

- Market), Block 31, Lot 9.
33. Release of the Maintenance Guarantee for Quick Chek Addition, Block 68.13, Lot 10.
 34. Release of the Maintenance Guarantee for Paradiso, Joseph (Paradise Motors), Block 68.13, Lot 20.
 35. Amending Resolution #10 Appointment of Improvement Search Officer.
 36. Appointment of Michael J. Kahn as a Certified Employee Assistance Professional.
 37. Issuance of Raffle License RL-3026 to HYAL.
 38. Authorizing the Municipal Administrator and Clerk to execute an agreement for the installation of an antenna on the rooftop of Bethany Manor for OEM's use.
 39. Authorizing the Municipal Administrator to execute an agreement letter with Dynamic Testing Services for CDL Drug Testing.

Offered Committeeman Brady _____ 2nd Deputy Mayor Sachs

Roll Call: Committeeman Aagre Yes _____ Committeeman Belasco Yes

Committeeman Brady Yes _____ Deputy Mayor Sachs Yes

Mayor Tinker Yes

40. Salary increase for Philip Meehan.

Offered Deputy Mayor Sachs _____ 2nd Committeeman Aagre

Roll Call: Committeeman Aagre Yes _____ Committeeman Belasco Abstain

Committeeman Brady Yes _____ Deputy Mayor Sachs Yes

Mayor Tinker Yes

41. Transfer of Appropriation Reserves.

Offered Committeeman Brady _____ 2nd Committeeman Aagre

Roll Call: Committeeman Aagre Yes _____ Committeeman Belasco Yes

Committeeman Brady Yes _____ Deputy Mayor Sachs Yes

Mayor Tinker Yes

Ordinance Introduction:

1. BOND ORDINANCE PROVIDING AN APPROPRIATION OF \$100,000 FOR THE ACQUISITION OF SPORT UTILITY VEHICLES FOR THE POLICE DEPARTMENT BY AND FOR THE TOWNSHIP OF HAZLET IN THE COUNTY OF MONMOUTH, NEW JERSEY AND AUTHORIZING THE ISSUANCE OF \$90,000 IN BONDS OR NOTES OF THE TOWNSHIP FOR FINANCING PART OF THE APPROPRIATION

Title read by Committeeman Aagre

Hearing Date: February 7, 2012.

Offered Committeeman Aagre _____ 2nd Deputy Mayor Sachs

Roll Call: Committeeman Aagre Yes _____ Committeeman Belasco Yes

Committeeman Brady Yes _____ Deputy Mayor Sachs Yes

Mayor Tinker Yes

Motion for payment of bills:

Advance bill lists having been supplied to each Committee Member.
Offered Mayor Tinker _____ 2nd Committeeman Belasco

Roll Call: Committeeman Aagre Yes _____ Committeeman Belasco Yes

Committeeman Brady Yes _____ Deputy Mayor Sachs Yes

Mayor Tinker Yes

Citizens Hearing:

Joe Marques- I would like to say how much I appreciate the trail work being done inside Natco Park. I would like to see a 5K trail go in there. I hear that you received a \$200,000.00 grant, congratulations. How far along are you in the planning on doing something back there?

Administrator Valentino- We are just approving the environmental that has to be done before the state will even release the money to us.

Mr. Marques- I had mentioned to you on facebook that I have an engineer who is willing to do some of the work at cost. I have some plans here and I would like you to take a look at them. Keep in mind nothing is set in stone. I know people on the environmental committee might not want any work on it at all. (He is going over plans with Committee). I am focusing on the 5K because our school has a very successful Cross Country Team for boys even more so for the girls. They practice on the streets which is very dangerous. I am providing you with a couple of different avenues that you might want to take. I don't know how much thought you put into it but I would hope that you would consider making it usable by the school. Simply because the school is right there. It is 16.4 feet that would make it certifiable for Cross Country meets. It would just be enough for 2-3 teams nothing for a county meet or state meet.

Committeeman Belasco- This would be opened to the entire town not just the school?

Mr. Marques- Yes. I am showing this to the Board of Education and to Mr. De Genito the Athletic Director. This is something that is good for Hazlet.

James Gelpke- I would like to thank Mr. Belasco for his email back. I have been sending out emails for the better of four years and I know my neighbor has as well. If we get 2 or 3 cold days in a row there is sump pump discharge leaving 7 West Susan Street and it covers the entire road. I know the town has done a great job of coming out several times a year and plowing that. It is a huge hazard and I was promised this was a priority and we were on the priority list. Again, I have been emailing for the better of four years and I was wondering when this is going to get done. Some excuses were that there is no drainage there. That is incorrect. This cost would probably be about \$20.00 or \$30.00 in labor and I could even get it done in about ½ hour. Where are we in regards to that?

Committeeman Aagre- I did forward the email to Mr. Valentino for an update.

Administrator Valentino- It was on our list of priorities for funding last year. We did not do any road work or drainage work last year that was not funded by grants. It continues to be on that priority list.

Mr. Gelpke- You did do I guess grant work on the street next to mine and it does look wonderful but again we are talking \$15.00 or \$20.00 here. It really is a hazard.

Committeeman Belasco- I have been out there in the past couple of days and it is a dangerous situation. It is discharge from someone's sump pump.

Administrator Valentino- The name streets have a problem with their discharge in that area. We have done some of the streets one at a time. Susan was the next one in line. We have a more complicated issue with Susan in that there is a very bad flooding problem with Sycamore Drive. We talked about with engineer last year of not exasperating an already worse problem and that peoples homes were being destroyed on Sycamore and is there a way for us to engineer a solution on the remaining named streets and Sycamore Drive. It is a complex question that does not seem to have an affordable solution.

Mr. Gelpke- I am asking you to set this one line so kids don't hurt walking to school. They walk up and down all day. Buses come up and down all day. Someone is going to get hurt.

Edward Marshall- I have a problem with my sewer bill. First quarter I received a \$5.33 interest charge and I did not receive a bill for the fourth quarter but I did receive a bill for the third quarter. I am not the only one who had this problem. My sister in law lives on Lloyd Road and she got hit with the \$5.33 interest fee to and she did not receive a bill. Is there anything anyone can do about this? It is ridiculous. When my wife called the sewer department they told her the post office lost it. How many other residents got hit with this bill?

Deputy Mayor Sachs- Quite a few most of the West Keansburg section.

Administrator Valentino- The most direct answer I can give you is that the township committee has this on the agenda for them to discuss in the next week and until then we are not going to have a answer for you other then to say they are aware of the problem.

Mr. Marshall- If it was my mistake I would gladly pay it. It is State government mistake and since they made a mistake I should pay for it? Is that the way it should work?

Attorney Gorman- I understand it is a matter of principal but if it is going to get corrected and you are going to get your \$5.33 credit.

Mr. Marshall- I pay my sewer bill two months in advance. Why are you not paying me an interest fee two months in advance?

Attorney Gorman- My suggestion is that you pay it. If you don't pay it and until it is resolved it is going to show up as an outstanding amount.

Mr. Marshall- I am disputing this bill.

Attorney Gorman- I am not trying to argue with you but I do suggest you pay it under protest.

Chris Scanlon- We have a substantial problem on Sycamore Drive with the flooding and from our understanding it has been going on for forty years. That is in your words alone Mr. Valentino. We would like to know when this problem is going to be fixed. All of us plan on staying here for a very long time. We have ten children in the 5 houses that were affected by Hurricane Irene. Our houses were very close to be uninhabitable for two months. We like to know when the situation is going to be corrected on Sycamore and West Susan. There are no drains on West Susan and everything ends up down at the foot of my driveway. Who is responsible for clearing the storm drain at the base of my driveway and at the corner of Brian's property. Two O'clock in the morning who goes out there and cleans it we do. Is there anything the town can do about it. It is a hazardous condition. It is unsanitary conditions. Brian's wife became ill from it. We have 5 children under the age of 3. Like the other gentlemen said the icing issue becomes an incredible danger

Brian McFarland- . I would like to know the status on that?

Administrator Valentino- At the time of the hurricane I was out at your properties at least 2 or 3 times that I could recall if not more. Pictures from previous flooding and pictures that we took at the time of the flooding and I even think some video that you guys took all prove their point that there is a flooding issue at your house. The engineers have been out there and so has public works. When will the work get done presupposes that there is a solution that it can be done. At this point we have not identified a solution that is workable adding the volume to the pipes the engineers do not believe will solve it because it is a matter of elevation. The water will have no place to go once the water rises to a certain level. I believe I discussed that with you and I do not believe that to be an acceptable answer to you but that is what I have been told. As of this moment we do not have a solution for the storm sewers in your street or that go out to the creek adjacent to your property and through the back property lines. What we had discussed was grading the roads at the end of W. Susan where they intersect with Sycamore so at least the water coming down from your street wasn't being forced to come to the grates in front of your house. Maybe we can get it into another system at the end of the street. That seems to be a possible solution which would require the roads to be reconstructed and that has been looked at for the road program going forward. I do not know where that lies in the priority list because the new priority list is not out yet. Who is responsible for clearing the grates? I think we also discussed while it is public works responsibility to come out and clear those grates. When the water is rising you are not going to wait for someone to come

out and do it you are going to do your best, as you have done to clear those grates. There is no question that you are doing what you have to do. I know that is not the solution that you want to hear but that is the update I can give you.

Committeeman Belasco- Can we send someone out there to periodically clean the grates?

Mr. McFarland- Grates are not the issue here.

Committeeman Belasco- I did not know I am just asking.

Mr. McFarland- You are saying there may not be a solution and if you re- grade the street that might not change anything. So every ten or so years this is going to happen to our homes and we have to go through this over and over again. You said this has been going on for forty years. How does the town give my house a Certificate of Occupancy if you know it is not safe to live in that house?

Administrator Valentino- After your house got flooded you fixed it up and returned it to livable conditions as the people who lived there before you probably did.

Mr. McFarland- If FEMA did not give me any money I could not have done that. Let's just say if it happens again and they don't give me money then what?

Administrator Valentino- I do not have an answer for you. As of today, no one has given me a solution they think is going to work.

Mr. Scanlon- What do we have to do to get someone out there to aggressively look at this?

Administrator Valentino- That is a question for the Committee to answer. I think that we have done that aggressively. I think that the people that we brought out there are licensed professionals and this is what they do. They have not been able to identify a solution to getting water from this elevation to where it is going to run freely and run out of your neighborhood when it comes up to a certain level. That level especially at your house is a critical level.

Mr. McFarland- This happens in two inches of rain.

Mr. Scanlon- I think the opportune time for this to be addressed is when West Susan is looked at for the icing issue. When you did Stephens Street I had the engineers out there and begged and pleaded for something to be done. At least for the very minimum add more grade to our location. No doubt grades need to be added on West Susan. There is not a single drain on West Susan. We will be back and check at every meeting. Hopefully something can be reported next meeting.

Kevin Lavan- Happy New Year and congratulations Dave on becoming Mayor and Joe Belasco on your win. A man just came up and questioned a \$5.00 mistake with reference to the sewer utility. On a report that I received from Brian in September, we have had people from DPW, the administrator and the CFO salaries taken from this utility. What seems to be the problem that we are making mistakes with that many administrators being billed out of that office?

Deputy Mayor Sachs- It was not a mistake the mail went from here to the post office and it never went from the post office to the residents homes. The vast majority was the West Keansburg section. It is weird how some streets got them and some did not. The post office said they were here and now they are not.

Mr. Lavan- Shouldn't the post office be responsible for the late fees?

Deputy Mayor Sachs- We all know we are not going to get the money out of the post office.

Mr. Lavan- Yes we all know that they are in trouble themselves.

Deputy Mayor Sachs- Come Tuesday night we will discuss this and my position will be people should not be penalized for something that was not their fault.

Mr. Lavan- Last year you took \$438,000.00 and put it in general funds for the sewer. I asked about a reduction in rates. As of September I had it figured it out correctly it was approximately \$600,000.00 being used in two years through the administration. Why is this money not going back to the people of Hazlet. I have figures here stating what this year's numbers are. They are close to \$1 million coming back to the township. Last year's budget was \$3,502,000.12. This year the service charge is dropped to \$2,798,409.00. There is a savings of \$700,000.00 coming back under the service charge. Why isn't this money going back to the people of Hazlet in a reduction of rates?

Mayor Tinker- We are sitting down this Saturday to start the budgeting process. The numbers will be looked at. When we have a budget assembled we will look at a possibility of rate reductions. We just have not gotten into the budgeting process yet this year.

Mr. Lavan- That is the first time in two years that I have gotten an answer that you will look at it. I hope that you are going to look at it. I would like you to get back to me about the reduction in rates because I believe we need one.

Mayor Tinker- O.K. we will.

Vincent Solomeno- With regard to the sewer rates I had asked this question over a year ago whether or not the savings that was realized through the dissolution of the Hazlet component of the sewer authority whether it was used for general appropriations. Has that changed was it used in the last budget any of that savings towards the general operating expenses?

Mayor Tinker- You are assuming there were savings.

Mr. Solomeno- There were no savings?

Tom O'Hara, CFO- In the 2010 budget, I do not have the exact numbers in front of me. I believe \$439,000.00 sounds correct of fund balance was used from the sewer utility as a general fund revenue. In the 2011 budget we discontinued that process but we began the process of allocating costs associated with running the sewer utility. Such as, varies employees salaries that do work associated with the utility. We have allocated part of their costs in lieu of taking a lump sump of fund balance.

Mr. Solomeno- So there was an actual savings in 2010 of \$439,000.00?

Tom O'Hara, CFO- No there was fund balance available.

Mr. Solomeno- That was from the dissolution of the Hazlet Sewerage Authority?

Tom O'Hara, CFO- Once the sewer authority was dissolved and became a sewer utility the township had control over those funds. Previously the township had no costs to allocate at that time. Once it became part of the township then the township could access those funds.

Mr. Solomeno- I understand that. So as the authority being a separate legal entity when it was resolved the reserve (what ever word you used) the township then had access to that money but the sewer authority had accumulated in some form or another.

Tom O'Hara, CFO- Correct.

Mr. Solomeno- The money that was taken from the sewer authority was applied in 2010 to the general operating budget and that was \$439,000.00?

Tom O'Hara, CFO- I believe that was the number.

Mr. Solomeno- In 2011 there was a difference in the way that we budgeted but the money was still being applied to general operating expenses from the reserve that was recovered from the sewer authority when it became a utility?

Tom O'Hara, CFO- I do not agree with that. We identified costs that are associated with running the sewer utility. We have taken those costs off the general fund side of the budget and applied them to the sewer utility budget.

Mr. Solomeno- Was there a man power study done to determine how much should be applied from the sewer money for the public works employees?

Tom O'Hara, CFO- In discussions with our auditor and another discussion with the former CFO we determined that any percentages that we used had to be reasonable.

Mr. Solomeno- Who made the decision on what was reasonable?

Tom O'Hara, CFO- I had a lot of input and ultimately the Committee in approving the budget.

Mr. Solomeno- My question is how do we know those numbers are accurate. How does the CFO make the determination that a public works employee expends 40% of his/her day.

Tom O'Hara, CFO- I asked input from the public works director on what salaries does he feel would properly be allocated. For instance, the sewer utility does not have their own finance department they use the townships finance department. It is natural to assume that they should consume some of the costs of running that.

Mr. Solomeno- I do not disagree with that. I guess going back to 2010 with that \$439,000.00 and now with what Mr. Lavan said the reduction of 18% that the BRSA has put forth. I would hope that the rate payers realize some kind of savings in their sewer bills. You have the opportunity to do that in this up coming budget process. Is that something that has been discussed or is on the table?

Mayor Tinker- We have not even discussed the budget. We sit down this Saturday it is the first time we will be going over 2012 budget.

Mr. Solomeno- I hope you keep in mind people like the gentlemen who spoke first about the sewer utility. There are individuals who are struggling to pay their bills. In my mind we should have seen a rate reduction in 2010 but that money was applied for general operating expenses. The whole point as I recall for dissolving the Sewer Authority in Hazlet was to return savings to the rate payers both businesses and residential. You took it in a different direction and that is your prerogative. I am just saying I disagree. I would hope this year with an 18% reduction from BRSA we could see some kind of savings in terms of our sewer bills instead of unwarranted interest charges. I was also one of those people who did not get a quarterly bill in West Keansburg. With regard to the Courts is that moving forward Mr. Valentino?

Administrator Valentino- Yes it is.

Mr. Solomeno- Is there a time line when we can expect to see a consolidated court?

Administrator Valentino- We are at the mercy of the Governor and State Legislator at this point.

Mr. Solomeno- Can you explain what that means?

Administrator Valentino- The State Constitution requires us to have a Judge appointed by the Governor. The Governor to the best of my knowledge has not made a nomination. That is a big part of what is holding us up right now. There are a couple of items that we are working through here as far as making some office space available for the attorneys that will represent the people who go to court. That is a 24 hour process once we get approval to go ahead and do that.

Mr. Solomeno- From reading the newspapers there is a short of judges in the State of NJ. This is subject to that same back log that the Governor has to nominate and the State Senate has to confirm.

Attorney Gorman- That is on a dispute on a much higher level. That is for Superior Court Judges in Essex County and elsewhere. I would seriously doubt that a three year appointment as a Municipal Court Judge is going to wind up getting jammed up down there. At the end of the year they had a lot of other things to do and the Governor has not made a nomination yet. I do not anticipate their being a problem of this being held up once it gets to the top of the list. I believe it was just a matter of timing because it was the end of the year.

Mr. Solomeno- I just think it flies in the face of Home Rule that we enter into agreements with other municipalities and the Governor himself needs to make the appointment for Municipal Court Judge.

Attorney Gorman- That is by Statute. The other appointments we make in Hazlet with the agreement of the other two towns. The Municipal Court Judge in a Joint Court gets appointed by the Governor just by Statute.

Mr. Solomeno- In terms of volume what can we expect here in Hazlet in terms of the number of individuals who are coming into our town and community? Will the court need to be opened longer, more days, nights? I am sure there was a study done.

Administrator Valentino- Absolutely. We anticipate there needing to be two full sessions of court. That is not a decision we make that is a decision the new judge will make. We are hopeful that whomever we get as a new judge will ask us what our intentions were. We can share all the research we have done. We think that the most economic model has a day court and a night court. That will let us hit more then 80% of all the officers in all three towns every single week.

Mr. Solomeno- I read that the savings was estimated to be somewhere near \$250,000.00 was that accurate?

Administrator Valentino- It is accurate at that moment in time historically. We are now into the year so the annual savings of \$250,000.00 will not be accurate because we are eating away the year without a new model that is savings us money. It is costing us exactly what it used to costs us.

Mr. Solomeno- What about the capital improvements to the Court room are they factored into the \$250,000.00 savings?

Administrator Valentino- It is doesn't affect the \$250,000.00 because we have an agreement with the other two towns that all three towns will contribute equally on an annual basis towards capital improvements. The other two towns are actually in part funding the on going maintenance of the court room and the court equipment.

Mr. Solomeno- How much did it cost in 2011 to operate the court?

Administrator Valentino- I would have to get back to you. The court has been operating at a loss for the past couple of years.

Mr. Solomano- You are certain of that?

Administrator Valentino- Absolutely.

Mr. Solomano- How do you come up with a savings of \$250,000.00?

Administrator Valentino- I wouldn't say it is overly complex because it is not. With the right piece of paper in front of you it would take about 1 ½ minutes to understand it. We had a court that was budgeted for four employees. We brought in fines through the court significantly less than what it cost us to maintain those four employees with their benefits and the cost of opening the doors and paying the Judge, Prosecutor and Public Defender. We anticipate that the new court will need four employees that cost will be about flat for all three towns but we will be splitting the costs proportionally to how many cases you send to the court. We will only be paying for the proportion of the court that we actually use in Hazlet so our savings comes. Since we will swing from spending more than what we bring in to bringing in more than we spend we will go from a loss to a profit.

Mr. Solomano- Hazlet police officers won't be involved in the transport of defendants from Keyport to Hazlet? We are not taken time from a Hazlet Police Officers day to pick up a criminal from Matawan are we?

Administrator Valentino- We are not commenting on police matters. It is Hazlet's firm intent not to use our police officers to serve another municipality.

Mr. Solomano- That is my concern as we move forward. We are talking about \$250,000.00 in savings. Is that an impact to the quality of life. Are we bringing undevelopable elements into our neighborhoods residential and schools within a half of a mile? Was that a factor in your deliberations?

Administrator Valentino- I am not going to speak for the committee but I can tell you that I would not have recommended it if I thought that there was going to be anything but an improvement to the people of Hazlet. I don't think the Committee would have endorsed it if they thought they were concerned about it. You are free to ask their opinion.

Mr. Solomano- You have been involved in the past with these kind of consolidation projects through your work with Patriot Consulting?

Administrator Valentino- Yes.

Mr. Solomano- I came across some news articles. One from Borden Town, one from Rumson that really kind of disputed the numbers that Patriot had come out with in terms of the savings. They were kind of speculative. Now is anyone up here concerned at all that these numbers are not going to be realized? We are confident we are going to save \$250,000.00 when this court has a full 12 months to operate?

Committee Aagre- Whether it is a \$250,000.00 or \$100,000.00 it is a win. As long as we are in the plus side. We are in the negative side now so anything on the plus side is a win.

Mr. Solomano- I am glad you spoke up. Because Mr. Aagre said we would realize \$247,000.00.

Committeeman Aagre- When that model was provided that is what our potential savings is, correct.

Mr. Solomano- You have faith in that model?

Committeeman Aagre- Yes it was presented to the Committee and reviewed with the numbers. Again, knowing that best case scenario is \$250,000.00 or \$230,000.00 again even if it goes down to half of that it is still a plus. I did not see any downside on this.

Mr. Solomano- Were you concerned about the type of people that would be coming into Hazlet?

Committeeman Aagre- My understanding is that most of the people who come into our court are out of town people. Will there be more people? Yes. Staggered over instead of one session, two or three sessions.

Mr. Solomano- That was not something that came up traffic and safety issue?

Committeeman Aagre- Absolutely.

Administrator Valentino- I do not remember who it was that said from the police administration but they said these criminals are in this town whether they are under arrest or coming to court or not. The upside is the ones coming to our court have been arrested and coming to face charges as opposed to those at large. The way it has been put to me by the law enforcement professionals is that it is a false distinction to

say that because we are bringing accused criminals to court that our crime rate is going to go up. They are coming to court because they have been arrested.

Mr. Solomeno- With regard to our law enforcement I read testimony that you gave Mr. Valentino that you said basically "there is a significant and responsible savings that can be had through innovative approaches (I am quoting you) to law enforcement service delivery. Redundent and management resources in the service area that is near identical in most communities in every manner except size and scope are clearly ripe for consideration for a better way to do business". Is this the first step in consolidating police departments across the municipalities? I think that leads into a much larger conversation about the role of the Hazlet Police Department and whether or not this is good for Hazlet.

Committeeman Agre- That is a total separate issue at this point. Police departments merging have not been discussed. It was not the intent of the adjoining of courts to do that.

Deputy Mayor Sachs- I am putting myself on record to say that I am dead set against that. I want the cops in my town protecting my people not in someone else's town.

Mr. Solomeno- I could not agree with you more. Lastly, I just want to point out when I came here in June I raised the issue of Mr. Valentino's involvement with Patriot Consulting a company that he founded. I was told specifically that Mr. Valentino had stepped down as president. Do you continue to function as president of Patriot Consultant?

Administrator Valentino- I am not answering that again Vinny. I have been here for a year and a half.

Mr. Solomeno- Well you are still being quoted in the paper. On June 11, 2011 the same month you identify yourself as president of Patriot Consulting. Again, I am wondering whether or not you are conducting your private business on the tax payers dime.

Administrator Valentino- Am I the author of that article?

Mr. Solomeno- No.

Administrator Valentino- Then I do not know what to tell you.

Mr. Solomeno- So you are not the president of Patriot Consulting?

Administrator Valentino- I have not been since January 2011. You can keep coming up and accusing me but it is not a fact, I work here.

David Kestner- What you did by dissolving the sewer authority seemed to be like a half solution. What you should have done, what most towns do is make the sewer bill part of the real estate property taxes. When we send out the tax bill you don't have the problem of blaming the post office and problems with interest. In return what you are also giving the people is an added deduction on their federal income tax. Are you looking into that portion of it?

Attorney Gorman- No. The sewer bills are going for usage and usage is how we are going to maintain a sewer department. We do not meter sewer flow we send a sewer bill to everyone who has one unit. People are getting billed on a flat rate per quarter, which is \$125 per quarter for residential for commercial users they are being charged based on their water flow.

Mr. Kestner – Well don't you have separate distinctions in your property tax assessments between commercial and private?

Attorney Gorman – No.

Mr. Kestner – Everybody pays the same rate?

Attorney Gorman – Yes.

Mr. Kestner – Commercial?

Attorney Gorman – For taxes absolutely.

Mr. Kestner – Any major city that I have ever lived in, including Jersey City the sewerage is part of your real estate taxes or at least it was when I lived there and you could deduct it from your Federal Income tax.

T. O'Hara – I have something to add to that regard, the way the budget constraints are with the appropriation cap, we would not be able to absorb such a large expense into our budget the state puts a limit on how much our general budget can go up from year to year and there is no way we would be able to absorb several million dollars of sewer charges into our general fund budget. It would just not fit under our appropriation caps. The towns that are doing it, have always been doing it.

Mr. Kestner – It's just a more effect way of doing business.

T. O'Hara – I believe Cranford just had a problem when they took it out of their budget and then the next controlling committee tried to put it back in and once it is out you are stuck.

Bill Shewan- I know you are going to discuss the Swim & Tennis Club during your budget workshops and I want to avoid as much as possible any kind of bad press that may come out of that. I consider some statements that came out last year as bad press. I consider the swim club a success from the stand point of a social event during the summer season. I don't know how many of you visit the pool or played some tennis. The social fabric of the pool exists for the citizens of Hazlet and it is an important function within this community. I have done in the past basically for a history lesson and that comes from possibly seven years ago when they talked about the pool closing. It was mismanaged at that time and there was a serious loss. There was not a loss after that period of time there was revenue and it was self sufficient, it built up a reserve so that has to be realized. I come forward as a member of the Hazlet Committee which was formed back in those days and it still exists and also as a member of the pool I have been a member for many years and also as a citizen of Hazlet. There was an approach to transparency over the last seven years and I think that was very appropriate. I am quoting an article that was posted in the paper approximately 4 years ago and it is appropriate for today and for the future. "If you pull the township financials you will see that in laymens terms there was a profit created and a reserve exists today. With regard to the Hazlet Swim and Tennis Club I make it clear for the record that Hazlet tax payers do not subsidize and the township did not subsidize the clubs operations in any shape or form.

Tom O'Hara, CFO- Sir you asked me to interrupt. In prior years, costs were not allocated to the pool such as we started to do last year where we allocated certain salaries and costs to the pool and sewer utility. In essence in prior years there was an unseen subsidy to the pool that we had eliminated going forward.

Mr. Shewan- On record does that exist?

Tom O'Hara, CFO- On record it is a fact that costs were not allocated.

Mr. Shewan- Is that part of a budget that existed in that point and time?

Administrator Valentino- I think it is safe to say that there was not a line item in the pool budget that said for short fall from taxation.

Mr. Shewan- (continuing) "In 2006 the citizens group was formed to the Hazlet Swim and Tennis Club under the administration of 2006 and continues calmly with the approval of the current administration. The sole goals of this committee were to review and recommend ways to increase membership, create a positive thought process regarding our facility and review all aspects of operations and work with the township and pool managements Official and liason's were assigned to attend our workshops. I am an active member of the citizens committee and my job was to keep tabs on the financial position of the clubs operations. Membership has increased in 2006 and again in 2007 resulting in an unprecedented increase in revenue in both years. Guess fees, swim fees and concession stand revenues have all realized an increase in revenue. As a business person and member of the community I will without hesitation state the Hazlet Swim &