

**BOROUGH OF MENDHAM
MEETING OF THE MAYOR AND COUNCIL**

September 24, 2020 Special Meeting

MINUTES

CALL TO ORDER

Mayor Christine Serrano-Glassner called the September 24, 2020 Special Meeting of the Mayor and Council to order at 8:00 p.m. in the Garabrant Center, 4 Wilson Street, Mendham, New Jersey.

MOMENT OF SILENCE AND FLAG SALUTE

Mayor Serrano-Glassner then led a moment of silence and proceeded with the Pledge of Allegiance.

MAYOR'S OPENING STATEMENT

Mayor Serrano-Glassner read the following statement:

Notice of this Special Meeting of the Mayor and Council of the Borough of Mendham was sent to the Daily Record, the Star Ledger, the Observer Tribune, the Chester-Mendham Patch, and was posted in the Phoenix House filed in the Office of the Borough Clerk in accordance with the Open Public Meetings Act. The purpose of this Special Meeting will be to discuss the proposed consolidation of solid waste, bulk waste and recyclable material collection for Mendham Borough households. Formal action may be taken at this meeting.

ROLL CALL

The following officials were present:

Mayor Christine Serrano-Glassner
Council Member Steven Andrew
Council Member John Andrews
Council President Brad Badal
Council Member Mary Sue Martin [via Zoom conferencing]
Council Member Brennan Reilly

Council Member James Kelly was absent.

Also present were:

Joyce Bushman, Borough Administrator
Fred Semrau, Esq., Municipal Attorney [via Zoom conferencing]
Bud Jones, Municipal Auditor [via Zoom conferencing]
Robin R. Kline, Borough Clerk

PROCLAMATION

THANKING THE VOLUNTEERS OF THE ST. JOSEPH CHURCH YOUTH MINISTRY PROGRAM FOR THEIR "MENDAM MISSION" SERVICE WORK TO THE MENDHAM BOROUGH COMMUNITY

Mayor Serrano-Glassner read the proclamation thanking the St. Joseph Church youth ministry for their community service work over the summer.

Mayor Serrano-Glassner presented the proclamation to Mark Tosso, Youth Minister at St. Joe's, who was joined by the volunteers of the St. Joseph Church youth ministry program. Mayor Serrano-Glassner and the Borough Council thanked the teenage and adult volunteers of St. Joseph Church's Youth Ministry Program who came together and put in hard work for the betterment of the Mendham community.

MAYOR'S STATEMENT

Mayor Serrano-Glassner reported that Borough officials are currently considering a fiscally-responsible approach to managing both solid waste and recyclable materials collection and disposal. She further stated that over the past few years, the value of recyclable materials has been in decline resulting in substantial increases in the costs to dispose of recyclable materials. She further mentioned that major changes in global recycling markets, especially the Chinese market, have caused prices for recyclable materials to plummet. Based on industry estimates, Mayor Serrano-Glassner advised that the costs to collect and dispose of recyclable materials will continue to rise.

Mayor Serrano-Glassner advised that municipalities are statutorily mandated to provide recycling services to residential households. Borough officials must consider consolidating, or bundling, residential recycling and solid waste services in efforts to control costs while also keeping the municipal budget within the 2 percent (2%) state-mandated cap. She reported that a sealed bid was prepared seeking proposals consolidating the collection and disposal of solid waste, bulk waste and recyclable materials beginning in calendar year 2021.

In closing, Mayor Serrano-Glassner stated that tonight's meeting would present residents with more information and details concerning the bundling of recycling and solid waste municipal services and to receive input from residents with respect to the bid proposal that had been received. Lastly, she reported the Council had not yet decided how to proceed and looked forward to hearing from the residents and receiving feedback from the community.

PRESENTATION

Fred Semrau, Esq. – Municipal Attorney

Mayor Serrano-Glassner invited Fred Semrau, Esq., Mendham Borough's municipal attorney, to comment on the bidding process municipalities are required to follow regarding sanitation contracts.

Mr. Semrau advised that under the state's Local Public Contracts Law, municipalities are required to advertise solid waste and sanitation bids in an official newspaper circulating within the municipality and in at least one newspaper of general circulation in the state. Advertisement cannot be less than sixty (60) days prior to date fixed for receiving bids. He further advised that in addition to the advertising the bid notice in the Daily Record and Star Ledger newspapers, the notice to bidders was also published on the New Jersey Press Association's (NJPA) website, as well as Mendham Borough's website in efforts to attract more competition in the submission of bids.

Mr. Semrau further advised that he, Mayor Serrano-Glassner and the Administrator met with Morris County's Recycling Coordinator to ensure that the bid addressed all state-mandated issues. He mentioned that the bid process is extensive and took nearly five months from the date the bid documents were prepared to the date bids were submitted and subsequently evaluated. He confirmed that only one bid proposal was received at the end of the bid process and further confirmed that the Borough is bound by law to review the bid submitted and to consider that bid in good faith. He also advised that it is not unusual for a municipality to receive only one bid proposal for town-wide collection services.

Mr. Semrau applauded the Mayor, Council and Administrator for wanting the public's input since the decision whether to move forward or not with the bid proposal would impact the municipal budget and affect the municipal service provided to the residential household in the Borough. He complimented the Mayor and the Borough's Administration on their diligence and hard work throughout the 5-month bid process and added that typically municipalities do not seek public input for these matters.

Bud Jones - Municipal Auditor

Mayor Serrano-Glassner invited Bud Jones, Municipal Auditor, to comment on the budgetary process and financial aspects concerning the proposed consolidated bid.

Mr. Jones reported that Mendham Borough is subject to a two percent (2%) tax levy cap, as well as a two percent (2%) budget appropriations cap. Because the Council adopted a cap bank ordinance earlier in the year, he reported that the appropriations cap could be increased up to three and a half percent (3.5%) over the previous year's budgeted appropriations.

In his analysis, Mr. Jones confirmed that the increased dollar amount required for the collection of recyclable materials would "hamstring" the Borough's operating budget going forward and would have a significant budgetary impact in the next several years.

Joyce Bushman – Borough Administrator

Joyce Bushman, Borough Administrator, presented a PowerPoint presentation that referenced the state laws mandating municipal recycling and set forth details in the proposed Consolidated Trash, Recycling & Bulk Pick-up Services Program. The presentation also included Facts & Questions. A copy of the PowerPoint presentation was posted on the Borough website and is annexed to these minutes.

In summary, the proposed service would include weekly mechanized curbside trash pick-up for residential households. The service would expand recycling to weekly single-stream curbside pick-up using quiet natural gas-powered trucks. The Borough's discounted price to provide the consolidated service a residential household would be \$30.00 per month and would include one (1) trash toter and one (1) recyclable material toter per household. Residents may choose 96- or 64-gallon toters. Weekly curbside bulk waste pick-up service would remain the same.

The Borough's contract with Blue Diamond Disposal would be at a fixed annual rate for each year over a 5-year term period and the service would be billed quarterly.

Under the proposed expanded service, each residential household would be billed quarterly by the Borough. Should the bid proposal be approved by the Council, the new Consolidated Trash, Recycling & Bulk Pick-up Services Program would start January 1, 2021.

PUBLIC COMMENTS

Mayor Serrano-Glassner opened the public comment portion of the meeting.

Paul Cascais, 15 Knollwood Road, agreed that is not uncommon for a municipality to receive one response to a solid waste bid. He suggested that before the governing body decides on whether to accept the bid proposal, the "bench line costs" for each of the collection services should be determined and evaluated. Mr. Cascais further commented that typically a bidder provides competitive pricing for the first 5-year contract period and the second 5-year contract usually comes in with higher pricing. He reminded the governing body

that under the current program, residents can negotiate a subscription service for solid waste collection from any hauler willing to service the area that best suits their needs. He also commented that residents leaving the area for a length of time can suspend their service for that period and not be charged. He questioned whether residents would have similar advantages under the proposed Borough-contracted service.

Janet Cicariello-Cook, 21 Phoenix Drive, inquired why the bid was advertised in newspapers, which may not reach smaller companies, and not through internet-based sites. She commented that approximately one-third (1/3) of Mendham Borough households retain Legacy Service for their trash pick-up and pay much less for the service than the Borough's proposed cost of \$30.00 per month under the bid.

Mr. Semrau responded that state law sets forth the specific bid advertising process that requires bids to be published in newspapers with state-wide circulation and further advised that a public agency is prohibited from soliciting bids to targeted companies. Mr. Semrau also noted that many haulers would not qualify in providing contractual town-wide service.

David Sprandel, 18 N. Linden Lane, voiced his support for the proposed bundling of solid waste, bulk waste and recycling collection in the Borough. He commented that consolidating these services decrease the number of large trucks needing to travel through neighborhoods. Mr. Sprandel also inquired whether trash collection operations could be restricted until after 7:30 a.m.

Robert Westreich, 10 Prospect Street, questioned what the cost would be for calendar year 2 of the proposed Blue Diamond contract.

Joyce Bushman responded that the contract cost would be \$732,000 for each year of the 5-year contract or \$61,000 per month. She further said that the 1,723 households would be charged at \$30 each month, which would net \$51,690 per month. The budget would cover the shortfall.

Carol Brady, 8 Loryn Lane, questioned if a Blue Diamond truck caused the fire at the Kings Shopping Center and further inquired whether the company's trucks are safe and if the bid required any safety standards.

Mr. Semrau responded that bidders must comply with state law and if not in compliance would be disqualified as a bid respondent.

Linda Noll, 85 Hampshire Drive, inquired if residents could be accommodated with a smaller size toter and questioned why the monthly cost of the service is not based on the amount of trash discarded by the household. She further inquired if the Morris County Municipal Utility Authority was considered for the collection of recyclable materials.

Joyce Bushman responded that the MCMUA does not provide solid waste disposal services and therefor would not have been a qualified bidder.

Bob Ritger, 14 Gunther Street, sought confirmation whether the \$30 per month billing cost to residential households included all fees and charges.

Joyce Bushman responded that the billing cost of \$30 per month includes all fees and charges.

Nancy Rodrigues, 7 Demarest Drive, inquired if residents could contract their own recycling collection and further inquired if the terms and costs for the bid received could be negotiated.

Mr. Semrau advised that once a bid has been accepted, the terms and costs cannot be negotiated.

Dave [*inaudible*], 14 Halstead Road, commented that the PowerPoint presentation stated that non-Borough residents have contributed 43% of the total tonnage of recyclable materials collected at the DPW dumpster and questioned why out-of-towners have been allowed access to the DPW dumpster. He also questioned how Borough officials know that 43% of the tonnage comes from out-of-town.

Mayor Serrano-Glassner responded that DPW employees can monitor the recycling dumpster at the DPW facility during operating hours, however the Borough cannot always afford to schedule an employee to monitor the recycling dumpster after hours and on weekends.

Ms. Bushman reported that the calculation referencing 43% of the tonnage collected at the DPW dumpster comes from out-of-town is based on national statistics of recyclable tonnage per household.

Robert Largman, 3 Aster Terrace, commented that although his prior experience with Blue Diamond Disposal has been poor, he expressed his support to consolidating curbside collection from an environmental perspective.

Nancy Hellriegel, 12 Knollwood Drive, questioned if the bid document allowed an alternate other than for the three services – solid waste, bulk waste and recycling collection.

Mr. Semrau confirmed that the bid document did not provide for alternate options.

Patrick Doyle, 11 Forest Drive, stated that he would like the services re-bid to attract more than one bidder and suggested that the Morris County Municipal Utility Authority should be considered for the collection of recyclables.

Jim Stroup, 11 Knollwood Drive, commented that the services should be re-bid to attract more than one bidder and further commented that those households which take steps to reduce their own waste stream should pay less for the monthly service than households generating more waste.

Jennifer Jones, 20 Drake Road, inquired how many haulers can accommodate the collection of all three services and further questioned when the Council would decide to award a contract or reject the bid submitted.

Mayor Serrano-Glassner responded that after all public comments have been received during this meeting, the Council would further discuss the bid and determine the next steps to be taken. Should the Council decide to award the bid, she advised that an ordinance would be introduced at the October 14th Council meeting and a public hearing on the ordinance would be subsequently scheduled for the October 26th Council meeting. If the ordinance is adopted, the new program would go into effect January 1, 2021.

John and Ellen Baxter, 13 Valley Way, inquired why Waste Management did not submit a proposal.

Mr. Semrau again advised that it is not unusual for a municipality to receive only one bid proposal for town-wide collection services and further advised that a public agency is prohibited from soliciting bids to targeted companies.

Tom Mitchel, 1 Garabrant Street, commented that costs associated with the collection of recyclable materials is currently funded through the municipal budget. He inquired whether a separate tax levy could be applied in lieu of a separate quarterly billing and questioned where the Borough would appropriate monies not needed to pay for recycling costs.

Mr. Jones responded that Mendham Borough could not tax garbage and recycling collection separately because the Borough does not have a qualified utility taxing district.

Paul Fechem, 37 Gunther Street, questioned whether the Borough would continue to contribute budgeted funds to help off-set the cost for town-wide curbside collection services.

Mayor Serrano-Glassner responded that the Borough must keep it municipal budget with the two percent (2%) tax levy cap and the two percent (2%) appropriations cap. Continued funding of curbside recycling collection would therefore be dependent upon the tax levy cap and appropriations cap for each budget year.

Seeing and hearing no one else wishing to speak, Mayor Serrano-Glassner closed the public comment portion of the meeting.

COUNCIL DISCUSSION

Mayor Serrano-Glassner thanked the residents for their feedback. She acknowledged that the Borough cannot accommodate every household's personal need or circumstance and mentioned that the Borough does not have a large workforce that could adequately manage the kind of curbside collection program the residents would like and deserve. After listening to resident's comments and concerns, her recommendation was to allow residents to continue to manage their own trash collection and have administration prepare new bid specifications based on resident input received.

Council Member Reilly stated that while he was in favor of consolidating the three services with a flat rate, he was also concerned what may happen with pricing in the second 5-year contract period. He further stated that he favors choice for residential households to manage their solid waste collection service. Lastly, Council Member Reilly mentioned that Borough officials must begin to investigate proactive programs that reduce the waste stream and the use of single-use containers and packaging.

Council Member Andrews thanked Borough residents for their feedback and mentioned that their comments and concerns will be considered.

Council Member Andrew also thanked Borough residents for their feedback and mentioned that their comments and concerns will be considered.

Council President Brad Badal recused himself from discussion of this matter.

Council Member Martin stated that she was in favor of preparing a new bid based on the input received from residents.

There was no further Council discussion.

Mayor Serrano-Glassner asked for a motion.

Motion: Council Member Reilly made a motion recommending that Borough residents continue to manage their household solid waste collection at this time and to request the Council's Public Works and Utility Committee to further review this matter and make a recommendation to the Governing Body on options to be considered.

Second: Council Member Andrew

Ayes: Andrew, Andrews, Martin, Reilly

Nays: None

Council President Badal recused himself.

ADJOURNMENT

Having nothing further to discuss, Mayor Serrano-Glassner asked for a motion to adjourn. Council Member Andrew made a motion to adjourn, seconded by Council President Badal. Upon a voice vote, the motion was passed unanimously.

Meeting adjourned at 10:40 p.m.

In observance of the Yom Kippur religious holiday, the next regular meeting of the Mendham Borough Mayor and Council will be held on Tuesday, September 29, 2020 at 8:00 PM, the Garabrant Center, 4 Wilson Street, Mendham.

Respectfully Submitted:

Robin R. Kline

Robin R. Kline, MAS, RMC, CMR
Borough Clerk
BOROUGH OF MENDHAM