they give out? The police should tell the residents to clean up the snow they just shoveled into the street.

Dolly Montenegro- 57 Phillips Avenue- Explains that one of the problems is from the snow plow. It pushes the snow back into the end of the driveways; then it freezes frozen solid and causes a dangerous situation. Agrees with what Mayor Cagas is saying about the snow being shoveled or plowed into the street. Bill Regan suggests that the DPW call the police when they see this situation happening while they are out plowing. **Gary Brugger** remembers when he lived on another street the police used to have to tow cars left on the street.

On a motion made by Gary Brugger and seconded by Walter Eckel all were in favor to close the meeting for public comments.

### Closed Session

On a motion made by Gary Brugger and seconded by Frank Cagas, all were in favor of entering into closed executive session at 8:21. Minutes of closed session were recorded and will be made available to the public when authorized by the governing body and permitted by law.

On a motion made by Gary Brugger and seconded by Bill Regan; all were in favor to returning to open session.

### Adjournment

On a motion made by Walter Eckel and seconded by Bill Regan all were in favor to adjourn the meeting at 9:25 PM.

Respectfully submitted to The Township Committee by Donna L. Gambutti, Municipal Clerk, Township of South Hackensack.

\_\_\_\_\_  
*Donna L. Gambutti*

**Consent Resolution 2013-02A**

WHEREAS, the Township Committee of the Township of South Hackensack, has reviewed the Consent Agenda consisting of various proposed resolutions; and

WHEREAS, the Township Committee of the Township of South Hackensack is not desirous of removing a resolution from the consent agenda,

NOW, THEREFORE BE IT RESOLVED by the Township Committee of the Township of South Hackensack that the following resolutions on the Consent Agenda are hereby approved and adopted:

**Resolution No. 2013-070- Bills List- February 2013**

**Resolution No. 2013-071- Authorize the Mayor to sign the Pitney Bowes Contract.**

**Resolution No. 2013-072- Opposition to Approval Process for Non- SHBP Health Insurance Plans as proposed by N.J.A.C. 5:30-18.1 through 18.4 and N.J.A.C. 6A:23A.**

**Resolution No. 2013-073- Appointment of Salvatore Zito – Recreation Commissioner- 4 year term.**

**Resolution No. 2013-074- Appointment of Donna L. Gambutti as Insurance Fund Commissioner for the year 2013.**

Motion:

Second:

Date: February 14, 2013

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**Resolution Authorizing Executive Session- February 14, 2013**

A Resolution Providing for a Meeting Not Open to the Public in Accordance with the Provisions of the New Jersey Open Public Meetings Act, N.J.S.A. 10:4–12.

Whereas, the Township Committee of the Township of South Hackensack is subject to certain requirements of the *Open Public Meetings Act, N.J.S.A. 10:4–6, et seq.*, and

Whereas, the *Open Public Meetings Act, N.J.S.A. 10:4–12*, provides that an Executive Session, not open to the public, may be held for certain specified purposes when authorized by Resolution, and

Whereas, it is necessary for the Township Committee of the Township of South Hackensack to discuss in a session not open to the public certain matters relating to the item or items authorized by N.J.S.A. 10:4–12b and designated below:

      (1) *Matters Required by Law to be Confidential*: Any matter which, by express provision of Federal law or State statute or rule of court shall be rendered confidential or excluded from the provisions of the Open Public Meetings Act.

      (2) *Matters Where the Release of Information Would Impair the Right to Receive Funds*: Any matter in which the release of information would impair a right to receive funds from the Government of the United States.

      (3) *Matters Involving Individual Privacy*: Any material the disclosure of which constitutes an unwarranted invasion of individual privacy such as any records, data, reports, recommendations, or other personal material of any educational, training, social service, medical, health, custodial, child protection, rehabilitation, legal defense, welfare, housing, relocation, insurance and similar program or institution operated by a public body pertaining to any specific individual admitted to or served by such institution or program, including but not limited to information relative to the individual's personal and family circumstances, and any material pertaining to admission, discharge, treatment, progress or condition of any individual, unless the individual concerned (or, in the case of a minor or incompetent, his guardian) shall request in writing that the same be disclosed publicly.

      (4) *Matters Relating to Collective Bargaining Agreements*: Any collective bargaining agreement, or the terms and conditions which are proposed for inclusion in any collective bargaining agreement, including the negotiation of the terms and conditions thereof with employees or representatives of employees of the public body.

      (5) *Matters Relating to the Purchase, Lease or Acquisition of Real Property or the Investment of Public Funds*: Any matter involving the purchase, lease or acquisition of real property with public funds, the setting of banking rates or investment of public funds, where it could adversely affect the public interest if discussion of such matters were disclosed.

XX (6) *Matters Relating to Public Safety and Property*: Any tactics and techniques utilized in protecting the safety and property of the public, provided that their disclosure could impair such protection. Any investigations of violations of possible violations of the law.

**Public Safety Matter**

XX (7) *Matters Relating to Litigation, Negotiations and the Attorney–Client Privilege*: Any pending or anticipated litigation or contract negotiation in which the public body is, or may become a party. Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer.

**Litigation- Montenegro, Kaiser & Riotto Vs TSH,  
Frew V. South Hackensack  
Evans V. South Hackensack**

**Anticipated Litigation- TSH V. NJ Meadowlands Commission**

      (8) *Matters Relating to the Employment Relationship*: Any matter involving the employment, appointment, termination of employment, terms and conditions of employment,

evaluation of the performance of promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body, unless all the individual employees or appointees whose rights could be adversely affected request in writing that such matter or matters be discussed at a public meeting.

(9) Matters relating to the Potential Imposition of a Penalty: Any deliberations of a public body occurring after a public hearing that may result in the imposition of a specific civil penalty upon the responding party or the suspension or loss of a license or permit belonging to the responding party bears responsibility.

Now, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of South Hackensack assembled in public session on this date, that an Executive Session closed to the public shall be held in the South Hackensack Township Municipal Complex, 227 Phillips Avenue, South Hackensack, New Jersey, for the discussion of matters relating to the specific items designated above.

It is anticipated that the deliberations conducted in closed session may be disclosed to the public upon the determination of the Township Committee that the public interest will no longer be served by such confidentiality.

*The foregoing resolution was duly adopted by the Township Committee of the Township of South Hackensack at a public meeting held on **February 14, 2013.***

**RESOLUTION NO. 2013-066**

**APPOINTING ELIZABETH DONNARUMMA AS ACCOUNTS PAYABLE CLERK,  
PAYROLL CLERK AND ASSISTANT TO THE CHIEF FINANCIAL OFFICER**

**WHEREAS**, the Township is in need of an individual to handle various financial duties previously undertaken by the Municipal Treasurer who resigned as of September 27, 2012; and

**WHEREAS**, the Township's CFO has recommended and the Township Committee has accepted said recommendation that Elizabeth Donnarumma is capable of effectively performing the tasks of Accounts Payable Clerk, Payroll Clerk and Assistant to the Chief Financial Officer

**NOW THEREFORE BE IT RESOLVED**, that Elizabeth Donnarumma be and is hereby appointed as Accounts Payable Clerk at a yearly salary of \$28,000.00, Payroll Clerk at a yearly salary of \$16,000.00 and Assistant to the Chief Financial Officer at a yearly salary of \$4,000.00 subject to the availability of funds and as hereafter established within the salary ordinance of the Township; and

**BE IT FURTHER RESOLVED**, that Elizabeth Donnarumma shall work thirty four (34) hours per week and for the purpose of medical benefits and consistent with Municipal Resolution regarding the same shall be considered a part time employee who shall not

be entitled to said medical benefits. Elizabeth Donnarumma shall be entitled to all other benefits established by Township Ordinance or Personnel Manual including but not limited to sick and vacation time, personal days and bereavement leave; and

**BE IT FURTHER RESOLVED**, that Elizabeth Donnarumma shall be paid all compensation at regular municipal payroll intervals with all deductions as required by law and shall work such evening hours as Assistant to the Chief Financial Officer as shall be directed by him.

**ATTEST**

\_\_\_\_\_  
**Donna L. Gambutti, Township Clerk**

\_\_\_\_\_  
**Frank Cagas, Mayor**

**Motion:**

**Second:**

**Yayes:**

**Nayes:**

**February 14, 2013**

**RESOLUTION NO. 2013-067**

**A RESOLUTION - AUTHORIZING SETTLEMENT OF TAX APPEALS  
ALSAN REALTY COMPANY**

**WHEREAS**, ALSAN REALTY COMPANY, LP is the owner of certain properties located in the Township of South Hackensack, County of Bergen, State of New Jersey; and

**WHEREAS**, said properties are known and designated on the official tax map of the Township of South Hackensack as follows:

<b>ADDRESS</b>	<b>LOT</b>	<b>BLOCK</b>
23 Empire Boulevard	6.01	105
25 Empire Boulevard	1.01	106
14 Central Boulevard	1.02	106
18 Central Boulevard	1.03	106
10 Horizon Boulevard	2.01	106
14-24 East Wesley Street	46	37
35 Horizon Boulevard	2.04	106
20 Horizon Boulevard	2.02	106

; and

**WHEREAS**, the aforementioned property owner has filed a Real Property Tax Appeals in connection with the subject properties for the tax years 2008 through 2011;

and

**WHEREAS**, said real property tax appeals are described as follows:

Alsans Realty Company LP –vs- Township of South Hackensack  
Docket Nos. 006613-2008, 000743-2009, 020894-2010 & 002777-2011

Alsans Realty Company LP –vs- Township of South Hackensack  
Docket Nos. 006614-2008, 000744-2009, 020900-2010 & 002778-2011

Alsans Realty Company LP –vs- Township of South Hackensack  
Docket Nos. 006610-2008, 000745-2009, 020892-2010 & 002783-2011

Alsans Realty Company LP –vs- Township of South Hackensack  
Docket Nos. 006609-2008, 000746-2009, 020893-2010 & 002787-2011

Alsans Realty Company LP –vs- Township of South Hackensack

Docket Nos. 006608-2008, 000747-2009, 020899-2010 & 002763-2011

Alsan Realty Company LP –vs- Township of South Hackensack  
Docket Nos. 006606-2008, 000748-2009, 020898-2010 & 002758-2011

Alsan Realty Company LP –vs- Township of South Hackensack  
Docket Nos. 006612-2008, 000742-2009, 020897-2010 & 002772-2011

Alsan Realty Company LP –vs- Township of South Hackensack  
Docket Nos. 006611-2008, 000741-2009, 020896-2010 & 002767-2011; and

**WHEREAS**, a settlement of the aforementioned tax appeals have been proposed after extensive review and negotiation and after review of the within matters by the Township’s Appraisal Expert, Robert Mc Nerney and the Tax Assessor, George Reggo; and

**WHEREAS**, as a result of the aforesaid negotiations, the Tax Assessor, Appraiser and Tax Appeal Attorney have all recommended the acceptance of the proposals for settlement which are set forth on the attached Stipulations of Settlement.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of South Hackensack, County of Bergen, and State of New Jersey as follows:

1. All real property tax appeals described in this resolution be and are hereby settled upon the terms set forth on the attached Stipulations of Settlement.
2. Any interest on refunds due is waived provided that the refund is paid to the attorney for the taxpayer within sixty (60) days of the date of entry of judgment or within sixty (60) days after the Defendant receives final approval of its tax refund bond application and all appeal periods have expired.

3. All refunds as a result of the settlement set forth herein shall be payable to:  
Alsan Realty Company, LP and forwarded to John R. Lloyd, Esq., Nowell Amoroso  
Klein Bierman, PA, 155 Polifly Road, Hackensack, New Jersey .

4. Joseph J. Rotolo, Esq., Special Tax Appeal Counsel is hereby authorized to  
execute the Stipulations of Settlement attached hereto and deliver the same to the Tax  
Court for filing and entry of judgment.

**BE IT FURTHER RESOLVED** that the approval of this settlement is based  
upon the recommendation and approval of the Tax Assessor, George Reggo, the  
Township's expert, Robert McNerney and the Township's Tax Appeal Attorney, Joseph  
J. Rotolo, Esq.

**NOW THEREFORE BE IT FURTHER RESOLVED** that the Township Clerk  
be and she is hereby authorized and directed to forward certified copies of the within  
resolution to John R. Lloyd, Esq., Joseph J. Rotolo, Esq., the Tax Assessor for the  
Township of South Hackensack and McNerney & Associates.

**Motion:**

**Second:**

**Roll Call Vote:**

**February 14, 2013**

**ATTEST:**

\_\_\_\_\_  
**Donna L. Gambutti, Township Clerk**

\_\_\_\_\_  
**Frank Cagas, Mayor**

**RESOLUTION NO. 2013-068**

**A RESOLUTION - AUTHORIZING SETTLEMENT OF TAX APPEALS**

**Premises: 330 Main Street Block 1.04 – Lot 1**

**WHEREAS, MOUNT LAUREL, LLC** is the owner of property located at 330 Main Street in the Township of South Hackensack, County of Bergen, State of New Jersey; and

**WHEREAS,** said properties are known and designated on the official tax map of the Township of South Hackensack as Lot 1 and Block 1.04; and

**WHEREAS,** the aforementioned property owner has filed a Real Property Tax Appeals in connection with the subject properties for the tax years 2006 through 2012; and

**WHEREAS,** said real property tax appeals are described as follows:

**Township of South Hackensack advs. Mt. Laurel, LLC  
Docket No. 003212-2012, 002258-2011, 010152-2010,  
000931-2009, 001079-2008, 002944-2007,  
006649-2006**

**Premises: 330 Main Street Block 1.04 – Lot 1**

**WHEREAS,** a settlement of the aforementioned tax appeals have been proposed after extensive review and negotiation and after review of the within matters by the Township's Appraisal Expert, Robert Mc Nerney and the Tax Assessor, George Reggo; and

**WHEREAS**, as a result of the aforesaid negotiations, the Tax Assessor, Appraiser and Tax Appeal Attorney have all recommended the acceptance of the proposals for settlement which are set forth on the attached Stipulations of Settlement.

**NOW, THEREFORE, BE IT RESOLVED**, by the Township Committee of the Township of South Hackensack, County of Bergen, and State of New Jersey as follows:

1. All real property tax appeals described in this resolution be and are hereby settled upon the terms set forth on the attached Stipulations of Settlement.

2. Any interest on refunds due is waived provided that the refund is paid to the attorney for the taxpayer within sixty (60) days of the date of entry of judgment or within sixty (60) days after the Defendant receives final approval of its tax refund bond application and all appeal periods have expired.

3. All refunds as a result of the settlement set forth herein shall be payable to: McCarter & English, LLP, Four Gateway Center, 100 Mulberry Street, Newark, New Jersey 07102

4. Joseph J. Rotolo, Esq., Special Tax Appeal Counsel is hereby authorized to execute the Stipulations of Settlement attached hereto and deliver the same to the Tax Court for filing and entry of judgment.

**BE IT FURTHER RESOLVED** that the approval of this settlement is based upon the recommendation and approval of the Tax Assessor, George Reggo, the

Township's expert, Robert McNerney and the Township's Tax Appeal Attorney, Joseph J. Rotolo, Esq.

**NOW THEREFORE BE IT FURTHER RESOLVED** that the Township Clerk be and she is hereby authorized and directed to forward certified copies of the within resolution to McCarter & English, LLP, attn: Susan A. Feeney, Esq., Four Gateway Center ., Joseph J. Rotolo, Esq., the Tax Assessor for the Township of South Hackensack and McNerney & Associates.

**Motion:**

**Second:**

**Roll Call Vote:**

**February 14, 2013**

**ATTEST:**

\_\_\_\_\_  
**Donna L. Gambutti, Township Clerk**

\_\_\_\_\_  
**Frank Cagas, Mayor**

**RESOLUTION NO 2013-069**

**A RESOLUTION - AUTHORIZING SETTLEMENT OF TAX APPEALS**

**Premises: 378 Route 46 Block 1.02 - Lot 1.02**

**WHEREAS, MOUNT LAUREL, LLC** is the owner of property located at 378 Route 46 in the Township of South Hackensack, County of Bergen, State of New Jersey;  
and

**WHEREAS,** said properties are known and designated on the official tax map of the Township of South Hackensack as Lot 1.02 and Block 1.02; and

**WHEREAS,** the aforementioned property owner has filed a Real Property Tax Appeals in connection with the subject properties for the tax years 2006 through 2012; and

**WHEREAS,** said real property tax appeals are described as follows:

**Township of South Hackensack advs. Mt. Laurel, LLC**  
**Docket Nos. 003207-2012, 002261-2011, 010156-2010,**  
**930-2009, 001078-2008, 002942-2007,**  
**006647-2006**  
**Premises: 378 Route 46 Block 1.02 - Lot 1.02**

**WHEREAS,** a settlement of the aforementioned tax appeals have been proposed after extensive review and negotiation and after review of the within matters by the Township's Appraisal Expert, Robert Mc Nerney and the Tax Assessor, George Reggo; and

**WHEREAS,** as a result of the aforesaid negotiations, the Tax Assessor, Appraiser and Tax Appeal Attorney have all recommended the acceptance of the proposals for settlement which are set forth on the attached Stipulations of Settlement.

**NOW, THEREFORE, BE IT RESOLVED,** by the Township Committee of the Township of South Hackensack, County of Bergen, and State of New Jersey as follows:

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**NOW THEREFORE BE IT FURTHER RESOLVED** that the Township Clerk be and she is hereby authorized and directed to forward certified copies of the within resolution to McCarter & English, LLP, attn: Susan A. Feeney, Esq., Four Gateway Center ., Joseph J. Rotolo, Esq., the Tax Assessor for the Township of South Hackensack and McNerney & Associates.

**Motion:**

**Second:**

**Roll Call Vote:**

**February 14, 2013**

**ATTEST:**

\_\_\_\_\_  
**Donna L. Gambutti, Township Clerk**

\_\_\_\_\_  
**Frank Cagas, Mayor**

**Resolution Number- 2013-070- Bills List February 2013- See Attached**

**Resolution No. 2013-074 Authorize Mayor Cagas to sign Pitney Bowes Financial Agreement – 04/01/2013- 06/30/2017**

BE IT RESOLVED by the Township Committee of the Township of South Hackensack that Mayor Frank Cagas is hereby authorized to sign financial rental agreement between Pitney Bowes Financial Services and Township of South Hackensack.

Consent Resolution 2013-02A

Date: February 14, 2013

**TOWNSHIP OF SOUTH HACKENSACK  
COUNTY OF BERGEN**

**Resolution No. 2013-072  
Opposition to the Approval Process for Non-SHBP Health Insurance Plans As Proposed By  
N.J.A.C. 5:30-18.1 through 18.4 and N.J.A.C. 6A:23A**

**Whereas,** The New Jersey Local Finance Board and the New Jersey Department of Education have proposed rules requiring that all labor contracts providing for health insurance outside the State Health Benefits Program need to be approved by the State and requiring that local entities and school boards perform a static comparison of health insurance costs to State Health Benefit Program costs; and

**Whereas,** These rules are in conflict with Section 42.c of Chapter. 78, which is ostensibly used as authority for the regulation, but is actually meant only to apply to

public entities wishing to enter into contract that included a contribution schedule from employees that substitutes for that as laid out in the statute; and

**Whereas**, The regulations, as proposed, extends this authority to require all public entities electing not to provide health benefits through the State Health Benefits Plan (SHBP) and the School Employees' Health Benefits Program (SEHBP) to submit to the process established under the proposed regulation; and

**Whereas**, This interpretation that is contrary to the regulations is supported by:

- The plain reading of the statute;
- The explanation contained in Local Finance Notice (LFN) 2011-20R, Section VI. Alternate Employee Health Care Contribution; and
- The following language from the "Statement" found at page 121, line 35 of the Bill (underlining added)::

*The bill allows boards of education and units of local government, that do not participate in the SHBP or SEHBP, to enter into contracts for health care benefits coverage, as may be required to implement a collective negotiations agreement, and agree to different employee contribution rates if certain cost savings in the aggregate over the period of the agreement can be demonstrated. The savings must be certified to the Department of Education or the Department of Community Affairs, as appropriate.*

; and

**Whereas**, the proposed regulation is cumbersome and places a significant burden on any public body intending to utilize the employee contribution schedule contained within the law, but wishing obtain health benefits outside the SHBP or SEHBP; and

**Whereas**, the de facto effect of this regulation, if adopted, will be to drive public bodies into the SHBP or SEHBP and stifle competition; and

**Whereas**, New Jersey already has one of the nation's most uncompetitive health insurance markets according to the Henry J. Kaiser Family Foundation (October 2011):

- In the individual market, one carrier, Horizon BCBS, controls 73% of the market with only two carriers having 5% or more of the market.
- The same carrier controls over 75% of the governmental market, largely by virtue of its relationship with the SHBP and SEHBP.
- Finally, Horizon controls 43% of the small group market; and

**Whereas**, If the regulation causes a significant number of local entities to move to the SHBP and SEHBP, a negative result will be to increase market concentration and further reduce carrier competition in the State; and

**Whereas,** This will result in an increase in fully insured costs for other persons, governmental entities, not for profits, and business in the State; and

**Whereas,** The regulations' definition of "net employer cost" is not inclusive of all relevant items and should be modified:

- For instance, members of JIFs own a proportionate share of fund surplus that should be included in a valid comparison.
- Likewise, JIF members receive dividends that reduce net employer cost.
- Finally, JIF rates could include supplemental assessments that represent a liability to the member regardless of whether it stays in the joint insurance fund or moves to the SHBP.; and

**Whereas,** Most local entity labor contracts cover multiple year periods:

- A comparison using the most current year is misleading and invalid because the comparison can change in subsequent years.
- In addition, school districts that belong to health JIFs renew on July 1 of each year.
- The differences in renewal cycles between the health JIF, the SEHBP, and the commercial market will further complicate comparisons; and

**Whereas,** The regulations do not address differences in plan design between an employer plan and the plan or plans offered by the SHBP and the SEHBP and such differences are critical to any valid comparison of plan economics; and

**Whereas,** The regulations do not address legal restraints on local entities considering their obligations to retirees, and obligations to employee groups that are not a part of the contract in question; and

**Whereas,** In situations where a local health plan has negotiated benefits that are richer than, or even different than, those provided by the SHBP and SEHBP, the local unit will be subject to sanctions for failing to honor its labor agreements; and

**Whereas,** The comparison is burdensome to local units and of limited use given that the requested details do not allow for a valid comparison of net cost and benefits; and

**Whereas,** SEHBP rates are reduced by the amount of the A4 retiree surcharge paid by entities not in the state plan and the rates for local school districts not in the SEHBP are increased by the surcharge further limiting the fairness and utility of the comparison; and

**Whereas,** SEHBP and SHBP rates in the past have been impacted by one time sources of revenue such as the Tobacco settlement and the use of one time sources of revenue that are not available to local units does not permit for a fair and valid comparison; and

**Whereas,** The regulations favor the SEHBP and SHBP to the exclusion of health joint

insurance funds (JIFs) that have faithfully served New Jersey local government, under enabling statutes, for over 20 years:

- Health JIFs are a valid alternative for entities with unique plan designs, good loss experience, and a willingness to participate in JIF governance.
- Health JIFs are the largest “shared services” effort in the State for local government from a revenue standpoint.
- To the extent that the regulations operate to the disadvantage of health JIFs, the regulations are in opposition to, and indeed are hostile to, statutes that authorize JIF creation and operation.
- By extension, the regulations foster a “big government” mentality and are hostile to both “shared services” and “home rule” concepts.
- If the regulation seeks to encourage “due diligence”, then members of the SEHBP and SHBP should also be required to compare their claims and cost to the health JIF and commercially insured alternatives.

**Now, Therefore, Be It Resolved**, That, for the foregoing reasons, we respectfully beseech that the Departments modify and reissue the proposed regulations to:

- Apply only when a local unit proposes an employee contribution schedule different from that contained in the statute;
- Require any comparison to take into consideration differences in plan design and eligibility;
- Require the evaluation criteria to consider dividends received from a health JIF and shares of surplus retained by the health JIF;
- Promote, rather than undermine, healthy competition among the various options available to local units shopping for health insurance;

**Be It Further Resolved** that certified copies of this resolution be forwarded to Governor Christie, the NJ Local Finance Board, the NJ Department of Education, and to local legislative representatives.

**ATTEST:**

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**Donna L. Gambutti, Township Clerk**

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**Frank Cagas, Mayor**

<b>I. Resolution No. 2013-073 Appoint Recreation Commissioner</b>
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BE IT RESOLVED by the Township Committee of the Township of South Hackensack that the following be and are hereby appointed as Recreation Commissioners for the terms indicated:

Salvatore Zito.....4-year term/expires 12/31/16

BE IT RESOLVED by the Township Committee of the Township of South Hackensack that the following be and are hereby appointed to the Recreation Department for the year 2013.

Consent Agenda 2013-02A  
February 14, 2013

**Resolution No. 2013-074 Appoint Insurance Fund Commissioner**

BE IT RESOLVED by the Township Committee of the Township of South Hackensack that Donna L. Gambutti be and is Insurance Fund Commissioner for the Township of South Hackensack for the year 2013.

Consent Resolution 2013-02A  
Date: February 14, 2013

**Resolution No. 2013-075 Person-To-Person, Place-to-Place Transfer 0259-33-009-005 from Teggiano, Inc. to Wine and Liquor Depot, LLC**

WHEREAS, an application has been filed for a Person-to-Person, Place-to-Place Transfer of Plenary Retail Consumption License Number 0259-33-009-005 heretofore issued to Teggiano Restaurant LLC, 310 Huyler Street, South Hackensack, New Jersey and;

WHEREAS, the submitted application form is complete in all respects, the transfer fees have been paid, and the license has been properly renewed for the current license term;

WHEREAS, the applicant is qualified to be licensed according to all standard established by Title 33 of the New Jersey Statutes, regulations promulgated thereunder, as well as pertinent local ordinances and conditions consistent with Title 33;

WHEREAS, the applicant has disclosed and the issuing authority reviewed the source of all funds used in the purchase of the license and the licensed business and all additional financing obtained in connection with the license business;

NOW, THEREFORE BE IT RESOLVED that the Township Committee of the Township of South Hackensack does hereby approve, effective February 14, 2013, the transfer of the Plenary Retail Consumption License to Wine and Liquor Depot, LLC , and further transfers the license from to 310 Huyler Street, South Hackensack, NJ 07606 to 310 Huyler Street, UNIT B, South Hackensack. NJ 07606 and does hereby direct the Township Clerk/A.B.C. board secretary to endorse the license certificate to the new ownership as follows: "This license, subject to all its terms and conditions, is hereby transferred to **Wine and Liquor Depot, LLC**, effective February 14, 2013 ".

Resolution No. 2013-075

Date: February 14, 2013

Motion:

Second:

Roll Call:

**ATTEST:**

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**Donna L. Gambutti, Township Clerk**

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**Frank Cagas, Mayor**