District 2 departs from regular meeting for the Special Meeting at 8:00 PM

<u>Richard Braslow:</u> Good evening, everyone.

Uhm what I'd like to do, if you would like I can explain a potential consolidation process, I can give you some of the specifics - what is required to engage in that process and then at any given time, if anyone wants to ask me questions if I can answer them, I certainly will.

Uhm, I think you all know me, but for those that don't; I've been practicing since 1977. I represent a substantial number of fire districts. I've been involved in creation of fire districts, consolidation of fire districts, dissolution of fire districts. I at the request of the districts was involved in the most recent consolidation, which was the Hamilton Fire districts, which was a consolidation of a significant number of fire districts that, you know, in Hamilton we now have a municipal fire department.

I was involved in the Cherry Hill dissolution of multiple districts and then the creation of what they called Fire District 13, which was a newly created fire district. And another example, just so you know, I was involved a number of years ago in the consolidation of two fire districts in Jackson that I represented. Districts one and two, who decided of their own volition to consolidate.

Consolidation has both good and bad, and I will tell you I'm going to backtrack and tell you that for a long time, I guess, as you might be aware, the state always talked about downsizing and consolidation and shared services, and at that point in time they had what was called the LUARRC Commission, and that Commission's purpose was to look at consolidations and downsizing and municipal entities, and was taking testimony on various topics, I had the opportunity to testify before them in relation to fire issues. And I just want you to be aware as you listen to our discussion this evening, that the LUARRC Commission concluded that consolidation was not necessarily a cost savings, and that consolidation did not necessarily lead to greater efficiency of service. And I say that because each circumstance, of course, is different, but there are examples where consolidation or dissolution does make sense, and there are certainly examples where it doesn't.

Having said that, there are many that have the opinion that multiple fire districts should not exist in a town. It is the only entity that we have, municipal entity, where there are multiple entities of that nature. We don't have multiple boards of eds, we don't have multiple sewage authorities or mua's in a single town. But as all of you know who have been involved in fire service, fire districts historically were creations of wherever the fire companies had boundary lines and wherever they were providing service. And then, for numerous valid reasons, fire districts were ultimately created. I offer you all that as just background, so let's talk about how this process works.

If, in fact, it was the desire of the fire districts to consolidate, let's start with what would the options be.

The first option would be and the example again would be Cherry Hill, where the two existing fire districts would dissolve and there would be an election, for five brand new Commissioners and the creation of the new fire district. So certainly, that's one option

The other option and I offer you Voorhees as an example, there were multiple fire districts that were dissolved and merged into an existing fire district. Now in that scenario, there were not newly elected

Commissioners, there were the Commissioners of the continuing fire district, who ended up serving and they became the new Commissioners.

So it was basically, well, consolidation-You can call it a merger, but the existing fire districts merged into that district, and that became again the district that moved forward.

The third possibility is the Hamilton scenario, and I don't think anyone proposing this, but I offer it anyway, where all the fire districts were dissolved, and fire service was then provided by the municipality. I don't think anyone is suggesting that, so we won't talk about that one, but those are the potentials and let me go back to what happened in Jackson and let's talk about this for a moment.

When the two Jackson fire districts consolidated, remember every fire district has five sitting Commissioners. And the way the statute reads, and we've tried to have it amended over the years, you still - only if you consolidate districts or you dissolve districts and create a new one, you still only have five sitting Commissioners and those Commissioners, as I gave an example, would either be surviving Commissioners, but more properly, elected Commissioners.

And what the two Jackson districts did is they each district had its own fire company. And the two Jackson fire districts had what we call a gentleman's agreement, and I apologize to the ladies to use that term gentleman's agreement, but we will just use that term.

And what they decided is that one of the districts would hopefully always have three seats at the table in terms of Commissioners and the other district would always have two seats. Now that is not an enforceable agreement. I will tell you that to those districts consolidated a number of years ago and so far, moving forward that has been their arrangement and what they have done is they support each other's candidates, and they always make sure in the election process that one of them has three seats at the table and one of them has two.

Now you realize that that concept can be destroyed very quickly, because even now when you have sitting Commissioners, there's no guarantee that someone be involved with a fire company. You don't have to be a fire member to be a commissioner, that is something that's not guaranteed. But again, being blunt, the reason some districts will not discuss consolidation or seek to consolidate is there's a fear among one of the districts, perhaps, that they will not have a seat at the table. Because if the two districts in Hanover were to consolidate, all five sitting Commissioners can be from Whippany as opposed to Cedar Knolls or vice versa. There is nothing again in the statute that permits otherwise. I have argued for years with legislators that I'd like to see something similar to a regional school board where there are multiple entities or regions of a particular town or towns and there's guaranteed presence from at least one individual in that part of town or in that town. Unfortunately, we haven't had the ability of the legislators to care to address the issue, so again, I just throw that out there.

Going back to the process; If the two districts were to agree that they wish to consolidate, consolidation gets initiated by a petition process. It then requires a hearing by the governing body, so the public would be fully aware of everything that's going on. They would have their opportunity to comment and would be made aware of the process. If the town determined that it wish to proceed with the consolidation, what would happen is they would have to introduce an ordinance. They would have to have a hearing where the public would have a right to participate. They would then do a resolution authorizing an application to what's called the local finance board.

The local Finance Board is a body that sits in Trenton at the Department of Community Affairs Building. It is made-up of - currently there's a vacancy or two, but it generally is eight or nine members. They all have a political persuasion to them. For many years, people who sat on the local finance board at some time they were legislators; Could have been a former senator, could have been a former assemblyman, usually it's people that have a political persuasion. And the local finance board has to approve any creation of a municipal entity, any dissolution of admissible entity. So an application would be made by the Township to the local Finance Board, which would then determine if the application were approved.

If the application were approved, there would be a date certain where the town, and again it depends on what model we have; If it's one board or one district being absorbed into the other, there is no new election. With the assumption that it would be a newly created district with five new elected individuals, the town would have to establish the election date. People would run. They would then be elected to the board and that fire district would have the responsibility of ensuring Fire Protection for the entirety of the town.

Now, let's talk about what the local finance board or what the statute requires to dissolve an entity. In the case of a fire district, the only two criteria under the statute are ensuring that the continued entity is able to address any existing debt service. So we're talking about bonds or notes or lease purchase agreements and secondly that Fire Protection would still be provided.

Now that's really the bigger of the two issues, because what the local finance board would want to see as part of that application process is they would want to know that there is existing firehouses that will continue to be used. They would want to know that any Fire Protection agreements would continue. They would want to know that there would be terms and conditions with the career staff that would be able to be negotiated and or amended and continued. They want to make sure that the appropriate facilities and manpower exist where Fire Protection under this new proposed structure would be able to be provided, they would like to know equipment too.

One of the issues going back, so in other words, in terms of career staff, right now we have two chiefs with two districts. They would want to know that one person would be in the chief position, somebody would be a deputy chief. Whatever the scenario is, they would want to know if anyone's being laid off. They would want to know what the structure would be of the department. These are things that can clearly be documented, but this Is what the local finance board would look for.

Now let's talk for a moment about what are the advantages of consolidation and what could be the disadvantages? Clearly the biggest argument that exists for consolidating multiple entities in a single town is right now you have a different tax rate. And the argument has always been that that's not fair to the resonator taxpayer, everyone should be entitled to Fire Protection at the same cost.

Clearly the counterargument is, well, each particular part of town where each district currently exists has different needs and different requirements, so why should you have the same tax rate? But clearly the state's position is they would like to see one rate for the providing of Fire Protection. So one of the advantages of consolidating is that the whole town becomes one tax space and there is only one budget. And with that one budget, you therefore strike a fire tax and everybody in town pays the same fire tax rate. You no longer have two distinguishing rates. So that would be one of the advantages of a consolidation. The other advantage is perhaps the argument, and I'm not saying you have it, but clearly you want to be able to show would having one district create greater efficiency in providing the service that's being provided?

Whether it be fire, EMS, whatever the scenario and hopefully you want to talk about, whatever the structure of the department is and whatever particulars are being agreed upon that this would hopefully lead to a greater efficiency of the providing of the service. The other advantages are, and this is not always a given, but the savings of cost. I give you Hamilton as an example. Hamilton had I think nine fire districts and the combined Commissioner salary between the 9 fire districts was between \$800,000 and \$900,000. Clearly with no more districts, you no longer had that compensation. You had differing contracts. Some of the contracts were much more lucrative than the other. When it came to career individuals, there was a terrible inconsistency. So going back to your scenario, cost savings: I happen to be the attorney for both districts. You would argue that you'd be saving because you'd be saving in legal fees, Presumably, you no longer would need two audits. You'd be saving on auditing fees you would no longer have all the administrative costs of, advertising 2 different meeting schedules and so forth. So the argument is that in terms of administrative costs of which I've just identified and along with other particulars. Maybe you wouldn't need a duplication of trucks, of equipment, and so forth that would save you money.

I will tell you, though, that the strong counterargument to that Is because you're creating a entity with now such large responsibility, and perhaps there's such a mandate of obligation that didn't exist, you may not create that cost savings. That's one of the arguments about consolidation, You know, again, I said earlier in the meeting, is it a cost saving given? and the answer is not at all, because some people argue that maybe you end up with another position. Maybe you need more clerical staff. Maybe you need some form of administrative staff that you otherwise didn't need because of what you've done. Might the legal costs really be increased because of what you've done? I offer you both sides of the argument. One presumes that there'd be a cost saving. So those are some of the advantages of creation of the fire district.

What might be the disadvantages? One of the disadvantages we spoke about earlier is the argument that, remember, there's only five seats, and you could argue that a disadvantage could be that certain people feel left out of the process 'cause they don't have a seat at the table, it's only something that you could talk about, it certainly can be of concern to individuals, it is of concern, It seems that every time this kind of topic comes up that that could be a disadvantage.

The other major disadvantage is the argument of If you're not producing cost savings, and perhaps you're not creating a better efficiency, Are you really doing something that that is better for the public Uhm, again, some people will argue that there's only one issue here, and that's equalization of the tax rate, and that should be enough regardless of the answer to the other questions. But it's something I think you need to consider.

I'm going to be quiet for a minute because I threw a lot out there and I have more to Say, but are there any questions or comments or anything on anything I've said so?

<u>Gary Keyser:</u> Yeah, I have a question, Rich. My question is what if one district has a a debt service of \$10 million, the other district does not have a debt service. What would happen with the debt service and the other district, would the other district help pay to equal out the taxes?

<u>Richard Braslow:</u> Well, let me answer that, Gary. It's a fair question. We get to an area of concern for one district versus the other because with that question, on first thought the answer is no. Remember I said earlier, one of the requirements is you show that the debt service can be paid. That debt service gets worked into a future budget of the consolidated or existing district, so it gets paid for as part of your fire tax for everybody in town going forward, regardless of the fact that it may have been with another district, cause again, you're taking two entities, merging them into one, and with that comes everything that comes with it, including the debt service.

It's a fair question because that could be one of the arguments or sometimes is one of the arguments, the district that doesn't have the debt service or the district that might have a lower rate Uhm, somebody with a consolidation could see their fire tax rate go up, you know, because the math may be that right now, there's a differentiation in tax rate, but with the additional debt and whatever else, you could find that your rate goes up, you may end up with a consolidation, paying more. So that's the answer to your question.

Gary Keyser: Thank you.

Richard Braslow: Anybody else with a question or comment?

<u>Commissioner Cornine</u>: It's Steve Cornine, Commissioner in Cedar knolls. I don't know if I'm jumping ahead 'cause you stopped, but uh Who handles the implementation of the of the process and once it all goes through, everyone decides we're going to consolidate, Who's in charge of that process?

<u>Richard Braslow:</u> Well, let's talk about what the procedural aspects would be, Steve, is I think what you're asking. I would have each of the fire districts adopt a resolution indicating their support for the process. We would then want to initiate the process after that by circulating petitions just to support the statute. After that, it's the town. I mean, we would offer input, we would obviously be able to coordinate and work with the town, but is the town that holds the hearing, it is the town that does the application. It is the town that introduces the ordinance, if that helps. And when the town appears before the local finance board, we would obviously participate, but it is the towns application. Now let me say one thing, I'm going to jump in for a minute because I was going to touch on this, you know there is money available through the Department of Community Affairs to assist in the cost of doing this. I know there's money, so just want to throw that out there, an application or request can be made, but go ahead.

<u>Gary Keyser</u>: If this just proceeds through and goes through, and it comes one district you get a new Board of Fire Commissioners.

Richard Braslow: Or a merger into an existing district. Remember I gave you 2 scenarios.

<u>Gary Keyser:</u> There's three scenarios, but if that don't go through, that boards Commissioners would be the Commissioners for the town Right?

<u>Richard Braslow:</u> So in other words, let's talk about that for a minute. Okay so if if you were to do the merge and I offer you Voorhees or Winslow, I can't remember which. The argument against that was what they did is they took a sitting board and kind of merged everyone into the sitting board. Now I will tell you, a lot of taxpayers got worked up in resonance 'cause they said I didn't vote for those people. I don't want them to represent me. If I'm going to have this process go forward, I want people and I want the right to elect who I wish. But I'm telling you, the DCA and the local finance board allowed that to be a potential process. I certainly can endorse the argument that shouldn't you have 5 new people? Because again, you didn't vote for those sitting members. The half of the public didn't certainly, but that's one. And then if you don't and you say look like Cherry Hill, everybody dissolved. I'm going to have a new election on the Fire district. It's two, 5 newly elected individuals.

And again, the way the statute reads, it says if you had the first election. so two people get elected and then run again that first you know that first whatever after X amount of months. And then there's three-year terms after that. And you know what I'm talking about 'cause. I know you're familiar with the statute, so.

<u>Gary Keyser:</u> The other question I had on that, if it comes to one new district and there's five new Commissioners, could those Commissioners take the assets of another district, sell off and put into their budget and the other district would have say they wouldn't have a Firehouse in that district, 'cause...

<u>Richard Braslow:</u> Well, the the answer is yes and let me give you another example because I think this one will talk right to your issue. I represent Buena Borough Fire District 2. There was a dissolution within the past year of Buena Borough Fire District 1. And what District 2 did, they made a determination when they inherited the assets from District 1. Numerous fire trucks, a Firehouse, They absolutely didn't need the assets. They sold the fire trucks - legitimately 'cause. I took them through the process of the statute, and they will probably end up selling the Firehouse. So the answer to your question is yes. Sitting Commissioners, as long as they adhere to what the law allows, would absolutely, if they felt they didn't need the assets, be able to sell the assets that they had on hand - whatever wherever they came from.

Richard Braslow: OK. Any, Any other questions?

<u>Judy Iradi:</u> Hi, my name is Judy Iradi and a number of years ago, a study was done for consolidating the two fire districts, And a lot of money was spent on the report. I don't know if you were involved At that time or not?

<u>Richard Braslow:</u> I probably was peripherally but go ahead.

<u>Judy Iradi</u>: So big study and the fire companies, somebody decided that it would be not in the best interest to consolidate the two districts. So I have a question. Number one - What were the arguments for not consolidating the districts? And number two, why now has the issue come up of consolidating the districts and who is the impetus for this consolidation?

<u>Richard Braslow</u>: Well, let me already say that I will only tell you what I do know. I can't answer most of those questions because I don't know, but let me say this. Uhm, I remember several years ago and I

don't remember the exact year where I actually met with I don't think it was both boards, but representatives of I think both districts where we had someone from DCA come in - Department of Community Affairs, I think it was Don Huber. So I know back then and I can't tell you what spurred it, but I remember back then there was a discussion and I will also just if I could generally answer your question by saying I can point to numerous studies that have been done In a number of towns where consolidation has been recommended and nothing ever happened for a myriad of reasons, but as to your specific questions, I don't have the knowledge to answer it. I don't know. So unless someone there wishes to address it, I can't.

<u>Judy Iradi:</u> Yeah, I was just wondering if it wasn't good then, and this was the time frame I'll say it was before this new Firehouse was built, before the Whippany Fire Company was on Route 10. So if it wasn't good to consolidate at that time, what has changed now that would make it to our advantage to consolidate? That's my question.

<u>Richard Braslow:</u> I can just offer this again? Uhm, I can tell you the climate has changed because back then there was not a lot of consolidation going on. There was not a lot of dissolution of entities going on. But I can tell you as the years have gone forward, you know the argument in New Jersey has always been about taxes and you know duplication of services and things of this nature, not just relating to fire. And I can tell you that the climate now with a greater involvement by Department of Community Affairs and the state pushing, you know, saying, look, there's money available to do these studies, We don't believe there should be differentiation of tax rates and this that and the other thing, I can tell you, the climate has changed because whether it be fire or police departments or some other issues, there are consolidations being discussed every day and there are cost sharing's being discussed and I suspect that because of that change in climate, it's not only being discussed in Hanover, but it's being discussed in a number of towns and again, not just related to fire. So, from my perspective and I've been around for a lot of years, I just think it's the climate is different. I think it's being pushed more now the concept than it's ever been pushed before, that would be my point of view.

<u>Judy Iradi</u>: So therefore it'll be more the, the the Department of Community Affairs that would be pushing this rather than at a local, more local level?

<u>Richard Braslow:</u> Uhm, I can't answer that, but I will tell you that DCA is all over the place. Department of Community Affairs is trying to get people to consolidate. I can't tell you how many meetings I've had and how many discussions I've had in the past year on that topic. In numerous towns cause I am all over the state and DCA has gotten very aggressive and very active. It's something that the governor wants. It's something that the director of DCA wants. They put staff together specifically assigned to those kind of issues.

So again, I think they've been more aggressive and again, the carrot that they're holding out is that they're going to help you fund it. They're gonna help you cover your costs potentially to get to where they want you to go. And I'll also tell you this. If the application were to get before the local finance board, I guarantee you they would approve it. The whole agenda of the local finance board in the state, more aggressively now than ever, is to downsize, to consolidate, to create shared services. That's their agenda. So I don't know if that helps you.

<u>Judy Iradi</u>: So so basically what you're saying is if there's a consolidation, the Department of Community Affairs, the overall budget would be reduced, That would be their main impetus.

<u>Richard Braslow:</u> I don't think that's a given, I said I think you need to take a look. Uh, the argument you'd like to make is that there's a cost savings, but as I said earlier, you need to take a hard look at that. You would assume there's going to be a cost savings, but I don't know that that's a given.

<u>Judy Iradi</u>: But why would the Community Affairs Department want A consolidation to save money, but there really you can't not -

<u>Richard Braslow:</u> Let me answer you this way because remember one of the requirements with an application is you're going to make the arguments as to why consolidation should be and one of those arguments is going to be hopefully if it goes forward, greater efficiency of service, cost savings, you know and again. Uh, I could offer you something simple. What would a cost savings be? You don't have two set of Commissioners salaries, you don't have the attorney billing both districts, you don't have two audits, etc. Those are cost savings. And the question becomes are there other expenses though that you may now have to pick up, that would offset those cost savings, if that makes sense. And I think that's the issue and I think you do need to take a hard look. I will tell you this, that the discussion we're having tonight, what you hear from me, would have been the same thing that everyone would have heard from me five years ago, and this is the same argument. I mean, I think there's good and there's bad and I think they just have to be looked at and everybody just has to decide. Listen, a lot of towns As I've said, I've seen studies in a number of towns that say consolidate, nothing happens.

<u>Commissioner Gethins</u>: Real quick, real quick one question for Judi. This is John Gethins, Commissioner of Whippany. If you read the two studies, am I correct on this? They both said to merge the two, the original studies both said two merge the two departments.

Judy Iradi: Right. So they both said the conclusion was the merger would be better.

<u>Commissioner Gethins:</u> in their reports Right but It never happened because they had other meetings.

<u>Judy Iradi:</u> Yeah, I'm interested to find out what happened to the other meetings. That you decided not to.

<u>Commissioner Cobane</u>: Judy, a lot of the Commissioners that were around for that then, are also not around anymore now.

Judy Iradi: Oh, so you Have a different set of Commissioners? Oh, OK, that that might be the issue.

<u>Commissioner Gethins</u>: So what was presented to us as a board we Just figured we'll try to meet and come up with a you know, look at the whole picture and try to understand it

<u>Commissioner Cornine</u>: I think I can speak to part of your question, I can't speak to the earlier part because I wasn't a commissioner then, but there is a league of municipalities, they had a meeting, there's gentlemen that went by, they coined the name of "the czars of consolidation", they were down there with a pitch, there's all these funds available, so that came back to us as Commissioners here. There's study funds and there's implementation funds and we're like OK, this stuff available to us, we need to look into this. We passed it to the Chiefs, and we came up with a committee to meet to discuss it. We asked the chiefs to look into it and evaluate it, and we're looking at a whole bunch of stuff that wasn't around back then; the new Firehouse, Fire and EMS. EMS is a big thing that has expanded since then. And service to the entire community, versus Cedar Knolls, versus Whippany. So there's a lot more in the in the pot these days.

<u>Judy Iradi:</u> So I, uh, fortunately, unfortunately, I think what people just see is how is it gonna affect my taxes. I'm from District 3 Been there 46 years, love it. I love the services. We pay more, but paying more for police and yeah, EMS and fire departments, I don't mind. They're there to help. But then usually consolidation like I said is for more efficient and cost savings, Like I said I I think our district is really efficient and if there's not going to be cost savings, that's just my two cents.

<u>Tom Braviak:</u> I have a question. What's the format here? Are we allowed to ask the Commissioners questions or?

<u>Richard Braslow:</u> I mean, you're welcome to ask me anything you want, if I can answer it, I'd be happy to.

Commissioner Cobane: We want to hear from everybody

Tom Braviak: Right, so I just want to understand the format. Rich has done a super job of explaining it. This is like the fourth time I've actually heard that spiel because Robbie, you had it to a t when you explained it to the fire company, So rich taught you well. And so I don't want to spend Commissioner money on attorney time, if we don't have to. I think why a lot of people came here tonight, because this is a joint meeting of the two boards, is to hear from the boards as to what, what's on your mind? What do you guys think and why do you think this is a good idea? Where do you see it going in the future? And we'll talk about some of the things I think that Rich brought up like like merger versus consolidation, or the dissolution and then re-formation of one of the districts because you know there's two sets of fire Commissioners and everybody wants to see it kind of go the way it's going now, in the future. So you talk about an implementation plan. I read the report. It's well done, it has the beginnings of an implementation plan, It's outline of an implementation plan. I don't think it's a it's a detailed implementation plan. But I've also heard why should we put an implementation plan together? Because if we dissolve, five new Commissioners can do whatever they want and they can toss it if they want. I think it's highly unlikely that the new board would not be represented by at least some of the people who are on the current two boards, so it's highly unlikely that a surviving or that a newly elected board would not have the same interest that the existing boards have.

So to go forward without putting together a detailed implementation plan to me would be a disservice to the communities on both sides of town because you can guide the future board; when A newly elected board is not going to know what to do to. Start with this and then hand them a plan and say here It is, do this. That would be the best thing that you could do for them and I find it highly unlikely that that wouldn't be the case.

But one thing I don't, I don't remember if it was in the report, if it was, it's the statistical statement. Since the tax bills just came out, everybody knows it's \$0.08 a 100 in Whippany and it's \$0.10 a 100 in Cedar Knolls. So there's a 2 cent difference currently. Now if the if the Cedar Knolls tax rate goes down, which is likely to because you're going to do the math. You have a bigger population, you gotta divide, you take the two budgets, which you said you put them together because for the sake of argument, the consolidation is not going to save money. No consolidation in the history of the state of New Jersey has ever saved money in the long run to those municipalities or whoever did it, School boards, whatever. It never saves money the long run. So if you if you decide that you're going to do what you did, say, OK, we put the two budgets together, then I'm gonna throw some more money in there too, because we think we have some leveling to do for benefits and services between the career staff or whatever, some things are going to cost a little more. What is the new tax rate gonna be? Because in the first year of implementation in District 2, that eight cents might become nine cents and that's not a big deal persey but in that year the ten cents may become nine cents and that's maybe not a big deal. But then the next year after that, both of them are going up, again and again and again. For the rest of our lives, so I mean we have. to be careful about trying to sell this. Leveling the tax rate, that's a whole different issue 'cause it's just a math problem. But the tax rates are pretty close together right now. And so what, you know that isn't going to survive very long In terms of any tax benefit to District 3 I see.

But I'd like to hear from the Commissioners as to what's on your minds, where you think you're going with this. I'd like to see a very simple list of here's the problems that we see that exist in the fire service and EMS service in Hanover Township, and here's how consolidation solves those problems. And then here's a third list of the new problems that consolidation will cause, and how are we going to solve those problems? It's pretty simple. I don't have to read 50 pages or 100 pages of mostly you know, boilerplate reports of how to do this stuff - we have a community here. we list what are our issues and How we think that this solves them? And then what new problems are created and how we're going to solve those problems and then you gotta talk to us again and see if it makes sense.

<u>Terri Baird:</u> What he said...it was pretty much what I was getting up to ask and plus the fact of whether or not the attorney has experienced any other because he's done this in the past, what has happened to that tax rate over the next couple of years?

Tom Braviak: it never goes down Terri, It never goes down.

<u>Terri Baird:</u> Is the governor or this whole DCA, are they leading towards going to more career staff as opposed to volunteer staff? Is that correct?

<u>Richard Braslow</u>: Let me just answer that and I will tell you that every single one of the examples I offered you, other than Buena Borough, were all union driven consequences, so to speak. It was the Union in Winslow, in Voorhees, in Cherry Hill that created the ultimate dissolution or consolidations that occurred. Having said that, I will tell you that in a number of the examples, let's talk Hamilton, I'm led to believe there's some displeasure because after the consolidation occurred, some people, some of the career staff and fire related people felt that the town was not adhering to what they promised. I don't know that personally, but I've heard this more than once. So people have commented that perhaps the quality of Fire Protection was not what they were promised, that there was no greater efficiency.

But again, I think it depends on who you speak to and what the point of view was of that individual. I will tell you in Jackson the two districts that consolidated, now that's the one I gave you the example where they both agreed and then they have an agreement of former district has three, the other has two sitting on the board. This occurred a few years ago and their tax rate has been very stable. It may have gone up minimally, but that's as a result of just increased costs and expenses I think that are just not unique to their budget or just the way things are today, everything goes up. I will tell you, in Voorhees and Winslow, I believe the rate has gone up again, but I think the argument has been that is based upon just increased costs.

Cherry Hill is a very difficult example to talk about because they're budget as a single district is approximately \$25 million. And that's somewhat unique for a fire district and I don't think you could easily argue they could be a municipal fire department. So I will tell you that after their consolidation occurred, their tax rate keeps going up and up and up, but that's because they have a significant career staff and they just are a huge operating district that does both EMS and fire. And I'm not sure they're a good parallel to what we're talking about here, so I don't know if any of that helps, but those are the examples that come to mind and those would be my responses. Do you want to supplement that with anything, or are you okay with my response?

Terri Baird: Thank you.

<u>Richard Braslow:</u> You're welcome. Let me let me just say a few things. Number one, I will tell you that in a lot of the district examples that I offered you, civil service was a real serious problem. My understanding is you're obviously not civil service, so you dodge that issue, which I will tell you is a significant headache. The only other thing I wanted to add, subject to further questions of me if there are any, is remember, if you decide to proceed with this concept, there is no going back. Once you do it, you do it. And just be aware of that, because this has come up in other districts and the issue has been, you know, well, Gee, I don't like it, you know, among certain individuals, can I go back? And in fact, it particularly has come up in Buena, because there's a desire to go back to what they had, and they said it doesn't work that way. And I will tell you bluntly that the minute you do this you will never get approval to go back to a multi district setup and I just want to make sure you understand that and are aware of it. OK, anything further for me?

<u>Commissioner Waldron:</u> Yeah, rich I have one. Rich, Shawn Waldron, I'm a taxpayer in Cedar Knolls and serve on the Board of Fire Commissioners in Cedar Knolls. Its kind of a Follow up to your last answer to Gary. Right now in Cedar Knolls, we are looking to make promotions. We're also looking to do some hiring. There's also a possibility that we're going to look to tear down a 1933 Firehouse or refurbish it. There's a possibility we may be looking to replace our tower. There's a possibility we may be looking to replace our tower. There's a possibility we may be looking to replace an ambulance or add an ambulance. If all these items are in process and we've been through local finance and we've gotten grants and this merge goes through; Now, regardless of whether it's a full Whippany board, a full Cedar Knolls board, heavy Whippany, heavy Cedar Knolls, everybody, regardless of where you're from, we should all be working towards the same goal, but your answer to Gary tells me that in the middle of this process and after getting grants and dealing with local finance, We could end up having no new firehouse, no new ambulance, no tower ladder. The promotions we've made, could those promotions be retracted or denied if we're still in the process, or if the promotion's been made, would the promoted member be demoted?

<u>Richard Braslow</u>: So here's my answer because you have a lot in there, and that's a very fair question. So my first comment is let's talk about personnel. One of the presentations that will have to be made to the local finance board is what your structure is going to be in terms of the career staff technically already engaged in structuring of a contract cause the finance board wants to see that because right now you have two different contracts, you have perhaps different structures in each district. I brought up the perfect example. You're not going to have two chiefs going forward if you decide to proceed with the consolidation process, so all of that will be reflected in the structure. That would be my answer to your personnel question, because again, as I said earlier, they're going to want to know, is anyone being laid off? is anyone being reclassified? Are you going to, through whatever structure you're presenting, going

to be able to key question to provide quality Fire Protection service. So I think in terms of the personnel issue, that's how it would be addressed and therefore any of these individuals who have been promoted, that's going to be reflected in that chart, if that make sense.

Now, in relation to capital; Just remember this and I don't know that we've ever discussed this issue, but because the voters approved a capital project, does not mean that the capital project goes forward. An example I raised is, you know, if you get voter approval to buy a truck and then the board decides, you know, we went out and got voter approval, we've changed our mind, do we have to go forward with the truck? and the answer is no you don't. The voters gave you the authorization to go forward, but if you as a body determine that, you do not think it's appropriate any longer, you need not pursue that capital item. So in answer to your question regarding whether it be a truck or a firehouse, and I think my answer would say as to whether you're committed to going forward as a new board, would be how deep we are into the process. I mean, if you've already issued bonds, if you already have contracts, if you've already – I would argue that any board is committed to go forward, If not, you're in a default scenario. But if you haven't gotten to that point in the process and a new board sits there and says, you know, although we got voter approval pre this consolidation, we don't think it's an appropriate undertaking, I think the answer is that that's why that board sits there. And as long as none of those other particulars apply, I would think they have the ability to say we don't think it's appropriate, let's not move on those items any longer. That would be my answer. But again, I I hedge by saying it depends where you are in that process and to kind of touch back on what I said a moment ago. So does that hopefully answer your question?

Commissioner Waldron: Yes. Thank you.

<u>Richard Braslow</u>: Let me just say this. Part of the dialogue that the two districts need to engage in besides the personnel that we've talked about is the capital project, is the existing debt, is what the vision is of both boards in terms of what you think best serves the town and would you need that additional truck if the consolidation occurred, etc. That's certainly a discussion you must have.

<u>Greg Manning:</u> Good evening, my name is Greg Manning, originally from Whippany. My mom still lives in Whippany. So my question to you is based on all your experience and you answered part of my question regarding I guess it was Hamilton. I know money seems to be the - I hear that all the time, Money, money, money. But to me, I'm more concerned about service and in your experience, as with any of these consolidations. Did any of these new districts, were they upset with their future service that they provided for their community?

<u>Richard Braslow:</u> You know, let me answer it this way. It depended on the circumstance and I'm gonna give you an example in a moment. And it depended on who you spoke to. What I referenced about Hamilton - I'm I no longer am involved there because I have no need to be, but I have heard from a number of individuals who feel that the quality of service is not what they had projected, but again, I think it's the point of view. You could probably get other people who will tell you, well, no everything is fine, it absolutely helped. I think overall, I think the answer in Hamilton is did it create a more efficient fire service? I believe it did. Now the example I wanted to give you and I want to make a point; I want to say it was Robbinsville. It was the dissolution of a fire district, and the town took over, and I will tell you that I was somewhat involved because I was trying to help the district, but there is a strong argument to this day that representations that were made in that scenario to the local finance board in terms of personnel and other issues was absolutely not adhered to by the municipality. And that raises the point

that I do wish to make that, remember, when the local finance board is presented with particulars, they will act on those particulars. They will ask about the plan. They will ask about the debt. But once you get their final action, they don't monitor what goes on. They don't monitor going forward. Now they'll get involved if they think that there was, you know, some flagrant representation that's been, you know, not adhered to and might affect some of the quality of service and so forth. But I guess the point I'm raising, which I think is important is the finance board doesn't rough ride and doesn't continue to be involved after, let's say, a consolidation occurs. And my example was Robbinsville because there were a lot of complaints about what subsequently happened. DCA never intervened. DCA did not get involved. The local finance board did not get involved. That's not what they do. I mean so I don't think we have that scenario here, but since there's been a number of questions about what a new board could do, remember you're presenting what you feel is the plan, etc, that you want to have go forward. I would assume if you didn't and there was some kind of flagrant violation or flagrant Issues that result, I guess the issue would be the taxpayers voting out, whoever those Commissioners are. But be aware, DCA doesn't continue to monitor what happens.

Greg Manning: Thank you.

<u>Tom Braviak:</u> Rich, One follow up to what the Commission Waldrons question, just for the record. All of any pre-approved capital projects that either district has gotten approval for, those approvals do not survive the consolidation. Is that correct?

<u>Richard Braslow</u>: No, my way of answering that would be the approvals are still I think something you you have a right to adhere to If you choose. But what I said earlier and I think - I think this is what you're asking, is a new board bound? Depending on where you are in the process of pursuing a proceeding with that project. I think the answer is no, they I don't think they're bound.

<u>Tom Braviak:</u> But if District 2 has a pre approved capital project that's voter approved, Distrcit 3 has a pre approved capital project voter approved, Can a new district-

Richard Bralsow: Yes, the answer is yes they can.

Tom Braviak: OK, that's important.

<u>Richard Braslow:</u> Yeah, All I was trying to suggest is to, I'm not sure you heard my comment earlier. I think you could make the argument that a existing board, if it changes its mind, is not persay bound, even though the voters said you have authority to proceed. That's all I was saying.

<u>Michael Dugan:</u> How you doing, Mr Braslow? Michael Dugan, From Cedar Knolls. I have a Question, the two chiefs have put together a basic plan - How much of a plan should be in place for the new Commissioners walking through the door? Because to me, it should be pretty much all laid out so that they could walk through the door and there be stuff implemented that they can follow, I mean, you can't have it Where they say, well, we'll let the new board decide that.

<u>Richard Braslow:</u> No, no, Mike, that's a that's a very fair question and let me say this, stick with the personnel issue for a minute. when the Finance Board says that we want you to show us that there will still be Fire Protection, they're going to want to know are there existing agreements with the fire companies? Are there existing rental agreements if they're necessary, with certain facilities or equipment, they're going to want to see that you're going to end up with one contract and they're

already going to want you to engage in negotiation because they - Let me give you Hamilton as an example. There was already an agreed upon contract with terms and conditions. The Township during the process was already negotiating with the unions and knew what the terms and conditions were going to be and the finance board wanted that information, because that's part of the argument that, yes, I can continue to provide Fire Protection because I have an understanding and agreement with the career staff. So all of that has to be part of what's presented to the Finance Board and in answer to your question and that will be something that that new board should adhere to.

<u>Michael Dugan</u>: OK. So the two boards that are in place now should have everything done prior to the formulation of 1 district.

<u>Richaard Braslow:</u> You essentially should, because part of the application process, part of the presentation to receive approval from the Finance Board are the contracts, what your projections are, - cause here's what else they want, by example they're going to want to know what equipment you own. They're going to want to know which facilities you use. They're going to want to know if on any of those facilities or the equipment, do you need agreements? Is there anything to the fire company and what's the role of the fire company going to be, etc. That's all part of the presentation because as I said earlier. Addressing debt service is very simple. Anyone can assume debt service, and presumably the way you satisfy the debt service, you take the existing debt view and that's how you pay it off. You just continue what's existing. On the issue of Fire Protection, that's why I get into this discussion of what they may expect. That's a much more loaded, open question because all it says is, again, under the statute, you have to show that you can continue to provide Fire Protection. It is the finance board that's creating the guidelines as to what they expect that to mean, and that's this discussion as to what they expect.

<u>Michael Dugan</u>: OK, so at no point during this whole process are the two boards eliminated from any discussion? Like it doesn't get turned over to the town to complete?

RICH Oh no, no, no, not at all. Not at all. Again, I think the the boards play a major role. You know the town isn't the one that's going to be able to present this information to the Finance Board, they will through their application, but how did they get that information? Let lme say this. Let's talk about Hamilton as an example. Let's give examples. What Hamilton did is Hamilton created, and by the way, this went on for years. This was not a quick process. In any of these towns, this was not a quick process. What Hamilton did is Hamilton did is Hamilton did is Hamilton did is Hamilton but together a committee as they were exploring, similar to what you've done. Now that committee consisted of town representatives, district representatives, the career staff had a presence on their etc. So they created a committee to talk about all these issues and to do their investigation. They had the basic committee and then they had subcommittees. I then would meet with the committee and we would develop, you know, whatever was necessary.

We had meetings galore with DCA, which is one of the things you would do, if you decide you want to proceed. We would want to sit down with the director of DCA and staff to explain what's going on to see what they need. They're probably willing even to come in now. That has to be part of the process if you decide to move Forward. I wanna make another point too. Let's say you decide you want to proceed with consolidation. Remember, when you go and make an application to the finance Board, the fiscal year of a fire district is January 1 to December 31. So first off, you know, I know you're continuing to talk, but I'm looking at the timeline and let's assume you get into the finance board if you decide to proceed sometime next year. Many of the applications have said like this may be February or March and you're before the Finance Board, many in application have said, great, we'll do a consolidation or we'll

do the dissolution, but it won't be effective till January 1 of the ensuing year. Because of the coordination of the existing fire tax, the time frame of having a new election, or whatever the case scenario may be. That is part of the dialogue. You don't go into the finance board that day, They issue a finding and all of a sudden the district doesn't exist. You've got to be able to have that sense of coordination and so forth. Now I don't know that I made that point Earlier, but I am now so.

Michael Dugan: Thank you, Sir.

Richard Braslow: Anything else?

<u>Chief DiGiorgio:</u> I got one. So just a couple of things that were noted and I think from our previous discussions and I think it should be noted that myself and Chief Perrello had taken on this project back in I would say late December and for the last six months some of the binders that are sitting on our tables were projects and data collection and information that we received and there is a draft we presented to both, the committee and also to both districts, that is in draft format right now, but there are a couple things, Mr Braslow, that you mentioned and I think these are some of the things that have been going on and I just want some clarification to make sure that everybody understands. So you did comment. about petitions, is it correct that there's no longer the need to have signed petitions to dissolve and or merge the districts, is that correct?

<u>Richard Braslow</u>: Chief, I think the answer is and it does differ seriously because if there was no agreement by the districts, you would have to go through a process of petition. My recollection and we can confirm with DCA is they allowed us to put Jackson through by just mutual resolutions from the board agreeing on a consolidation and that's how we proceeded.We can just verify that with DCA, but again in the absence of an agreement, think of the process. I mean, there's two ways to dissolve the district. One is fiscal impropriety, which I don't think anyone is alleging that either have or a petition process, so That would be my answer.

<u>Chief DiGiorgio</u>: So then in a scenario where one district agrees to consolidation and the other district does not, how would that, how would that pan out?

<u>Richard Braslow</u>: I think you'd have to go if, if the ultimate desire was for someone to push the envelope, it would result in a petition process and that would be the only way I think you could push it forward because you wouldn't have agreement.

<u>Chief DiGiorgio</u>: OK. So there is also, there was some talk about debt and how to carry the debt. Can you clarify that there's also a possibility that the district that had the debt prior to going into the new district where that debt would remain with that district?

<u>Richard Braslow</u>: No, the answer is 'cause at that point one of the two requirements under the statute, that you have to satisfy, is an ability of that new entity or the continuing entity to address the debt. So that debt would be the obligation chief of the new district whatever that new district is, whether it's a continuation of a set of Commissioners or so forth, that would absolutely be part of the presentation of the new district proceeding, if that makes sense to you.

<u>Chief DiGiorgio</u>: Sure. And one last question. I know there was some talk about some voter approvals that were received and the possibility of the future district to basically reverse that. If there is a signed

contract, so in other words voter approval, the money was appropriated, the contract was signed, will that be able to be continued because there's a signed contract?

<u>Richard Braslow:</u> I would certainly argue yes because remember I said earlier that it depended where you were in the process and I will tell you that at that point I would argue that the effort to terminate that would probably result in the breach and litigation, and I would never endorse that And I don't think legally it would be permitted. Let me also say on this topic, which has been brought up a number of times, of all the districts that I've talked about, I can't offer you one example of a capital project that had been approved that didn't proceed. So not that that has to be, but I've never had a scenario 'cause other than Hamilton, other than a district becoming a municipal, you know, no longer in the municipality, I'm still involved with all these other entities and I've never had that happen.

<u>Chief DiGiorgio</u>: OK. So I I think the question would be is that if there's the voters approved the ladder truck in one district? I'll be blunt about it. If the voters approve the ladder truck in one district, and there's a signed contract, they can continue with that contract and the purchase of that and a future district cannot cancel -

<u>Richard Braslow:</u> Well, I would think absolutely, because that again was my comment about a defense where you are in the process. And I think the attempt at that point, I would argue would be a breach. I mean, if the new district said, well, Gee, we weren't a party I don't think that argument works legally. And just remember this, that part of the argument also, and there would be language in an ordinance if you were to create a new entity, talks about not only addressing the debt, but also succeeding to the obligations of the preceding districts. And that would, to me, fall within that concept.

<u>Chief DiGiorgio</u>: OK. And just one last question, there was also some conversation relative to the replacement of Commissioners, there's no guarantees either. We talked about, you know, both boards dissolving and having the possibility of five new Commissioners, But we could also expect that of the ten Commissioners, we could have five out of that ten who had agreed to the dissolution, correct? So it's not like we're starting with five brand new people.

<u>Richard Braslow</u>: Oh no, absolutely. And just remember again. Uhm, nobody ever guaranteed that someone had a right to sit at the table from a particular area, and no one said you had to be a firefighter or whatever, right? I mean, even in the current setup, you could have both boards have no fire presence, just, you know, members of the public, etc. So no, correct.

<u>Chief DiGiorgio</u>: OK. And finally you made the the comment about the DCA offering to come up and do an assessment for us at this juncture. Just to kind of put that out there on the record they have already made that option. The DCA is already aware of where we are, our possibilities, our draft of our feasibility study and they are willing and able to come and sit and have conversation with both boards. So we're at that juncture. So if the boards would decide to take it to the next level, DCA is already knocking at our door, just for your point of view.

Richard Braslow: OK, very good. Thank you, Chief.

<u>Commissioner Cornine</u>: Mr. Braslow, Steve Cornine here. What's stopping both boards from identifying the benefits and enacting them, or doing shared service agreements and hammering some of this stuff out before we even move forward to make sure it's all set up and lined up for a new board.

<u>Richard Braslow:</u> The answer is, what stops you from doing it? Nothing. It's part of your due diligence. And remember, I'll repeat what I said a few moments ago. I know there's an anxiousness to move forward. I know the issue has come up in past years. I know you need to do your due diligence and as one of the individuals properly stated, their members of your public, your taxpayers, and residents are going to want as much information as they can get to see if they feel from their perspective, it's the proper thing to do. Uhm so I think you need to do whatever due diligence you need to engage in and if it takes you another year, it takes you another year. If it takes you another month, it takes you another month. Don't rush the process just to get to the end without feeling that you've addressed all the issues, that's all. And I gave you the example. There's not one other example I can give you that didn't take a hell of a long time.

<u>Commissioner Cornine</u>: So if I can continue with that, if we put like an FMBA Agreement in place, agreements with our volunteer companies, some of the things that are Important to us, does the DCA have the right or have they in the past caused the new board to enforce those existing agreements?

<u>Richard Braslow:</u> Uhm, they may comment on it. And again, I would argue that if you have existing agreements and some effort to terminate or to modify the agreement results in a legal consequence, I certainly wouldn't endorse the right to do that. So I will tell you that I think you need to look. I also want to make a point. You know, since this is a continual process, and God knows if you'll ultimately end up doing it, and God knows how long it'll take, I say to both boards, you still have to continue to operate as boards. If you have things that you need to undertake, you can discuss them you know jointly as to whether there's a desire to delay, but if there is not, you still need to function as a board, as a district. And I emphasize that. You still have obligations, so you need to be wary of that.

<u>Commissioner Cornine</u>: So that's one last question. With all the experience you bring to the tables, what is the most critical element of consolidation that affects the success of the new board?

<u>Richard Braslow</u>: Clarify it a little, because I don't want to give you the wrong answer when you say the most critical element meaning the most important issue that?

<u>Commissioner Cornine</u>: Like, obviously, debt servicing is a calculator Issue what's like the most critical thing that's going to make the new board successful?

<u>Richard Braslow:</u> My own opinion, what I think the biggest issue is, is the one I touched on earlier, that you need to feel that whoever is on that board is representative of all the volunteers and all the career and all the residents and taxpayers in town. Because I think one of the worst scenarios you could develop is if you end up with a board of five individuals being blunt about this, from one part of town where someone is going to feel that they don't have a presence and don't have the input. And I've seen this happen now where you have multiple fire companies in one district and you know one of the companies doesn't have a seat at the table. That can ruin what you have. So I think somehow That's the biggest issue you have going forward. And I also say, uhm, I think everyone needs to feel that their voice is heard. And I think that's part of the problem of the way the statute is structured with this kind of an example and I think that's the most difficult issue, if that answers your question.

<u>Commissioner Cornine</u>: Yeah, so just to clarify, I'm trying to look at it from if I was elected to the new board and day one I sat at that seat, what I need in place, rules and regs, the contracts, the budget.

<u>Richard Braslow</u>: The contracts, yes, the contract is the biggest issue, but we'll have already, that's part of the presentation to the Finance Board. I don't think there's a need, though there could be, to all of a sudden redevelop every policy that's in existence. I would argue to you that part of what you need to look at when we talk about the personnel restructuring, I want you to have your policies and procedures in order. If you're going to do this going forward, all of those kinds of issues should already be done. You should have an understanding, because if you're going to end up with one entity, if you have different policies, straighten them out now.. if you decide to proceed, that would be my answer. So arguably you should have things in place.

<u>Commissioner Gethins</u>: Well, that's what we've been saying. You know, we've been talking in the merger meetings to make sure everything is in place, Maybe give 95, 98% of this presented to, you know, present it as a unit instead of sitting there, Present 50%, then figure it out. Because It's just going to cause havoc to everybody involved.

<u>Richard Braslow:</u> One final comment please, if I could. You know, we talked a lot about the career staff and the contract, you also want to make sure that whatever you give the volunteers, is consistent between the two districts and that moving forward, you know what that's going to be. Whether it be a contract, uh, whatever Benefit; losap, But remember, Cause, there's only going to be, for example, one losap program. But you want to make sure that you not only take a hard look at the career issues, but clearly the volunteer issues also, to make sure everybody is on board. Because I will tell you there have been proposed issues before the Finance Board. Cherry Hill might have been the best example. And all the fire companies came to that, it didn't matter, they still came to the hearing and argued against the consolidation because they felt that they weren't getting treated properly going forward. And you could say to me, why should that matter? Because, if you're presenting a picture of being able to provide continued Fire Protection and the finance board sat there and thought, well, OK, I've got the career staff issue addressed where are the volunteers? That obviously could be problematic, so. Last call anybody else?

<u>Commissioner Cornine</u>: I wouldn't mind clarifying one last thing, you spoke about the pivotal role the Commissioners will play guiding the town after we vote, after both boards vote to send the resolutions to the committee, outside of us just going there and voicing our opinion, we have no more say than anyone else in the public record?

<u>Richard Braslow:</u> When you say you have no more say, remember now this is I'm assuming you've already done your homework, you've done your plan, you've done your whatever. I mean, you put everything together, you've got agreed upon policies, That's still your obligation. The town isn't going to do that. You're going to be presenting. And you're going to engage in additional dialogue with the town. That committee that you've established, where everyone's participating, that committee is going to exist until this gets done. So that committee still has a role and the boards continue to have a role. I mean you continue to have obligations because again the information that's provided to the Finance Board has to come from the districts, it's not coming from the town. If that answers your question.

Commissioner Cobane: Anything else Mr Braslow?

<u>Richard Braslow</u>: Nothing from me. I thank you everyone for listening. I hope it was helpful and obviously if there's any further questions, I'm not disappearing, so just let me know.

Commissioner Cobane: Thanks, Rich.

Richard Braslow: Alright, thank you everyone. Have a good evening.

RICH BRASLOW EXITS MEETING

<u>Commissioner Cornine</u>: Mr. Braviak, I know you asked what the boards opinion on this is and some of the public came out to hear this. I can't speak for everybody, but I don't have an opinion yet. I can't answer the questions you have. My main goal for being here tonight was just listening to Mr Braslow. Kind of make sure I got all the ideas and thoughts About the process down Pat, so I Can start getting the Answers you're looking for, I don't think, anyone else in our district has an opinion one way or other, or is educated enough on this particular merger, or look to us to answer your questions, so don't hate us for not giving those answers tonight, we will, we just have a lot of homework to do.

Commissioner Dugan: We're still pretty early in the process in my opinion.

Tom Braviak: But my response is this has been the best session on this topic that we've had the opportunity to attend, largely because Rich is so eloquently describing the process, but you guys as two boards, as you proceed with this discussion, you need to keep the public informed as to what's going on. You need to have these kinds of meetings, and on some regular basis so that people can, Some people might argue that this is a bad time to do that, But the last point that Rich made that needs to be thought through by both boards is all of the stuff that's that is on the list, insurance and administration and contracts and all that stuff is solvable through negotiation and through the process. What's not solvable is what does the consolidation do, or it's not clear to me is what does consolidation do to enhance the volunteer force that supports both districts because you can't hire enough career staff. At least none of us could afford to live in this town if you had to hire enough career staff to do what the two fire companies do because we're dependent on the volunteers, we're dependent highly on the volunteer support. And if the consolidation has a positive impact on attracting and maintaining volunteers in these organizations, that's a real positive thing. If you haven't considered the impact on the ability to attract volunteers to both organizations, then you're doing a disservice by even discussing it because you can continue to hire all the people you want to hire as you as your call rolls go from 30 to 25 to 12 to 5. You know that, well you know at some point, two guys on an engine, you're not putting out a structure fire. I'm sorry. And you end up with what we have in Morris County today during the day, you gotta have 40 engines to come to a house fire to be able to deal with that if you're doing that during the day. We don't live like that. You know, we we still have 35 active. I don't know. I remember. Forget what the number was, it was 14 and and 12 or some number like that. They've still got close to 30 active volunteers between the two districts, and I think that number is low. When I read it in the in the report, I think it's a much higher number than that. I'm probably not counted in that number, but I still consider myself to be actively involved in what goes on down here. But if you're not really thinking about how you're going to get more people to come in the door and say I want to do this as a volunteer, Then I don't know if you can really argue strongly that there's a good, that there's a lot of advantage here.

Gary Keyser: Pretty well said Mr Braviak.

<u>Greg Manning</u>: I just want to say something about what was just said. I was a volunteer for a long time, that's how I got started. I've had an amazing career in emergency services but unfortunately this issue we're at in all of the emergency services. You see hiring signs for police departments that you used to

have to know somebody to get hired at. EMS agencies can't seem to hire enough people. Fire departments, I mean, there used to be, you know, the jobs in firefighting were not a Lot. Now there's more and they still can't hire guys. So even on that side with volunteers in general, I think it's a cultural thing, or unfortunately the client, and my sons a volunteer, I still try to volunteer as much as I can, so to think that one is exclusive of the other, I don't. I think there is a way to merge the two districts into one and then with that combination embrace what they could do to really strengthen the volunteers, but I you know you have to think outside the box.

<u>Tom Braviak</u>: So we could we could debate that all night, but I'm not going to do that. Well, I'm just saying what I'm going to suggest is, I agree with you on that, but you can also self fulfill that prophecy if you're not careful And that's what my caution is to the board is not self fulfilling prophecy of the death knell of the volunteer service. I understand your point, but I'm not going to run to that conclusion, but if they take us there, that's going to be a bad thing. That's what my caution is. They shouldn't take us there.

<u>Commissioner Cobane:</u> I mean we discussed how some of the surrounding towns have gone that route and we're trying not to go that route. So that's something that we definitely brought up in those merger meetings. We don't want to become some of those surrounding towns that pushed out the volunteers.

<u>Commissioner Gethins</u>: And also if you read the report, it says increased volunteerism, use Township employees that have, you know, firefighter training During the day when they can leave, you know, like Parsippany does and different towns.

Tom Braviak: If I can just say something, I believe they can.

<u>Commissioner Gethins:</u> no, no, I know that.

<u>Commissioner Cobane:</u> Yeah, no, but it's not encouraged.

Tom Braviak: But that's up to you guys to get it encouraged.

<u>Commissioner Gethins</u>: Yeah, well, that's correct And if you read the report and that's what we've been pushing.

Tom Braviak: Here's the guy right here That can help you encourage it. [Brian Cahill]

<u>Commissioner Gethins:</u> We've been talking to him about it, we talked.

<u>Tom Braviak:</u> Remind the Guy who runs the DPW, that those guys should be leaving to answer fire calls there today. Maybe not on 1st alarm, but at least on the 2nd or however you work it out. But if you say it's not encouraged, then I say that's your guys fault for not working that out, If that's the case, and this is the guy who owns the resource or he's one of five people that own the resource who's stopping that from happening if it's being stopped, and that goes back to Ted Guerin days when he wouldn't let firefighters leave, right, who worked for the town, he had a red light on his green truck because he was the chief, But he wouldn't let the guys that work for him respond to calls - that happened in the 60s and 70s, right, Gary?

Gary Keyser: Right

Committeeman Cahill: Well you have to get some of the DPW to Join as well.

Tom Braviak: I bet you go through roles And you've got probably 5 or 6 right now on there.

Michael Dugan: We've tried that, and We were told that we couldn't do it. But it's low numbers.

<u>Tom Braviak:</u> I get it, I understand. But I know if you want to get promoted or you want to not be hassled in your job, you have to be careful. I understand that and that's why I'm saying this is the guy that's going to fix it.

<u>Commissioner Waldron:</u> Mr Cahill doesn't have to comment, I don't know what he knows about it, but it's right In their policy they're allowed to leave.

<u>Commissioner Cobane</u>: But we're saying it's not encouraged.

Tom Braviak: It's not. That's correct.

<u>Commissioner Gethins</u>: I'm not trying to push but what we're saying is volunteers will use that if its another Ave down the road, you know that will help everyone.

<u>Committeeman Cahill:</u> I can assure you that If it's in their policy, then there won't Be an issue.

Commissioner Gethins: Any other questions? Going once, going twice?

<u>Commissioner Cobane</u>: I mean I kind of have one for the board, in regard to what Commissioner Waldron brought up, District 3 potentially hiring? I know within our merger group we talked about kind of not, nothing official, but kind of a unofficial hiring freeze in both districts to kind of sort through the budget. That's kind of news to me hearing that District 3 is is hiring when we said we're not in District 2 because of what we discussed in our merger meeting, so is that something that is being Progressed right now in District 3?

Commissioner Waldron: I don't remember what.

Commissioner Cobane: Well, you weren't in the meeting.

<u>Commissioner Waldron:</u> Oh OK, before we did, before we started our promotional process, we went to Jim Davidson and he said at this juncture, each board needs to continue as a board and operate. But one thing that really concerns me, if this merger goes through and you've got some of your employees sitting here and if they want to stay mute, that's fine, but if Cedar Knolls has three fire lieutenants, And Whippany Firehouse has no fire lieutenants, and this merge takes place, and the new board decides that threes all we need. How do you guys feel about knowing you might have another 10 or 12 years before you can be eligible for promotion.

<u>Commissioner Cornine</u>: If I may, to answer your question being I sit on both committees and the board, last session was like listen it's save the taxpayers money and don't increase our staffing, and let the new board evaluate. I don't know how well I or Commissioner Dugan communicated that to our board. When we talked, there was a budget for it, I know we budgeted for it, so we are moving forward. We're also talking about a renovation of Firehouse, Another fire truck, too, so this stuff is all still in the works.

<u>Chief Perrello</u>: So that means we can increase our staff now because we don't have to raise our taxes, our taxes will be flat and we can improve our services on our side of town now. Without uh, without increasing our taxes, We can improve our services.

<u>Unknown</u>: There needs to be more better communication between both boards.

<u>Michael Dugan</u>: Just the recommendation to both boards, just continue, if you guys need people and District 3 feels they need it, you need to do it 'cause this is still at least a year down the road.

<u>Commissioner Cobane</u>: No one's arguing that, It's just the fact that we were under the impression that it was going to try to stay neutral.

<u>Commissioner Waldron:</u> Well this is the first im hearing about this.

<u>Commissioner Cobane:</u> Yeah, this is just a open discussion. Its good.

<u>Matt Gallo</u>: With that being said, sorry, Matt Gallo here. Chief, you did make the request a couple months ago. Is that request still on the table for you that we need to hire either to backfill for the captain, who's potentially retiring in a year or two or just a need, is there need presented still for us?

<u>Chief Perello</u>: There is still a need present. I feel strongly about that and we're waiting. We were waiting on the numbers for the merger, So we'll approach that topic again.

<u>Matt Gallo:</u> So if I asked the board if we could look into that because yes, I am on the volunteer side, but I'm also for bettering the service to the community, whether that be increased the volunteership. But it's like I said this in the past, it's not the 1970s anymore, and most of the volunteers don't live or don't work in town anymore and can't leave their jobs, I know I work out of town. I know a bunch of the other volunteers work out of town. So, if there is a need for during the day to hire, I'm all for hiring, especially if it's not going to really affect the budget and If District 3 is moving forward with hiring, even with talks of merging I think we should open that up on our side of the district too.

<u>Unknown:</u> I'll lay one out for you considering I put one out on the table in the past, It's out for me again. Maybe we'll leave that for the full board, But I'm in favor.

<u>Matt Gallo:</u> I just ask that you guys look into it again now that you know that Cedar Knolls is, yes, they have had this handshake agreement of not hiring, but if they're going out and putting a hire and Chief Perello sees a need to hire -

<u>Commissioner Dugan</u>: Both districts are in a very complex scenario right now and this is a very lengthy process.

<u>Commissioner Cornine</u>: I think the biggest thing was the last time we sat, everyone was asking for step one, get to step one, there's a big push for this merge and we're like, listen, if you need us to get you to step one, we need to pump the brakes here on all operations, buying fire trucks, building houses, doing hiring, promotions. And I think we can all probably agree that it's going to be a long process and we need to enter it slowly so.

<u>Commissioner Gethins:</u> There's a lot of answered questions right now.

<u>Chief DiGiorgio:</u> Well, I think also, If I could, the one thing that we did discuss in many of these consolidation committee meetings was that none of us are experts in this and we were going to take a very fair effort at trying to do that. And we used a lot of the resources, we used the previous study that came out as Ms. Iradi referred to, She's still here. She made comment about the previous study. And there were a lot of recommendations in that study that we looked at this time to help catapult this into

the next direction. And I think as Mr Braviak pointed out as well, Is that we've reached the next level, but it seems like from our point of view, myself and I'm speaking for Chief Perello as well, we took on Mr Braslow tonight to educate us a little bit more and now the question is, is how do we continue to move this? And again I I don't want to keep bringing it up but I will. I think the DCA, for a free resource, now again, the feasibility draft that Chief and I worked on together would have probably been about another \$25,000, \$30,000 study. It's there and I think that with the support of both boards I think we could have the DCA come in And give us this free service and continue to get as much free information out there and the grant is a process and the grant is out there. The grants going to bring it to the next level but the boards have to agree to keep the progress moving and possibly the next step, and my suggestion and again speaking for the Chief is that, we need to have DCA. So that would be the next level and then a SWOT analysis if you will, the strengths, the weaknesses, the opportunities and threats that Mr. Braviak pointed out as well. But again that comes from all the stakeholders and the stakeholders that we identified, and you know Retired Chief Davidson, he was appointed as project manager to meet with all of the stakeholders. And that's exactly what he did. Gathered all the Information from the stakeholders and brought that back to the committee. So we can keep saying that we need to make forward progress, but we need to identify what the next step is. And I think that would be an important thing to take away from tonight, so this continues to keep forward progress.

<u>Greg Manning:</u> Yeah, so forgive my ignorance. I don't know what Cedar Knolls or Whippany actually does for recruitment, but moving forward, if this consolidation goes forward, has either of the two districts thought about maybe trying to do a living program for volunteers. You have a live in firehouse, and a career staff that oversees but you know it's worked amazingly well in other places. We are a busy town and you get the right kind of kids, whether right out of high school or in college or whatever they get to live at our Firehouse, got to give us 40 hours, these are the rules. I don't know. It's an attempt to olive branch to volunteers. I mean you have to think outside the box. You know, it costs money to live here in town.

<u>Michael Dugan</u>: I think Cedar Knolls is looking at that with the possibility of an addition or new facility there has been talk about that type of structure also.

<u>Chief DiGiorgio:</u> Well, one of the things that we did identify is, is that we both have the same need to attract both firefighters and volunteer EMT's and right now we have basically three messages that we're trying to communicate throughout Hanover Township. One message Is join the Cedar Hills Fire Department as a firefighter. Join the Whippany Fire Department as a firefighter. Join, EMS. There's some people in this district that are volunteer EMTs and other towns where we would be able to take advantage of that. But one single message is what we laid out in the in our draft study. So just thinking about what Greg is saying And I'll give credit to those who within the last couple of weeks have started this recruitment drive; We have a couple of functions coming up, Hanover Township Day, we have the function at high school First Responder Day, We're having a fundraiser at our firehouse. Three golden opportunities to attract, but what's happening is that we're hearing what that District 3 or the Cedar Knolls side is doing it. I think That get a committee together from Whippany and start those talks now. Nothing prohibits us from coming out with one message.

Chief Perello: Yeah, and there's free materials out there that we looked at and we discovered during our study. There's a national volunteer fireman or Fire Council association that gives you free propaganda materials to create ads about volunteerism and generating free ads for social media to put out there, on

your social media pages, to attract volunteerism and just like Chief DiGiorgio said, right now we're, we're trying to sound three independent messages and trying to recruit people from the Township when we can send out one unified message from one central location and if you say, hey, but I live in Cedar Knolls and want to Join Cedar Knolls, That's ok, you can join Cedar Knolls, but we have one central location and have one person overseeing, rather than three different groups of people trying to send out one message and targeting all these people. It makes it very difficult, and it makes it very tough to manage.

Gary Keyser: Your pool is very limited.

<u>Chief Perello:</u> Absolutely correct. And trying to get things accomplished sometimes becomes a little difficult. Trying to get the sign put up with this or that. You know, sometimes it's difficult for volunteers to do those things because we get it, you're at work, you know, you guys have other things going on, your kids are involved with sports and other things, so some of that responsibility could fall back on us, and it has, we took it upon ourselves to change the sign out here. You know we put the volunteer sign back up when our 5K got cancelled and you know it's an important message to get out there so.

<u>Terri Baird</u>: Yes, hi is the high school still offering the program for those of a certain age to do service hours or something like that?

Chief Perello: Not That I'm not aware of, I.

<u>Chief DiGiorgio</u>: I know there have been couple who are seniors in high school who do the senior service project. It's a very limited time that they have. It's probably like the last three months of high school like April, May, June.

<u>Commissioner Cobane</u>: Over the pandemic I reached out to the head guidance Counselor Mr. Maciag and he was very willing to allow us to do stuff, but we couldn't go into the into high school at the time because of covid and stuff like that. So we did provide Flyers. Flyers were were put up around the high school. And I think that now COVID is gearing down I think both organizations should reach out to Mr. Maciag again and have a presence there, whether it's over the lunch hours or something else to try and get volunteers.

Terri Baird: Or Having some kind of like a junior Cadet kind of program.

<u>Commissioner Cobane</u>: Well we do have a junior program, and I think you guys have juniors as well, right? So you have to be 16 or older to join and would start with the junior program.

Michael Dugan: With the junior program too, the state hinders what they can and can't do.

Chief Perello: Yeah, it's very limited.

<u>Michael Dugan</u>: So it's, it's like trying to keep their focus and their interest in it when they're told how you can't do this, you can't do that, you can't do this.

<u>Commissioner Cobane</u>: Well, at the same time, 95% of what we do are smells and bells so I mean they can ride the truck, they get to participate in drills to a certain extent here at the station. But they still get the experience, get the camaraderie, you know, and things like that. They're not going to go in fighting a structure fire absolutely not but.

<u>Chief Perrello</u>: Well, if it's worth anything, I started as a junior firefighter at 16 years old. It's tough. It's a tough thing. There's a lot more restrictions and regulations they put on it, you know they need to have direct supervision. They can't be here alone, can't go out of town If a call goes out it's not like you can just dump them on a street corner, under a streetlight and say, wait here, you know, it's difficult. So yeah.

<u>Tom Braviak:</u> If I could one last comment, I promise. Just one thing I wanted to address Chief, what you said, and maybe it's partly answers to the question as to why now? Why not then? When we had these discussions whenever that was I don't remember whether it was 10 or 15 years ago. It was a good idea, that ended up with a very bad plan. That was what killed it, The idea was good but the plan was horrible, and the reason the plan was horrible is because it was largely written by somebody who didn't live here. so you know the idea of tearing down two fire houses and building only one on Central Park property, I think that was the cornerstone of that report. I mean, it was just a miserable plan.

Michael Dugan: But I don't think anybody agreed to that on both sides, both sides were against.

<u>Tom Braviak:</u> No, but but what my point is, like my point is if we can't write the plan ourselves. That makes us happy, us meaning the Township happy, and the community happy with the implementation. We can't do that. Don't bring DCA in. Don't hire a consultant. Don't take DCA money to hire some consultant that doesn't live here to write you a plan, because the devil is in the detail. And if the implementation plan is horrible you will not get it through. That's my personal opinion. And that's what killed it the last time was the plan.

Chief DiGiorgio: Yeah, absolutely. And just basically what happened was there were a couple of things you brought up, about the Firehouse and at that time, But we looked at in the plan what was happening. It's actually 2012, what happened in 2012 when that plan was completed. One, the Firehouse was at that point where everyone was unsure of what was going on or where the firehouse was going to be. It talks about EMS, right? cause, you're early stages of EMS. We still are having battles from the 1950s through 2011 on what was going on with EMS. So the Firehouse is built, EMS is built. The disparity in the tax rate was another thing in the first plan, right? There was a complete imbalance and I think there was some comment on Facebook about an imbalance in almost double taxing. The tax rate was almost double. The budgets now are off by don't quote me, but less than \$100,000 each, so the budgets are almost equal. The amount to be raised by taxation is an imbalance. But the budgets are almost equal. The difference between that \$0.08 and \$0.10, I mean, we could sit here, or you and I could sit here all night and understand that, but that means nothing because there's an imbalance in ratables. So there's an imbalance in ratables. There's no way were going to equal those taxes. So that's why when we put this draft budget together, you can see that there's, even for the residents of District 3 to pay for this Firehouse, taxes will still potentially in a draft plan go down and things balance out on the other side. So again, those are draft plans, but those were some of the holdbacks in the initial plan and those things are behind us. So it's an excellent point that we're trying to do this in house and move forward and with the things you talk about today.

<u>Tom Braviak</u>: So the things that Commissioners have to be just wary of in your planning process is that the volunteers on the Whippany district side are still paying a large portion of this mortgage. So you know what happens with that? The debt that is existing now for this district is not the debt that's paying for this Firehouse. It's the debt that's paying for part of this Firehouse. The rest of it is still being paid for because that's the promise we made to the community was that the impact would be known and it was

because the volunteers are still paying and will still pay for the next 30 years, a good portion of the debt on this Firehouse, and so you need to understand what will happen with that after.

Michael Dugan: Can I ask how you're paying?

<u>Tom Braviak:</u> We're taking money out of our income. We pay rent to the Commissioners, it's \$11,000 a month. We're simply paying The Board of Fire Commissioners that amount of money to the lower the cost of the debt of building this firehouse. That is a commitment that we made.

Michael Dugan: And that's also your rent for the bays?

<u>Commissioner Cobane</u>: Well it is but it isn't. After the 30 years they're not going to continue paying rent to the commissioners for any of the bays.

Tom Braviak: We're not paying rent. we're paying off part of the debt.

Commissioner Cobane: Right.

Tom Braviak: Well, that's all that arrangement is. It's got nothing to do with rent. It's not rent because there's no rental agreement. It's a deed restriction that was that was brought when the financing was done through the county when we went to Morris County to get the financing, we had to have a payback plan and the payback plan included the Whippany Fire Company Inc. A 501c3 company, putting in a certain amount of money per month. And then the Commissioners would pay a certain amount of money against the debt to the county. The county took that plan it had nothing do with rent, we had a fire service agreement that said how the relationship works between the fire company and board of fire Commissioners. The building got deeded to the Board of Fire Commissioners with the exception of some portions of the building because the fire company still has autonomous control through the deed that we said that we struck with the Board of Fire Commissioners that made the county, 'cause that was a, that was the DCAA requirement at that time was that they couldn't approve the plan to go to the County Redevelopment Authority to get the bonds to pay for it, unless the Commissioners own the property. That was a real sore subject for the fire company, for the members, it was a really tough pill for the fire company to swallow. And then we committed, the fire company stood up and said ok, we're still going to pay a certain portion, as much of it as we can out of our monthly income goes to pay that debt. And that's how it worked out, where the deal didn't cost the taxpayers, but this Firehouse did not increase the tax rate in this district.

Judy Iradi: So will that continue if you're a merged district?

<u>Tom Braviak:</u> That's a good question. That's a very good question. That's something that needs to be understood if that relationship still continues.

<u>Commissioner Cobane</u>: And to Tommy's point it's in the deed, we got a copy of the deed and its in the deed.

Michael Dugan: So at the end of the 30 Years the Firehouse still remains the districts that doesn't get-

<u>Tom Braviak:</u> Yes, that's correct. The Firehouse remains, the deed stays the same. It's like similar situation that you have in Cedar Knolls with the property over by the post office that you know there are relationships between volunteers and the Commissioners that have gone, that have existed for years and that relationship that is a concern by a lot of volunteers that the relationship that the fire company

has with the district might be harmed by a consolidation and so that should be addressed carefully to make sure that that doesn't happen because you know It's a it's a tit for tat kind of thing. You get some crotchety crumudgeon that'll say, hey, they do this and we stop paying, you know, kind of thing. Now I don't know that we could be thrown out of here any sooner legally than we could stop paying legally either, because we have the obligation to do that. And that's why the attorney that wrote that agreement up was pretty smart as it became part of the deed that we deal with building over.

<u>Greg Manning:</u> How do you generate income? I'm just curious.

<u>Tom Braviak:</u> We still own property down behind 440. It's a money tree. Cell tower. And it could obviously go away too. If cell service changed or if the cell industry changed. We have a long-term lease and we should be collecting that for and again we had to go back. Because we couldn't go to the county and say we're going to have this income for the next 30 years, we didn't have a 30-year lease. With this, we have something that could be guaranteed income.

<u>Commissioner Cobane</u>: So the cell tower is on its own. It was not part of the sale of the old firehouse.

<u>Chief DiGiorgio</u>: I have one last question and my question is Mr Braviack, would you like to join our subcommittee so that your input is well received then we can learn more about this moving forward.

Commissioner Dugan: We meet the first Tuesday of every month,

Tom Braviak: Yes.

<u>Chief DiGiorgio</u>: I think that makes sense because there's Some institutional knowledge that you have that you just explained here that were things that may not have been discussed because of the non-institutional knowledge that was here so, it's a positive. It can help with SWOT analysis.

<u>Commissioner Cobane</u>: Alright guys, any last Questions, comments, concerns? I think our board has to go in close session after this, so. Hearing none, Thanks everybody.

Special Meeting Adjourned.