Township of Lopatcong

OFFICE OF THE MAYOR
Douglas J. Steinhardt

July 29, 2010

Dear Lopatcong Resident:

In the more than one year since my last letter on the State of the Township, we have elected a new President of the United States, Governor of the State of New Jersey, and endured a global economic crisis, the full effects of which we continue to feel at home and abroad. We remain at war in the Middle East, and are grateful to our many family, friends and community members who fight and fought for the democratic beliefs that make our country great. At home, we continue to wage non-violent battles to reign in the economic circumstances that prevent more and more of us from being able to afford even the most basic benefits that those conflicts serve ultimately to provide: food, jobs and shelter.

In Lopatcong, Councilmen Bill Baker, Victor Camporine, Matt Curry, Jim Mengucci and I are committed, as always, to finding practical and affordable means to deliver the best, most cost-effective, local government. We are aided by new State initiatives that force us to face the harsh realities of overlapping government services, bloated budgets and bureaucratic red tape, as we try to break ourselves of our decade's

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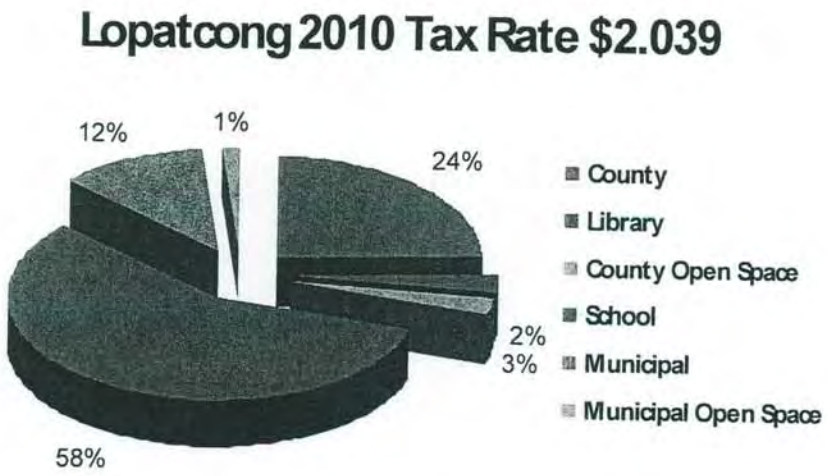
old reliance on government subsidies, jobs and programs to meet our needs. Never, in the nearly 11 years that I've been honored to serve as your Mayor, have the hurdles to provide operative and efficient local government been set so high and the consequences for failure so great. I remain driven by a desire to overcome those obstacles, succeed where our neighbors fail, and deliver innovative and effective solutions to the myriad of issues facing our Township, and am fortunate to serve with four councilmen-colleagues who share the same love for Lopatcong and determination to keep it the affordable, pre-eminent Warren County community.

By now everyone should have received their 2010 tax bills, which reflect a $2.039 tax rate, up $0.045. Increases in the amounts raised by tax levy at the county, school and local levels contributed to the roughly four and a half cent increase from $1.997 in 2009.

To better understand how Council and I impact the overall tax bills, I created the following pie chart to better illustrate where your dollars go.



Thus, on a home valued at $300,000.00, property taxes in Lopatcong are $6,117.00 per year. The municipal portion of that bill, the amount that builds, paves and clears our

roads, provides for police, fire and emergency services, builds and maintains our parks and recreation facilities, runs our municipal departments, public works, zoning, construction and other offices, is $734.04. That is the portion over which Council and I have direct control. And this year, after the loss of our energy credits (our last, remaining component of State aid) of $242,000.00 and increases in pension and insurance costs, utility bills and for continuing capital improvement projects (i.e., road reconstruction and resurfacing), Council and I were still able to reduce our overall expenditures by some $500,000.00, reducing our municipal budget to under $6 million for the first time since 2007. Reductions in hours, the decision not to fill vacant positions, not awarding pay raises to our municipal building employees two years running, and changes in our health care coverage aided us in doing so. The pursuit of outside revenue sources, shared services and solar initiatives contributed also.

When the State announced that aid to municipalities would be cut by approximately $359 million, without relief from the multitude of State-mandated policies and programs, it indicated that the loss of aid would result in a property tax increase of $250.00 for the average, residential taxpayer. So Council and I rolled up our sleeves and took an aggressive stance on expenditures that held that increase to two and half cents, or $152.00 annually. Increasing taxes is always a difficult decision, but I assure you that it was compelled by cuts in aid and increases in costs largely beyond our control. It was also done as part of a municipal budget that is wholly in compliance with all State imposed "CAP" restrictions and without the need for waivers or special applications of any kind.

Some letters ago I commented that as much as we needed to look at our municipal walls, the buildings, parks and departments that you see, we need to tend to our municipal foundation, the parts we don't see, as well. Aging roads required resurfacing and, in some cases, reconstruction. Entire neighborhoods have been repaved and roadways constructed and reconstructed in pursuit of those goals, and those efforts continue this year. Road improvement projects on Brakeley Avenue, Stelko Avenue, Edwards Street, Fox Farm Road and others have been completed, designed or scheduled.

Even further beneath the Township's surface, our aging sewer system required more immediate attention. Constructed in 1979, the Baltimore Street Pump Station is no longer reliable or repairable. Originally built as a temporary pump station for the single-family Brakeley Park Development, the Baltimore Street Pump Station is a prefabricated, "can" system consisting of two vertical, variable speed, centrifugal pumps, which discharge into an 8" gravity line at Baltimore and South Fourth Streets. Fast-forward 31 years and the Baltimore Street Pump Station now receives sewage from Brakeley Park and Baltimore Street mini-systems as well as the Morris Park Pump Station. This station now serves over 1500 residential and commercial units including, but not limited to, the original Brakeley Park Development, Country Hills, the new middle school, several commercial accounts along Red School Lane, Brakeley Garden Apartments, all of Warren Heights, the Warren Heights strip malls, and the old elementary school. Excessive use beyond the system's original, intended design necessitated the need to find alternatives. Additionally, mounting maintenance and repair expenses compel immediate action.

Two years ago, we began the process of obtaining funding for the design and construction of a new, gravity system and pump station that would eliminate the need for the Baltimore Street systems in their entirety. The new station will be located on Route 57. Its force main will discharge into the Phillipsburg system at Roseberry Street, and a gravity line will be constructed between the former Baltimore Street Pump Station and the new Route 57 Station. The new system will improve reliability and reduce excessive maintenance, repair and clean up costs, which have become unsustainable.

Originally, it was anticipated that we could complete the project without additional financial burden to our taxpayers. We had built up a surplus and assembled funding packages that made that possible. Unfortunately, over the last few years we were forced to expend more than $600,000.00, effectively our entire surplus, in clean up and repair costs, and face the prospect of ever-increasing costs and dangers for a system that can never be repaired, refurbished or updated. In lieu of literally flushing hundreds of thousands of your tax dollars down the toilet each year *ad infinitum*, and raising sewer rates each successive year to do so, Council voted unanimously to be proactive and find a more practical, efficient and long-term solution to our sewerage problems. Consequently, Council was compelled to increase sewer rates this year, the first rate increase since the mid-1990's, to meet the roughly $3.5 million cost associated with constructing and installing the new system. We have applied to the NJ Infrastructure Trust Fund and USDA for low and no interest grants and loans to assist us in the cost of this project.

On the proverbial "bright" side, we were awarded a series of grants that enabled us to pursue solar initiatives throughout the Township. Over the last several weeks many of you may have noticed the installation of solar panels at the emergency squad, pool

bathhouse building, DPW garage, Delaware Park Engine Co. No. 1 and the municipal building. At a cost of $1,000,000.00 and with energy rebate savings of $625,000.00 and renewable energy credits generated by the system's use, we will recover the costs in just four years, and reap the continued, cost-saving rewards for decades after.

On June 19th, Delaware Park Chemical Engine Company No. 1 celebrated its 100th anniversary in grand style, with a community parade that kicked off at Belvidere and Charles Roads and proceeded west down Belvidere Road to the Delaware Park fire house. Special thanks to Lou LaFord, Konrad Mellert, Barry, Kathy and Brandon Stires, Jordan Purdy, Frank and Kathy Wismer, Joe Bichler, Jr., Cliff Shannon, Marty Ollson, Jamie Bartus, and Bob Race for their organizational efforts, to the many area departments that participated in the parade, to our police, fire and emergency personnel for their assistance, and to Frank Varju for closing down and making his Lukoil Service Station available for use by the company for its reviewing stand. Most of all, our heartfelt thanks and congratulations to the century of firefighters and auxiliary members for their service and dedication to Lopatcong Township.

The 100th anniversary parade was followed by our annual Community Day. Full of area vendors, children's events and attractions, local bands and performers and ending with a fabulous fireworks display, it was, as usual, a great chance to come together as a community and enjoy each other's company and congeniality.

In an exceptional showing of community spirit, nearly all of Lopatcong Township came out on April 27th to welcome Lance Corporal Andrew Gitto home from Afghanistan. Andrew suffered serious injuries on April 13th when he was on patrol near Marja in the Helmand Province, Afghanistan where U.S. and Afghan troops were battling

entrenched Taliban forces amid immense poppy farming operations that sustain the Taliban's forces. For those of us who witnessed or participated in the event, it was truly a spectacle of community togetherness and we are grateful to Andrew and all of our veterans, past and present, for their service and dedication to our country.

Just last week Council and I met to discuss the particulars of a public/private partnership for the construction of a community center in the vicinity of Lopatcong Park and our pool and pavilion. A committee of citizens and representatives will be meeting in August to begin discussions about the center's needs and, most importantly, the public/private partnership means by which it can be constructed without additional tax burden to the Township.

JSM at Phillipsburg, our designated Ingersoll Rand redeveloper, emerged from our economic crisis intact and reinvigorated. Last month I met with JSM's principal and his attorney to finalize a redeveloper's agreement on JSM's representation that we would see an application for development before the end of 2010.

"Movies at the Pool" began Monday, July 12th and continues every Monday through August 16th. Movies begin at 8:00 pm and are a safe, free and fun-filled way to relax and unwind with your family and friends.

To combat the skyrocketing cost of living, please remember that veterans and senior citizens are entitled to certain tax breaks, refunds, freezes and incentives. To find out whether you are eligible and for what benefits, please call Rachel Edinger, your Municipal Tax Collector, at (908) 859-3355, Ext 230. She and Brad Decker are happy to help you.

This year's Volunteer Recognition Dinner was held on April 10th at Delaware Park Engine Co. No. 1. This year's honorees were Connie Bambrick, Lopatcong Emergency Squad, Dan Dearing, Strykers Fire Company No. 2, Robin Howes, Girl Scouts, David Lance, Lopatcong Planning Board and JoAnn McGann, PTO. These dedicated groups of volunteers give selflessly of their time, energy and expertise for little more than the personal satisfaction that comes from saving lives and property. Please be equally selfless in your support of their organizations.

Please remember Councilman Bill Baker in your prayers as he is recovering from open heart surgery.

As I have previously observed, it is clear that challenges await all of us in these uncertain times, but I am confident that we have built a strong foundation upon which to manage them. We will continue to find new and innovative ways to face these challenges; dedicated always to delivering the best representative government and services in the most efficient and least expensive means possible.

I thank you again for the privilege of serving as your Mayor. As always Council meets the first Wednesday of every month with the exception of August 4, 2010, when Council will be without a quorum to proceed, so we will meet on Wednesday, August 18, 2010 at 7:30 pm. I hope you will come out and join us. Until then, I am,

Respectfully,

Douglas J. Steinhardt
Mayor