

MINUTES  
SPECIAL COUNCIL MEETING  
TOWNSHIP OF MONROE  
JANUARY 16, 2016

**A.) OPENING CEREMONIES**

**CALL TO ORDER**

The Special Council Meeting of the Township of Monroe was called to order at approximately 10:00 AM by **Cncl. Pres., Cody Miller** in the Court Room of the Municipal Complex located at 125 Virginia Avenue, Williamstown, New Jersey.

This meeting was advertised pursuant to the New Jersey Open Public Meetings Act (*NJSA 10:4-6 thru 10:4-21*). Notices were placed in the official publications for Monroe Township (i.e.: South Jersey Times, the Courier Post and the Sentinel of Gloucester County). A copy of that notice is posted on the bulletin board at the Municipal Complex and also on the Monroe Township website.

**Cncl. Pres., Miller** stated the Clerk has placed a sign-in sheet in the meeting room. If anyone would like to address Council please sign in and you will be recognized during the Public Portion. Kindly state your name for the record.

**SALUTE TO FLAG**

**Cncl. McIlvaine** led the Assembly in the Pledge of Allegiance to Our Flag.

**ROLL CALL OF PUBLIC OFFICIALS**

Cncl. Walt Bryson	Present	
Cncl. Frank Caligiuri	Present	
Cncl. Marvin Dilks	Present	
Cncl. Rich DiLucia		Excused
Cncl. Bob Heffner	Present	
Cncl. Bart McIlvaine	Present	
Cncl. Cody Miller	Present	
Mayor Daniel Teefy	Present	
Solicitor Charles Fiore	Present	
Business Administrator, Kevin Heydel	Present	
Clerk, Susan McCormick	Present	
Deputy Clerk, Sharon Wright	Present	

**B.) RESOLUTIONS SCHEDULED**

**Cncl. Heffner** made a motion to open the Public Portion for Resolutions Scheduled. The motion was seconded by **Cncl. Dilks** and unanimously approved by all members of Council in attendance. With no one wishing to speak **Cncl. Heffner** made a motion to close the Public Portion. The motion was seconded by **Cncl. Caligiuri** and unanimously approved by all members of Council in attendance.

**R:30-2016** Resolution Authorizing Closed Executive Session Of The Township Council Of The Township Of Monroe To Discuss Collective Bargaining/Negotiations

**Cncl. Heffner** made a motion to approve Resolution R:30-2016. The motion was seconded by **Cncl. Dilks** and unanimously approved by all members of Council in attendance.

**CLOSED SESSION**

**Solicitor Fiore** noted Council just concluded a Closed Executive Session where Resolutions R:31-2016 and R:32-2016 were discussed. Council will take action upon those resolutions.

**Cncl. Pres., Miller** explained that the meeting would again be open to the public for anyone who wanted to address Resolutions R:31-2016 and R:32-2016.

**Cncl. Heffner** made a motion to open the Public Portion for Resolutions R:31-2016 and R:32-2016. The motion was seconded by **Cncl. Bryson** and unanimously approved by all members of Council in attendance.

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**B.) RESOLUTIONS SCHEDULED**

**William Blong, 152 Harrell Avenue** approached Council on behalf of the Public Works employees and urged Council when making decisions regarding contracts to take into consideration that their decisions not only effect employees but their families and their futures.

**Cncl. Dilks** made a motion to close the Public Portion. The motion was seconded by **Cncl. Heffner** and unanimously approved by all members of Council in attendance.

**R:31-2016** Resolution Of The Township Council Of The Township Of Monroe Authorizing The Mayor To Execute Agreement Between The Township Of Monroe And Monroe Township Supervisors Association

**Cncl. Heffner** made a motion to approve Resolution R:31-2016. The motion was seconded by **Cncl. Dilks**.

**ROLL CALL VOTE TO APPROVE RESOLUTION R:31-2016 - 6 AYES, 1 ABSENT (DiLucia)**

**Tally: 6 Ayes, 0 Nays, 0 Abstain, 1 Absent.** Resolution R:31-2016 was duly approved for adoption.

**Cncl. Pres., Miller** noted the Mayor and Council wants everyone to know that while moving forward with R:32-2016 the Administration will continue with contract negotiations in good faith. The Administration and Council wants everyone to know that they are not out to hurt any of the employees but they need to look out for the interest of the Township as well.

**R:32-2016** Resolution Authorizing The Execution Of Documents To Participate In The State Health Benefits Program To Provide Health Insurance Coverage And Benefits To The Township Of Monroe Employees, Retirees And Their Families

**Cncl. Heffner** made a motion to approve Resolution R:32-2016. The motion was seconded by **Cncl. Caligiuri**.

**ROLL CALL VOTE TO APPROVE RESOLUTION R:32-2016  
5 AYES, 1 NAY (Bryson), 0 ABSTAIN, 1 ABSENT (DiLucia)**

**Tally: 5 Ayes, 1 Nay, 0 Abstain, 1 Absent.** Resolution R:32-2016 was duly approved for adoption.

At the time **Cncl. Bryson** voted he stated the reason he voted no is because labor negotiations are involved. Council thinks this resolution will indeed put us into the State Plan, which is not a bad situation relative to the savings for our taxpayers and he would agree to it as long as the benefits are the same or very close, but only two of our three labor associations have agreed to contracts. Since the third contract is still being negotiated he will not approve this paperwork until the union sits down with Administration to come up with a fair plan because those employees are the ones with the lowest pay scales. If a wage increase is part of that agreement they should go for it and before he will approve this resolution they need to come up with an agreement. He added he may stand alone on this but that is just how he is.

**Cncl. Caligiuri** voted Aye and noted the reason he was approving this is because in all phases of negotiations the union retains control of what they will and what they won't accept. Sometimes it is a matter of how much money the township has at its disposal and how the employees want to divvy it up whether in terms of wage adjustments or additional insurance. The union leaders maintain control of their member's interest so either way by enabling the Business Administrator to have this at his disposal does not disable the union's negotiating powers.

**Mayor Teefy** thanked Council for supporting this move and the employees who negotiated contracts and agreed to move to State Health Benefits, which is a huge saving for the Township. Change is not very well liked but this move had to be made in order to financially sustain the good services our employees give. A variety of plans will be offered through State Health Benefits so if an employee wants to select a different plan they can. The Mayor added

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**B.) RESOLUTIONS SCHEDULED (cont'd)**

negotiations were done in good faith and we tried to fairly compensate employees for making the move and hopefully a fair contract will be reached next week with Local 1360 as well. All employees do a good job but the work the Public Works Department does each day is so important to the township and sometimes those people are not highly regarded. Mayor Teefy noted their jobs are tough and he appreciates the work they do. This has been a tough decision for Council and we have gone back and forth arguing behind the scenes as well as going back and forth with the union to try to come up with a fair contract for everyone. This will help sustain the town and keep the workforce the way it is today and hopefully in the future we can expand upon that, as this will help us down the road.

**C.) GENERAL PUBLIC DISCUSSION**

**Cncl. Heffner** made a motion to open the General Public Discussion. The motion was seconded by **Cncl. Bryson** and unanimously approved by all members of Council in attendance.

**Jack Luby** questioned whether this resolution authorized a contract since negotiations with Local 1360 are not finished and whether it was passed or still on the table. **Cncl. Pres., Miller** advised it is passed. Mr. Luby then questioned how the township could pass this resolution authorizing the township to go into State Health Benefits when the employees are still negotiating. **Township Labor Attorney Michael DiPiero** explained Resolution R:31-2016 approves the township to file the paperwork to go into State Health Benefits but the earliest that would take effect is April 1<sup>st</sup> so nothing has changed with the benefits while the township is still negotiating. Mr. Luby questioned if the Administration looked into other healthcare programs and found one that would be much amiable to the members of that union could they get that health insurance and not have to participate in the State health insurance. Mr. DiPiero explained it is an all or nothing move but the Township does have the option to enroll or not enroll in the State Plan. Mr. Luby questioned if the union comes up with a plan they would like and Council reviews it and decides to accept it would that be fine. Mr. DiPiero replied no it is an all or nothing move so either the entire township is in or the entire township is out; bargaining units cannot be carved out. Mr. Luby questioned then what happens if they don't want it. Mr. DiPiero noted then the township would have to give them something in exchange such as compensation to change the benefits. The township options are to make a financial proposal that includes the benefits as a package and if they accept it that is fine and if they don't then we will look at our other legal options with the bargaining unit. Mr. Luby questioned what other legal option. Mr. DiPiero replied he would not get into the township's legal options since negotiations are ongoing. Mr. Luby noted he was not speaking on behalf of the union, just as a non-taxpayer resident asking questions. He asked if the township was considering giving the union members enough money to buy their own health insurance or is it saying once the township goes to the State and is approved by the State their bargaining power for health insurance does not exist anymore. Mr. DiPiero explained as the employer we have the option to choose our healthcare provider. Our obligation to the bargaining unit is whether that provider is equal to or better and there are options within that legal standard that we can abide by and still fulfill our obligation but there are other things on the table that the union would like. Maybe they don't want the State Health Benefits Plan but maybe they want a raise of X amount of dollars and maybe if they agree to the State Health Benefits Plan they could get that raise. That is how negotiations work, going back and forth. Mr. Luby noted if Council decides and passes the State Health Benefits Plan then that is it, it is off the table so the only thing they have left to negotiate is salary increases. Mr. DiPiero replied it is the entire contract, salary, working conditions, health benefits, retirement benefits and vacation. Mr. Luby noted his son works for Public Works and he and his daughter have chronic health issues that require expensive prescriptions. He questioned whether it was correct that under the State plan there is a \$400.00 co-pay per person or a \$1,000.00 per family and once those amounts are reached they pay no more. If so his son will have to put out \$800.00 that he didn't have to before. **Business Administrator Kevin Heydel** explained his doctor co-pays of \$10.00 also goes towards that \$400.00. Another option is the employees can open up a Health Savings Account (HAS) to put money towards that so that the out-of-pocket is less. Mr. Luby noted then he stands corrected and apologizes for his comments if doctors and prescriptions are included. Mr. Heydel explained what prompted the change to State Health Benefits is the township was faced with a 28% increase to renew our health benefits package, which amounts to

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C.) GENERAL PUBLIC DISCUSSION (cont'd)

\$1.7 million dollars. Facing a \$1.7 million dollar increase we would not meet the State 2% cap so we would be facing layoffs and our taxpayers cannot afford a \$1.7 million dollar increase. If we went to the HIF the increase would be 18%, which amounts to \$92,000.00 more a month. Another proposal we received was a 15% increase. By going to State Health Benefits the township will save \$260,000.00 in 2016 and that savings will be reverted back to the employees so there is no net increase to the township. Currently we spend \$6,000,000.00 for health benefits and the township cannot afford to go to \$7.2 million. If we go to the State that cost will be \$5.8 million so we save \$200,000.00 and that money will be distributed among all of our employees to make up for the small differences in the benefit plans. **Cncl. Pres., Miller** noted this is getting into specifics and should not be discussed at this time since we are still in the negotiation process. Mr. Luby questioned the latest date this can be submitted to the State. Mr. Heydel advised the State needs 75 days lead time in order to convert and we are actually past that time but he has been assured if he gets it to them by Monday, January 18<sup>th</sup> they will accept it so it doesn't cost our taxpayers \$160,000.00 more a month. Mr. Luby commented on Mr. Heydel's tone of voice while responding to his questions. Mr. Heydel replied he is passionate about this because he has worked really hard on it and feels an excellent proposal was made and now he is sitting in the middle of the employees and Council trying to get this done. Mr. Luby noted Mr. Heydel is not paid to be passionate about it. Council will be the ones to make the final decision and as a member of the public he expects proper decorum not only from Council but also from directors. Mr. Heydel noted he was not being disrespectful he was just saying what was happening and how it affects the taxpayers.

**Steve DeFelice** questioned if this is approved today would all the employees have the State insurance on Monday. Mr. DiPiero replied no, April 1<sup>st</sup> is the first day that the township could get into the plan, as it takes 75 days to get all the paperwork completed. Mr. DeFelice questioned whether Local 1360 could still say whether they wanted this or not. Mr. DiPiero explained if the township goes into it then every employee must be covered by it. Mr. DeFelice noted then the union has no leg to stand on. Mr. DiPiero stated that is not the case and he recommended Mr. DeFelice talk to the union negotiation committee. Mr. DeFelice went on to say that he works very hard at the Public Works Department, which picks up 1,000 trash containers each day per truck; he does not wear a suit every day or sit in an office doing nothing. He does not have a high school diploma but could tell the Business Administrator where to save \$200,000.00 or more but won't do that because he does not want to point fingers and name names. He felt it is ridiculous that this is being done today while the union is still in negotiations, as that will leave them without a leg to stand on. Mr. DiPiero again suggested Mr. DeFelice speak to his union leadership but Mr. DeFelice felt that would do no good since this is already done.

With no one else wishing to speak **Cncl. Heffner** made a motion to close the General Public Discussion. The motion was seconded by **Cncl. Bryson** and unanimously approved by all members of Council in attendance.

**Cncl. McIlvaine** noted most employees know him, where he worked and where he lives and he understands what they are saying but by going with State Health Benefits the township will save \$1.9 million dollars, the \$1.7 million dollar proposed increase and \$200,000.00 when we switch plans. He went on to say his taxes are currently \$1,000.00 a month and if they continue to increase he will be forced to sell his home and move out of this town. He noted this also affects him not only as a taxpayer but as an employee since he has the same benefits. He noted the union has legs to stand on and Council is not here to hurt anybody. The offers made to try to make everyone whole while still saving money for the taxpayers were more than what he would have offered. Someone from the audience commented that the employees know nothing. **Cncl. McIlvaine** stated that is between the employees and the union representatives. He went on to say as someone who is also receiving the benefits he is saying this is something that needs to be done and he doesn't want the employees to think that they are getting hosed here. He noted he has to pay these bills too and the School Board wants a \$15,000,000.00 increase. These decisions are not easily made but it is something that has to be done. It's like saying do you want your fingernails pulled out or your fingers cut off. This is pulling fingernails out because it hurts to let people down and he would not approve forcing this down employee's throats because he tries to be a man of his word but Council represents 38,000 people, not just 150 employees. This is a hard decision and he is saying this from his heart but it has to be done or he will have to move out of

