

TOWNSHIP OF UPPER DEERFIELD

RESOLUTION 12-119

REQUESTING A THOROUGH STUDY OF THE BUDGETARY MANAGEMENT AND OPERATING PROCEDURES OF THE CUMBERLAND COUNTY LANDFILL BEFORE CONSIDERING PRIVITAZATION OF THE LANDFILL OPERATIONS

WHEREAS, the Township Committee of the Township of Upper Deerfield supports the concept of reviewing all budgetary line items to achieve cost savings when feasible; and

WHEREAS, the Cumberland County Board of Freeholders has decided to study the budgetary management and operating procedures of the Cumberland County Landfill including the possibility of privatizing the landfill operations; and

WHEREAS, the Township Committee of the Township of Upper Deerfield hopes that the study will include as a minimum an analysis of the following areas of concern:

- **PRIVATIZED MONOPOLY** - The County Landfill is a sanctioned legal monopoly requiring all waste generated in Cumberland County be disposed of at the Cumberland County Landfill. Without competition the tipping fees will escalate as profit, overhead and corporate fees are added to the Landfill's annual financial statement. Having a private for-profit company running the landfill operations will only guarantee the increase of future tipping fees which will ultimately negatively affect every resident and business in the County who will pay more for trash collection and disposal due to the increased tipping fees; and
- **GOVERNMENT PROVIDES SERVICES** - Public entities fees are normally lower than a similar private business enterprise because governmental entities are not permitted to operate departments as a profit center. Whereas a private company must answer to their shareholders and operate a business as a profit center. As an example, Upper Deerfield charges \$35 per month for sewerage and provides water for \$20 per month which includes up to 5,000 gallons of water usage per month, with excess water usage billed at \$3.25 per thousand gallons. In another local community with a private for-profit utility company they are charging the residents in excess of \$75.00 per month for sewerage with a base fee for water of \$25 per month plus \$5.70 for each thousand gallons used each month. A typical two person household using 5,000 gallons of water a month pays \$55 for their water and sewer utility bill in Upper Deerfield, that same usage in the other community costs the homeowner \$128.50 per month because it is a privatized for-profit monopoly. The Township, by providing this service, is saving the resident or business a minimum of \$882 per year; and
- **STABILITY IN TIPPING FEES** - As a not for profit operation the Landfill has provided stable and affordable tipping fees for all County residents and businesses through the years; and
- **LOSS OF COMMUNITY SERVICE** – Over the past number of years the CCIA has provided various improvements to the communities throughout the County, including recycling grants for non-profits, donations to the Landis Theatre, Levoy Theatre and

Bridgeton Stadium as well as providing supplemental budget revenue for the County which would no longer be available if the landfill is privatized; and

- **PREVAILING WAGE** – If the County maintains ownership of the Landfill and leases the operation, is the operator required to pay prevailing wages, which will also increase costs and thus increase the tipping fees; and
- **SYNERGETIC APPROACH** – The County may receive short term income infusions for the County budget through privatization but other long term factors need to be considered. How high will the tipping fees be increased for the profitability of a private company over the course of the lease or useful life of the landfill compared to the tipping fees that would be charged with the CCIA running the landfill over the same period of time? Where will the funds come from to site a new landfill, purchase land, clear and prepare land and construct all required start-up costs including the leachate collection system if the CCIA is dissolved? These and other long term implications need to be factored into the decision as it is the businesses and citizens who will be responsible for paying new county bond debt and the increased costs for trash collection and disposal.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Township of Upper Deerfield, County of Cumberland, and State of New Jersey for the reasons stated above strongly urges the Cumberland County Board of Freeholders to make sure these areas of concern are studied before making any decisions to sell or lease the County Landfill operations that will have negative long term implications on our citizenry and businesses; and

BE IT FURTHER RESOLVED that a copy of this duly adopted resolution be forwarded to the Cumberland County Board of Freeholders, County Administrator and the CDC.

Moved By: Bruce T. Peterson

Seconded By: John T. O’Neill, Sr.

VOTING

James P. Crilley
 John L. Daddario
 John T. O’Neill, Sr.
 Bruce T. Peterson
 Scott Smith

<u>In Favor</u>	<u>Against</u>	<u>Abstain</u>	<u>Absent</u>
X			
X			
X			
X			
X			

CERTIFICATION

I hereby certify that the foregoing is a true copy of Resolution adopted by the Township Committee of the Township of Upper Deerfield, in the County of Cumberland, at a meeting thereof held May 3, 2012.

Roy J. Spoltore, Township Clerk