

PUBLIC HEARING

before

SPECIAL LEGISLATIVE COMMISSION TO INVESTIGATE
CERTAIN PROBLEMS RELATING TO SOLID WASTE
DISPOSAL, constituted under SCR 48 of 1969.

24

Held:
February 27, 1969
Assembly Chamber
State House
Trenton, New Jersey

Members of Commission present:

Senator Milton A. Waldor (Chairman)

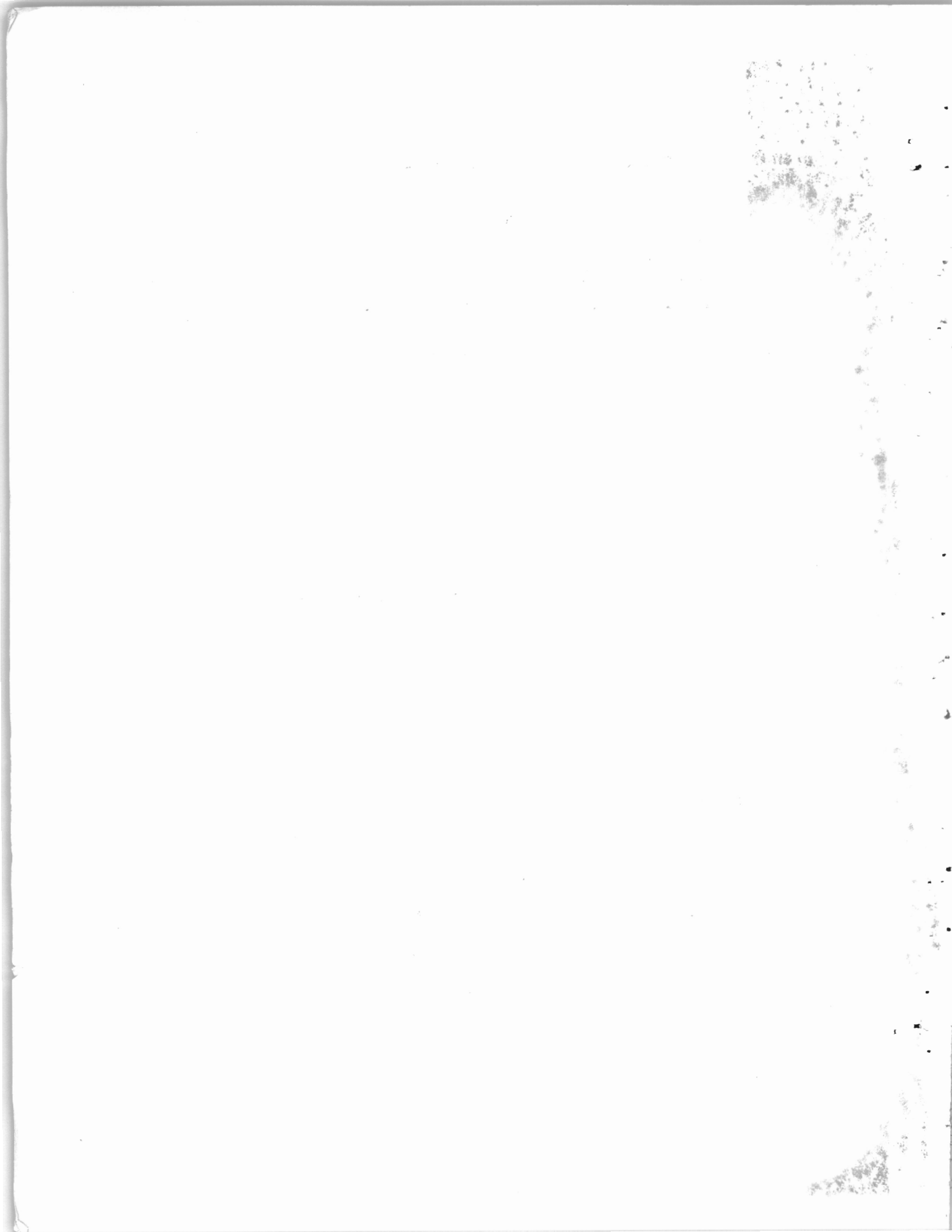
Senator J. Edward Crabel

Assemblyman Everett B. Vreeland

Assemblyman Kenneth T. Wilson

Assemblyman Frank J. Dodd

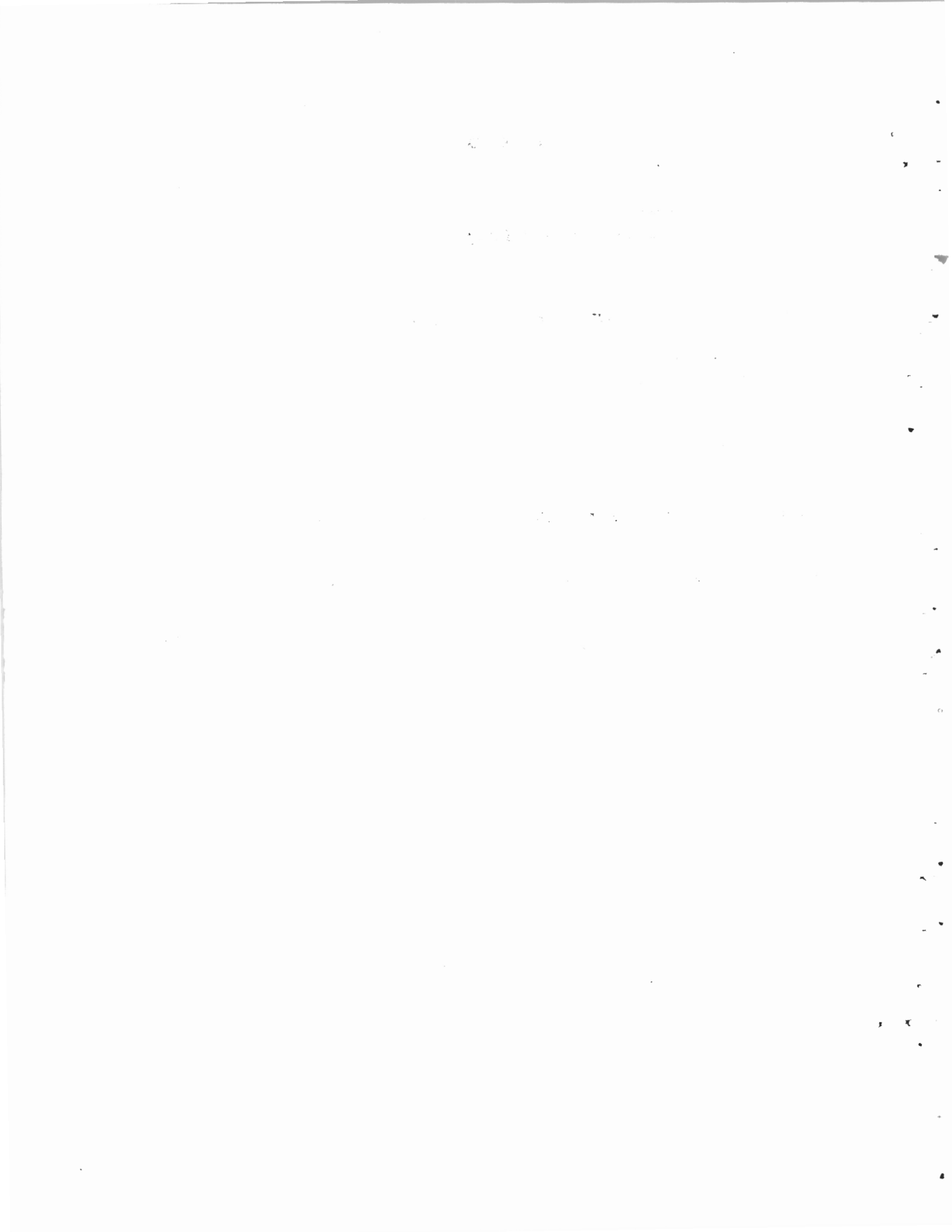
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SENATOR WALDOR [Chairman]: I hereby declare this meeting of the Special Legislative Commission to Investigate Certain Problems Relating to Solid Waste Disposal, constituted under Senate Concurrent Resolution No. 24 of 1969, called to order.

I would like the record to note that Senator Crabel, of Middlesex County, and Assemblyman Wilson, of Essex County, in addition to the Chairman, are present at this hearing this morning.

The first witness that I will call this morning is Commissioner Charles J. Weaver, of North Bergen, who is President of the New Jersey State League of Municipalities.

Commissioner Weaver, if you will be kind enough to just step up here, sir, if you will please. The witnesses who have been called to testify to this point have had no objections to taking an oath. Do you have any objection to being sworn.

MR. WEAVER: No, I have no objection.

C H A R L E S J. W E A V E R, being duly sworn, testified as follows:

SENATOR WALDOR: Will you state your name and your affiliation.

MR. WEAVER: I am Charles J. Weaver, President of the New Jersey State League of Municipalities.

SENATOR WALDOR: Commissioner, do you have a written statement that you wish to enter into the record?

MR. WEAVER: I do.

SENATOR WALDOR: Will the record note that the statement of Commissioner Weaver has been distributed to members of the Commission.

Commissioner, if you would like to speak to us in narrative form concerning the contents of your statement, or anything else you wish to testify to, we would appreciate anything you have to offer.

MR. WEAVER: It is not a lengthy statement and I would rather read it into the record. Is that all right?

SENATOR WALDOR: Go right ahead.

MR. WEAVER: Senator Waldor, Assemblyman Wilson and Senator Crabiel: I am Charles J. Weaver, Commissioner in the Township of North Bergen, and President of the New Jersey League of Municipalities. It is a pleasure to appear before you gentlemen today representing the League, whose membership now includes 551 of the State's 567 municipalities. Let me state that my remarks are somewhat general in nature and should not preclude in any way the testimony of any other municipal official who is present today or at any other of your hearings. In fact, I believe that the individual Mayors and municipal officials can best present their story because they can relate to you specific problems and instances which have caused great concern at the local level.

Garbage and disposal problems have plagued New Jersey municipalities for a number of years. You will recall that during the 1950's, the State Public Health Council, through an amendment of the State Sanitary Code, banned open dumping in New Jersey. This caused great concern and activity among municipal officials and we can say that from a health standpoint the disposal problem was improved by the Council's edict, but

the solution was not an easy one. Adequate sites for sanitary landfill operations were limited at that time and today such land areas are rapidly disappearing. The high water table in much of New Jersey has prohibited the use of a large number of acres for landfill operations.

As another solution of the problem, a few municipalities turned to incineration. However, over the past decade, our incinerators have been overtaxed and with the recent restrictions on air pollution, many cannot operate legally. To the best of our knowledge, seven municipal incinerators are currently operating and we are informed that by 1972 none of them will meet the strict standards of recent air pollution statutes and regulations.

Even the recently-enacted Meadowlands Development Commission Act, Chapter 404, P.L. 1968, recognized the importance of solid waste disposal when it gave the newly-created Commission power "to provide solid waste disposal facilities for the treatment and disposal of solid waste..." Such solid waste disposal facilities can only be acquired, constructed and operated with the approval of the State Commissioner of Health. It should be noted that the original bill did not provide for such a requirement. However, it was felt that the Meadowlands area could never be properly developed if the garbage and solid waste problem was not solved simultaneously. Thus, it can be seen that solid waste matters play an important role in the future development of New Jersey and the Legislature and the Governor recognized this fact in the enactment of Chapter 404. What holds true for the Meadowlands area is equally true for the remainder of the State. While problems of collection and

disposal of garbage and waste matters may be the greatest in the northern metropolitan area at this time, the remainder of the state will feel the impact of this problem with even greater intensity as more areas are developed and adequate disposal sites become fewer and fewer.

The disposal of waste matters is only a portion of the garbage problem facing local officials. Collection practices are also of great concern. Many municipalities have resorted to private contracts over the years. While the cost for such contracts has risen due to inflation, it would seem that the contracts negotiated within the past 6 to 12 months have caused the greatest apprehension and concern. Some contracts have risen because existing dumping sites have been closed either due to health department regulations or lack of adequate land. This lack of adequate landfill sites has narrowed competition in the garbage contracting field because a prerequisite in the bid procedure is proof of an adequate disposal area for the contractor's use. Thus, many of our municipalities in the metropolitan area are receiving only single bids when they advertise.

It seems shocking that with such competition for disposal sites in New Jersey, it was recently estimated by Attorney General Arthur J. Sills that 25% of the garbage being dumped in New Jersey comes from outside of the state. While regional cooperation is desirable, we believe New Jersey must solve its own problems first

and a prohibition against out-of-state refuse and garbage must be enacted.

From some of my previous statements, it could be argued that Governor Hughes' suggestion that the State Public Utility Commission regulate the garbage industry may be a most worthwhile suggestion. If the private disposal sites are becoming more and more limited and if the garbage contractors are becoming monopolistic, it would seem that some type of state regulation would be desirable. A public utility is defined as "An enterprise privately owned, but whose operation is not only essential to the public, but likely to constitute a natural monopoly so that it is necessary to subject it to special legislation." It would seem that such definition fits the current status of private garbage collection in New Jersey today. We urge that full consideration be given to the Governor's suggestion so that the rates, contract provisions and the service provided by the private collectors are in the best public interest.

In order to avoid private contract collection, many municipalities have turned to municipal collection of garbage and refuse. However, their anticipated savings have been short-lived when they find that adequate disposal areas are controlled by private parties and that in order to find an available site, anticipated savings are eliminated because of the long hauling distance. Keep in mind that a 30-40 mile round trip to a disposal area is very

costly when considering the wages being paid for collectors and truck operators.

It would appear that better regulation of the garbage industry can be brought about if the municipalities exercise the power which they now have.

I refer to the fact that there is no restriction against a municipality when advertising for bids to require that the bidder include in his bid papers, a detailed statement of (a) the number of employees required to perform the job, (b) the various types of equipment which will be used including the original cost thereof and the year of purchase, (c) such other information as the governing body may think it wise and proper to have in order for it to reach a determination as to the reasonableness of the bid.

Further, I think it would be advisable if we had a law requiring that before any person or corporation engages in the business of refuse collection, that it be required to secure a license from the State Department of Health. This legislation should give the department plenty of leeway to inquire into both the financial standing and the personal background of those who apply for such a license. May I call your attention to Assembly Bills 323 and 394 introduced this year providing for the licensing of those engaged in garbage collection and disposal. The League

Legislative Committee is still considering these bills, since they were only introduced this month. As soon as we have completed our study, appropriate comments will be forwarded to you, the sponsors of the bills and the Assembly Committee on Air, Water Pollution and Public Health.

Further, in the cases where the municipal officials believe that the bid price is exorbitant, they could do one of two things: (1) throw out all of the bids and advertise over again with a public warning to the contractors that they will not award the contract to anyone at the "high prices" contained in the bids submitted, (2) they could call in the low bidder and frankly say to him that they consider his bid price too high and do not intend to award him the contract, even though he is the low bidder, unless he can satisfy them by facts and figures that his price is a reasonable one.

I would like to reiterate that the New Jersey State Department of Health in conjunction with the Federal Department of Health, Education and Welfare, is currently conducting a solid waste disposal study. We request that the Legislature urge the State Department of Health to utilize all its facilities so that this important study and its implementation will be completed as soon as possible. This study is the only definitive one on garbage and refuse practices in New Jersey conducted in the past decade, and we feel it is most important that its findings

receive the fullest discussion and consideration by the members of this Commission.

In closing, let me state that the League of Municipalities is joining with the State Freeholders Association, Rutgers University and others, in sponsoring a one day Solid Waste Management Institute on April 11th. This will be a most important Institute for it is being designed to bring about action at the local level for effective waste management systems in New Jersey. It is one of a series of one-day seminars sponsored by Rutgers as part of a long-range program up-dating local government through increased training and research efforts.

SENATOR WALDOR: Thank you very much, Commissioner.

Perhaps either myself or Senator Crabiel or Assemblyman Wilson may have some questions to direct to you at this time.

Senator Crabiel, is there anything you would like to ask this witness?

SENATOR CRABIEL: Commissioner, I get from your statement that the major problem is dump sites.

MR. WEAVER: That is true.

SENATOR CRABIEL: Would the League of Municipalities support legislation providing eminent domain rights of condemnation so that a municipality could buy its own dump site?

MR. WEAVER: Well, I believe that that matter would have to be brought before the local officials. I understand you would want the League to take some definite stand on it.

I think that would be a matter that would have to come up before the Legislative Committee and I'm not certain that I can tell you exactly what their decision would be.

SENATOR CRABIEL: My question was directed to the fact that if a municipality had a dump site, probably some of the other problems could be worked out in garbage collection and disposal.

MR. WEAVER: Yes, I agree with you.

SENATOR CRABIEL: I was asking whether the League of Municipalities, the organization which you represent, would support legislation that would grant municipalities the right of eminent domain for the purpose of condemning land for the purpose of buying a dump site.

MR. WEAVER: Well, Senator, haven't they that right presently under the law, to condemn the land for such a purpose, public use?

SENATOR CRABIEL: In another municipality?

MR. WEAVER: In all municipalities.

SENATOR CRABIEL: Can your municipality condemn land in some other municipality? I don't believe so.

MR. WEAVER: Oh, no, no, just in their own.

SENATOR CRABIEL: Well, my question was, in other words -

MR. WEAVER: Oh, I'm sorry.

SENATOR CRABIEL: Let me phrase it a different way. Admittedly, I think you would agree - or let me put it this way: Would you agree that there are some municipalities in this State that do not have a place where they could dump within their own municipality?

MR. WEAVER: Positively.

SENATOR CRABIEL: All right. And my next question was, realizing that that is a fact and agreeing that having a dump available is important, would the League of Municipalities, which you represent and for which you are speaking here today, support the right of condemnation by a municipality to condemn land in another municipality for the purposes of a dump. That's my question.

MR. WEAVER: Well, I can only answer as my personal opinion that I would recommend it but I would have to leave it up to the Legislative Committee of the League of Municipalities itself to answer the question finally.

SENATOR WALDOR: Assemblyman Wilson?

ASSEMBLYMAN WILSON: Commissioner Weaver, as President of the League of Municipalities, have you received complaints from other elected officials throughout the State of New Jersey so far as they feel that the cost of garbage collection has risen a great deal?

MR. WEAVER: I know we have had some correspondence on it but to be specific I would like to refer the question to Bob Fust who is the Executive Secretary.

Do you want Mr. Fust to answer that question?

SENATOR WALDOR: Why don't you come up here and sit alongside of Commissioner Weaver.

R O B E R T F U S T: I am Robert Fust, Executive Director, New Jersey League of Municipalities. In answer to Assemblyman Wilson's question, yes, we have had some comments and correspondence and phone calls and contacts

from municipal officials, probably more this year than we have had over the last couple of years, although it's been with us, I would say, for the 20 years I've been with the League. We have had it break out in the various areas every year.

ASSEMBLYMAN WILSON: You say that this year you have had a sharp increase in the number of complaints, etc.?

MR. FUST: Yes, in that we have had more requests for sample ordinances regulating contractors, sample specifications, asking for bids, etc.- more interest in this field.

ASSEMBLYMAN WILSON: Now, Mr. Weaver, I have a question regarding your statement. On page 6, you say, "Further, in the cases where the municipal officials believe that the bid price is exorbitant, they could do one of two things: (1) throw out all of the bids and advertise over again with a public warning to the contractors that they will not award the contract to any-one at the 'high prices' contained in the bids submitted.." - what happens if the bids come in at the same high price?

MR. WEAVER: Well, I think you sort of give them the same suggestion again. It's a question of how far you can hold out against garbage collection. I know of cases where they haven't been able to get together on prices and they try to adjust it for lower prices. You have to continue garbage collection on the basis of your past contract at so much a day.

ASSEMBLYMAN WILSON: If you throw out the bids and they come in just as high as they were before, what recourse does a municipality have when they actually have to collect the garbage; they can't have it standing on the street.

MR. WEAVER: They have no recourse so far as I know.

SENATOR WALDOR: I would like the record to show that Assemblyman Vreeland is also present, a member of this Commission.

Commissioner Weaver, I would like to ask you, sir, you also are an elected official of North Bergen, are you not?

MR. WEAVER: Yes.

SENATOR WALDOR: And in your capacity as Commissioner of North Bergen, have you had any experience at all - what type of garbage collection system do you have in North Bergen?

MR. WEAVER: We have a contract.

SENATOR WALDOR: Private contractor?

MR. WEAVER: Yes, we send it out for bids every year; we have a bid, and that's it.

SENATOR WALDOR: Have you noticed as a Commissioner, or have you taken any particular note, I should say, of any rise in cost insofar as your contracts in North Bergen are concerned?

MR. WEAVER: Yes, I have.

SENATOR WALDOR: Could you give us any idea, sir, with respect to North Bergen when your last garbage contract was let out and what price rise there was as compared to the previous price?

MR. WEAVER: Yes, just a minute. Senator, we have a notation here. In 1967 on a one-year basis, our contract bid was \$246,408. Now in July of 1968, it was bid again for the one year. It had been bid for one, two and three, but the bid was quite high so we decided to go into the one, and that bid was

\$274,403 and some odd cents. There is a difference there of \$28,000.

SENATOR WALDOR: That's for the one year? One is for 1967 and one for 1968.

MR. WEAVER: Yes, for one year.

SENATOR WALDOR: Was the same contractor low bidder in 1968 as in 1967?

MR. WEAVER: Yes, sir.

SENATOR WALDOR: Do you know how many bids you received in North Bergen in 1967 and how many bids you received in 1968?

MR. WEAVER: I think we received three bids in 1967 and my recollection is we received two bids in 1968.

SENATOR WALDOR: And who is the contractor, incidentally, who services North Bergen?

MR. WEAVER: A. A. Mastrangelo, Fairview, New Jersey.

SENATOR WALDOR: How long have they had that contract, do you know, Commissioner?

MR. WEAVER: They have had that contract as far as I can remember; the present Mr. Mastrangelo's father had it. He has been deceased about twelve or thirteen years, and I recall from being in local government when I was Commissioner or anything else, they have had it, I guess, for over 20 years.

SENATOR WALDOR: And during that period of time, sir, has it been the policy of North Bergen to have a one-year contract renewable -

MR. WEAVER: No, we have had at different times two years or three years.

SENATOR WALDOR: And on each occasion, I take it that these contracts have been let out for bids and Mr. Mastrangelo

has come in as the low bidder each time. Is that correct?

MR. WEAVER: That is my recollection.

SENATOR WALDOR: Do you have any idea, sir, whether or not - you said, for example - let me be more specific - in 1967, as best you could recall, there were three bids and A. A. Mastrangelo was the low bidder. You said that in 1968 you believed that there were two or possibly three bids on the present contract. Do you have any recollection as to whether or not, if there was one bidder in 1968 or if there were two bidders, whether they were the same bidders as in 1967 and perhaps in preceding years?

MR. WEAVER: My recollection is that one of them was the same.

SENATOR WALDOR: So that, if there was one bidder in 1968, he would have been also one of the individuals who bid in 1967?

MR. WEAVER: Right.

SENATOR WALDOR: In any event, over this period of approximately 20 years that you speak of, as best you can recall, the contracts in each case have been low bid by A. A. Mastrangelo and they have continued the garbage service to North Bergen as the low bidder each year?

MR. WEAVER: That's right.

SENATOR WALDOR: Has North Bergen, in conjunction with your statement on Page 6 that Assemblyman Wilson directed questions to, where you say, "Further, in the cases where the municipal officials believe that the bid price is exorbitant, they could do one of two things: (1) throw out all of the bids

and advertise over again with a public warning to the contractors that they will not award the contract to anyone at the 'high prices' contained in the bids submitted." Has North Bergen ever been in the position where they attempted to pursue this alternative - No. 1?

MR. WEAVER: Well, the Department of Public Affairs - that is the department under which this garbage collection is handled - it is usually negotiated at meetings. Now whether that took place or not, I can't answer that.

SENATOR WALDOR: So that, from a practical standpoint, you have had no experience with Alternative No. 1, as I have read it to you and you have stated in your statement on page 6?

MR. WEAVER: No, this is just some information that has been gathered by the League of Municipalities.

SENATOR WALDOR: I assume that the same would be true of Alternative No. 2 as you have listed in the same paragraph - "they could call in the low bidder and frankly say to him that they consider his bid price too high and do not intend to award him the contract, even though he is the low bidder, unless he can satisfy them by facts and figures that his price is a reasonable one." My question is, sir, that actually, from the standpoint of practical experience, you have never been in the position, nor has North Bergen to your knowledge, of having to exercise this alternative either.

MR. WEAVER: Not to my knowledge.

SENATOR WALDOR: And would you, and the purpose of my questioning is directed to recommendations that you have made, as you understand the solid waste disposal or garbage business

today, or the garbage industry today - and according to Mr. Fust's statement that there are more complaints at the present time than they have had over a period of years prior to this, if, as was testified before this Commission last week by Mayor Monica and several of the councilmen from the City of Orange in Essex County - if the garbage contractor then told you, for example, that it was too bad but this is the way it is - and I am paraphrasing this - I'm not quoting Mayor Monica - it's too bad, there is nothing they can do about it, this is it, take it or leave it - would you suggest that this leads you to any other alternatives or any conclusions as to what could be done to circumvent a situation such as that?

MR. WEAVER: The only thing I can say is if you were in the position where you had sufficient land for a dump located within the city, you could make plans to run the operation yourself. Later on, of course, you would run into problems there too with reference to health, etc. - there are a lot of problems - but that would be the only alternative that I can think of.

SENATOR WALDOR: But basically, the recommendations that you make in behalf of the League in your statement is that in your judgment as President of the League of Municipalities, you would recommend that there be some State regulations, both in the areas of dumping and collecting in the garbage industry. Would that be a fair statement to make? I'm not trying to put words in your mouth.

MR. WEAVER: Yes. I would say this, I think the important thing is licensing by the State Board of Health.

SENATOR WALDOR: Licensing of the individual contractors who are engaged in the collection and the operators of dump sites; is that what you're saying?

MR. WEAVER: Yes, sir.

SENATOR WALDOR: Do you know, sir, whether or not the League has made a study in any way or has any statistics available concerning the price rise in the various contracts for municipalities throughout the State?

MR. WEAVER: No, we have not.

SENATOR WALDOR: You have not. Are there any other recommendations that you might have in addition to those you have given in the statement? You indicate here, of course, and what I get from your statement is that basically the recommendations, insofar as regulations are concerned, are sort of a two-pronged recommendation - one, that the Public Utilities Commission be involved in some way in the regulatory field of the garbage industry and, two, that the Department of Health also be involved in regulation perhaps from another standpoint but in the regulation of the industry as well. Is that correct?

MR. WEAVER: Yes, sir, that's the essence of it.

SENATOR WALDOR: Is there anything further you would like to add? Excuse me, Assemblyman Vreeland, after reading the statement, are there any questions you would like to direct to Commissioner Weaver?

ASSEMBLYMAN VREELAND: Yes, thank you. I would like to ask - in the years 1967 and 1868, you have a \$28,000 differential - was there any significant difference in the specification each

year?

MR. WEAVER: No, except the difference, as I recall, that came about on the basis of the raise in wages. I didn't consider it too much of a raise, personally, because of the \$.25,000 in one year-

ASSEMBLYMAN WILSON: Commissioner, in your 1968 contract do you happen to recall the difference of the price that was submitted by the other two contracting firms?

MR. WEAVER: No, I'm sorry, but I don't have that. I will be glad to submit it.

ASSEMBLYMAN WILSON: We would appreciate it if you would, sir.

MR. WEAVER: If you want to call on the Mayor or the Department of Public Works they would be glad to furnish you with any information. If you just want that, I'll be glad to send it.

ASSEMBLYMAN WILSON: Will you send that to Mr. Applebaum in Legislative Services and that could be included in the record.

SENATOR CRABIEL: Commissioner, in line with the Chairman's questioning, I am trying to read in your statement - you suggest that licensing be done by the Board of Health and you pinpoint it and you say they should particularly find out the financial standing and personal background of those who apply for such a license. Is there anything else that you would expect the Department of Health to do so far as licensing is concerned? Just what do you intend to gain by licensing a collector?

MR. WEAVER: Well, what would be gained by it, you would

know who the people are involved in garbage disposal and get an opportunity to find out their background, and I think it would add a lot to dealing with these people.

SENATOR CRABIEL: Would you also support the proviso that the Public Utility Commission should be involved here as it pertains to rates; in other words, considering the garbage industry as a utility industry and therefore their costs would have to be exposed and they would be guaranteed a fair profit. Is that what you are proposing?

MR. WEAVER: Yes. I still feel that the municipality has a right to have some say in it. I mean, I don't want to just remove the whole thing from the elected officials. They have been elected for a purpose and I think it's up to them to take the responsibility.

SENATOR CRABIEL: There is nothing to stop a municipality at any time they feel that a private collection is too expensive or not efficient, for them to do it themselves. Is that correct?

MR. WEAVER: That's right.

SENATOR CRABIEL: And in your own particular town, you have testified that a certain collector has had this for a large number of years. Is he dumping in a town dump or in a dump controlled or owned by himself?

MR. WEAVER: He is dumping in a dump controlled by himself.

SENATOR CRABIEL: Is that dump inside or outside your municipality?

MR. WEAVER: Outside.

SENATOR WALDOR: Where is it located, Commissioner Weaver, do you know offhand?

MR. WEAVER: I think it's around East Rutherford or Rutherford; I can't be specific.

SENATOR WALDOR: That's all I have. Are there any further questions? [No questions]

Thank you very much, Commissioner.

Mr. Fust, is there anything you would like to add to what Commissioner Weaver has said?

MR. FUST: No. I think we are waiting on the Legislative Committee to look at these licensing bills to see if the provisions in there are such that we can support them or whether we would recommend amendments. We expect to have a meeting next week with the legislative committee.

SENATOR WALDOR: Well, may I respectfully suggest to you - of course, this may not be my function - but perhaps in view of the fact that these hearings are being held and we are hopeful that there is a possibility that legislation may arise as a result of the testimony and the evidence given at these hearings, which may or may not be the same as contained in the bills that you've mentioned - perhaps it might be wise if you withheld any judgment on any bills until such time as this Commission has a report to render that might either encompass what's contained in the bills or result in new legislation.

MR. FUST: We can hold them all in a package. Right.

SENATOR WALDOR: Thank you very much. I will call Mayor Healey.

SENATOR WALDOR: Mr. Mayor, everyone who has testified has taken an oath. Do you have any objection to being sworn?

MR. HEALY: No, sir.

J O S E P H M. H E A L E Y, being duly sworn, testified as follows:

SENATOR WALDOR: Will you please be seated and give your full name and your affiliation for the record.

MR. HEALY: I am Joseph M. Healey, Mayor of the Town of Kearny, and Mr. Paul McCurrie, our Town Attorney, is with me.

SENATOR WALDOR: Mr. Mayor, do you have a written statement that you want to submit to us, or are you just going to testify.

MR. HEALY: No, sir, I don't have a written statement.

SENATOR WALDOR: Will you tell us, Mayor Healey, what the situation is with respect to Kearny and what method of waste disposal it has at the present time - private or municipally operated, or just what the situation is.

MR. HEALEY: In the Town of Kearny, we collect our own garbage and we deposit it on our own dump - the dump is under contract to the Town. The history of dumping in the Town of Kearny I am sure would be of interest to this Commission and I would like to give you some facts on it dating back. You know the Town of Kearny is located between Newark and the City of Jersey City in a large meadowland area for many, many years. There has been substantial building in the last 10 years, but back in 1931 the Town of Kearny had a vast meadowland, we had a lot of fires, and we had people dumping

all over the meadow area, we had a bout with mosquitoes, we had a lot of things that were obnoxious to the people of our community. The governing body at that time decided that they would go into the incinerator business. I guess we were one of the first group of communities in the State to go into this project. In 1931 the Council advertised for bids for an incinerator. Bids were received on July 22nd, 1931 and there were four bidders. The highest bidder was the DiCari Incinerator Corporation. There was a bid from the Huyler Construction Company of \$161,000, Pittsburgh-DesMoines Steel Company of \$142,000, and C. O. Barlett and Snow Company of \$175,000.

The Council at that time decided to award the bid not to the lowest bidder but to the second highest bidder, the DiCari Incinerator Corporation. This was for an incinerator to be built off the Schuyler Avenue area of Kearny, consisting of two 75-ton units of a 24-hour burning capacity.

I have a copy of that resolution if you would like to have it. I have a number of them. Shall I keep them and give them to you in the end?

SENATOR WALDOR: Yes, do that.

MR. HEALEY: The award was made based on the bids received. I was not a member of the Council at that time but I remember very well that we found it very difficult to put the incinerator into operation because immediately the people in the neighborhood complained about even the smoke during the test period. Finally the incinerator was built and the town operated it for a short period of time and one of the reasons was that they had people complaining about

separating the garbage, the cans and different types of waste. The second complaint was that smoke was coming out of the chimney in this area. The third complaint was that Kearny had such a vast meadow area that they should reclaim the land or fill it in to prevent what I have spoken about - mosquitoes, fires, and what not.

The incinerator did not go into operation fully. I don't recall it ever being in full operation.

I became a member of the Council in 1934 and in the early part of 1934, I presented a resolution to the Council:

"Whereas, The Town of Kearny has expended considerable money to erect a building and install therein a refuse destructive plant, more generally known as an incinerator; and

"Whereas, It is planned to commence the operation of this plant in the very near future; be it

"Resolved, by the Mayor and the members of the Town Council that the incinerator plant be open to the citizens of our Town for inspection on Saturday, April 21, and Sunday, April 22, 1934, between the hours of 10 A.M. and 4 P.M., and that the proper party or parties be so advised in order that the necessary arrangements may be made."

The purpose of this was to let our people see the incinerator. I was surprised it was in very poor condition at that time. As a result some 150 people visited the incinerator on the days mentioned and there didn't seem to be any strong effort for the operation of the incinerator. It never did operate to any extent, even during World War II, we let it fall into disrepair and we had asked the Government

to take the steel or the iron out of the building, and there were no offers and they were not interested at that time. Later on the building was demolished, and that was the end of the Kearny incinerator program.

The first reclamation lease in the Town of Kearny was entered into on March 11, 1942. At that time, as you know we were in a war period, there were a couple of dumps located in the community. One was in back of our heavy industrial area in South Kearny area, around the Federal shipyard, the Western Electric plant. In this dumping area, which was used by the industry in that particular area, they had many fires. The U. S. Government, the Army in particular, had a small camp there and they had machine guns and all types of equipment to protect the Federal shipbuilding and the area.

We had many complaints and as a result of it, the Council gave consideration - the Mayor at that time was Mayor Fred Law - and entered into a lease on March 11, 1942, with the D & M Contracting Company for a period of 10 years and for 10 additional years. This was passed by the Council on March 11, 1942, and I have a certified copy of that.

During that period of time, one of the owners of the meadowland was Joseph B. Davey, a paid auctioneer, who owned much of it and who appeared before the Council on many occasions because he was unable to sell the land because of the condition of it and tried to swap land on different propositions because it wasn't salable.

After that, the Council decided that with the reclamation program that was an operation to start in 1942, that in 1949 -

and this was prior to my becoming Mayor - I was a member of the Council - leases would be given to take in other area in the meadowlands to reclaim and prepare for reclamation for sale and to eliminate fires and mosquitoes. You can imagine an area like that, people going from other areas to New York and Jersey City would dump garbage along the highway and it would start fires, and then you always had the man who was picking the area and he too would do a burning job, and we had a considerable number of fires.

So 4 leases were entered into in 1949 and then a fifth one - of which I have copies - for 10 years and an additional 10 years. The leases for the lands will run out on different dates in 1969.

Since the awarding of the leases, there has been considerable study done in our meadow area, that particular area, as you know, under the Meadowland Regional Development Agency, of which I was a member, and there are many studies and we are in the middle of it. It is estimated that we have about 2012 acres in that 18,000 acres.

We have been asked to release our dumps because it was felt that the garbage contractors who were bidding in communities had to file with the community an affidavit either by the municipality or by the Board of Health stating that they had a disposal area. We waited for a long period of time. Some municipalities, I understand, asked for a five-year qualification; some asked for three - and I don't know just what the general arrangement might be. But it was getting close to the

time and it appeared that if the leases were not given again, we might find ourselves in the position of many municipalities and perhaps industry in our own community and we ourselves would be without any dumping area.

The lease with the Town of Kearny gives our own municipal group, the Public Works Department, the right to dump in any of the sites that I have listed. It also gives our industry the right to dump in these sites free and the town free. We also have the right to give to small contractors and to people in our community who do odd jobs like painting and plaster work - by applying to the Council for a permit - I think it costs two dollars - permission to dump free. If a citizen in the community wants to go to any of the disposal areas, our Town Clerk gives him a note and he can go into the areas.

We waited for the new Meadowlands Development Agency to come into operation before we advertised for the leases. Four were by resolution. This new lease was by public bidding. We felt when the Meadowland Regional Agency came in, as we understood under their bill, they will be charged with the responsibility of dumping in that area. I think this was one of the points brought out by Senator Musto of Hudson County.

As you know, the Meadowland Agency, the Hackensack Development Agency - their appointments are now before the Senate - there was a case filed a couple of days ago by a group of municipalities in Bergen County and some in Hudson, and there is the referendum that we read about.

When we saw in this area, or felt in this area that this wasn't going to happen before the expiration of the leases,

the Council passed a resolution to advertise for bids for a landfill operation in the Town of Kearny, taking in as nearly as possible the acreage of the four disposal areas now in operation. I would say that the amount of twelve hundred and some odd on a survey would be reduced because the New Jersey Turnpike now is taking close to a hundred, I think, in condemnation with the Town of Kearny; the Route 82 A is taking additional land, so the twelve hundred acres I think would be lower at this time.

SENATOR WALDOR: Do you have any idea what it would be, Mr. Mayor?

MR. HEALEY: I would think there would be a hundred or more acres less. It may be less than that. It is very difficult because we are now in condemnation. We are now trying to work out our program with both the agencies.

SENATOR WALDOR: This land, whatever the exact amount may be, is the subject matter of the leases that you speak of. Is that right?

MR. HEALEY: Oh, yes, yes.

SENATOR WALDOR: It is somewhat less than 1200 acres.

MR. HEALEY: Yes, I would think so.

So as a result of the resolution passed by the Council, we advertised for bids in the Plain Dealer and West Hudson Record, which are the legal papers circulating in the Town of Kearny. The law requires, as I understand it, that we were to advertise twice. The Council advertised four times, on May 9th, May 16th, May 28th, and June 6th of 1968. A copy of proof of publication I have here.

SENATOR WALDOR: That will be available for entry as evidence in this hearing.

MR. HEALEY: Yes, sir.

SENATOR WALDOR: Thank you.

MR. HEALEY: I also have here a copy of the questionnaire sent out to the bidders. Section 5 I think is important because this has been sort of a subject in the dumping area. "5. Has bidder as an individual or any officer or stockholder of a corporate bidder, or any partner of a partnership bidder or member of an unincorporated company bidder, been convicted of crime? If so, furnish details thereof, including nature of crime, date and place of conviction, and name of court and punishment resulting." As a result, we had six persons file qualification forms. There are other questions there. I am sure you don't want me to read them. The one that seems important I think at this time is No. 5.

SENATOR WALDOR: Did you get any affirmative answers to that question?

MR. HEALEY: No, sir, we did not.

The bidders were the Oriel Company -

SENATOR WALDOR: Will you just slow down for a minute. How do you spell that?

MR. HEALEY: Suppose I take them as I have them here.

The Avon Landfill Corporation; Thomas Viola & Sons.

SENATOR WALDOR: That's a separate one?

MR. HEALEY: No, that's one. 1000 Valley Brook Avenue, Lyndhurst, New Jersey. S. Oriel & Sons, 286 Belmont Ave., Belleville, New Jersey, a partnership. Disposal Areas, Inc., 48 Commerce Street, Newark, N. J.

SENATOR WALDOR: Was that through their registered agent?

MR. HEALEY: No, sir. I'll give that to you too. Do you want that answered?

SENATOR WALDOR: It doesn't make any difference.

MR. HEALEY: Municipal Sanitary Landfill Authority, a Joint Venture - 1500 Harrison Avenue, Kearny, New Jersey. Bellezza Company, Inc., 288 Seaview Avenue, Jersey City, New Jersey. There was also a bid by J. Turpo Paving Contractor, 590 Belleville Turnpike, Kearny, New Jersey. He just filed the qualification, and then, after submitting the questionnaire, Turpo by letter requested that his name be withdrawn from the eligible bidders. Accordingly he did not submit a bid. On June 25, 1968, his questionnaire, financial statement and list of equipment were returned to him at his request.

The Council met on all the qualifications and as a result four bidders were eligible to bid. The Bellezza Company was not eligible. It didn't meet the qualifications in the questionnaire.

SENATOR WALDOR: What qualification, Mr. Mayor, do you recall that Bellezza didn't meet?

MR. HEALEY: Mr. McCurrie can answer that.

P A U L M c C U R R I E: One of the qualifications was that five years' experience in the landfill business was a requirement, and the Bellezza Corporation had no prior experience. It was for that reason that they were disqualified.

SENATOR WALDOR: Thank you.

MR. HEALEY: A resolution was passed in the Town Council, or adopted, on May 27, 1968, certifying that four companies or corporations had qualified and that Mr. Turpo of the Turpo Company and the Bellezza Company did not qualify.

On June 12, 1968, a meeting of the Council with the nine members of the Council present, including the Mayor - under our form, you know, the Mayor votes on each resolution or ordinance - was held. The Mayor inquired of the Clerk if there were any bids on the desk for the leasing of certain meadowlands for the Town of Kearny, Hudson County, New Jersey, for the purpose of operating a sanitary landfill program, and he was advised that there were four bids on the desk. Thereupon, the Mayor directed the Clerk to open the same and read same. The following bids were then opened and read and referred to the Town Attorney for tabulation and report: Municipal Sanitary Landfill Authority - \$516,000; Disposal Area, Inc. - \$300,000; Avon Landfill Corporation - \$230,000; S. Oriel & Sons - \$196,000.

On June 26th, a resolution was presented to the Council by Councilman Doyle awarding - I'll read part of it:

"Whereas, the Mayor and Council have examined and studied said bids, and

"Whereas, the Municipal Sanitary Landfill Authority has offered to lease the premises in question for a term of 10 years at a rental of \$516,000, payment in 120 equal monthly installments, which was the highest of four bids submitted; now, therefore,

"Be it Resolved by the Council of the Town of Kearny, in the County of Hudson, that the lease for the aforementioned

premises be and it is hereby awarded to the Municipal Sanitary Landfill Authority for the sum of \$516,000;

"BE IT FURTHER RESOLVED, That the proper officers of the Town of Kearny be and they are hereby authorized to execute all necessary documents and to affix the corporate seal of the Town of Kearny."

I have a copy of the lease which we will submit to you.

SENATOR WALDOR: Thank you.

MR. HEALEY: I have some clippings here which have to do with municipalities doing their own disposal work or counties. I will hold it and maybe if you ask questions I will be able to answer them.

SENATOR WALDOR: Are you finished?

MR. HEALEY: Yes.

SENATOR WALDOR: Assemblyman Wilson, have you any questions of Mayor Healey?

ASSEMBLYMAN WILSON: No, not now.

SENATOR WALDOR: Senator Crabiel?

SENATOR CRABIEL: Mayor, what was the price for the dumping facilities in the previous lease of 10 years?

MR. HEALEY: One dollar a year.

SENATOR CRABIEL: And it is now \$516,000.

MR. HEALEY: It was a ten-year lease with an extension of 10 years. The \$516,000 is for 10 years.

SENATOR CRABIEL: What would your reaction be, Mayor, if the Legislature passed legislation which would allow municipalities the right of eminent domain?

MR. HEALEY: In other communities? I think that's a legal question.

SENATOR CRABIEL: You probably heard me ask the President of the League of Municipalities and heard him testify, and I know you have been a former president of the League - there are some municipalities that have no dumping facilities. Several people testified before us previously that they were boxed in because they had no place where they could dump in their own municipality, and I think it is agreed that in some municipalities that would be impossible. The alternative would be to give them permission to run a dump under the control of the Department of Health in some other municipality. I wondered what your reaction would be to that, not only as being a former president but the Mayor of a community.

MR. HEALEY: I think most Mayors believe in home rule. I don't feel that a municipality has a right to go into another municipality. For instance, I might say that the lease we entered into, our new lease, gives the town the right of condemnation within 30 days. If the Meadowland Agency comes into existence, it would take them very little time to take over this whole area. The bill as it is set now, when it becomes an agency or commission, if they in their studies decide to take this area, they would be able to take it within a very short period because the lease has been gone over by many people and most attorneys will tell you that this is a landlord's lease.

MR. McCurrie: That is correct. The lease was prepared by the former Town Attorney. I can't take credit for that, but I think the provisions in it are obviously very favorable to the landlord. It's a good lease. For example, the Town of

Kearny has the right to sell any portion of the meadowland at any time without in any way changing the lease other than the rental provision of it. The rental provision would be reduced proportionately and, as the land is filled to the level as required in the lease, and I believe it's 10 feet above the street level, that land automatically reverts to the Town of Kearny with no reduction in the rent. The rent continues exactly the same and yet the land, as it is filled, comes back. Of course, this is beneficial for Kearny because it provides land for industrial use.

SENATOR CRABIEL: Did you have a reason, Mayor, for such specifications so as not to allow a municipality to bid?

MR. HEALEY: Our specifications were not set to eliminate municipalities.

SENATOR CRABIEL: I think you stated that they had to have five years' experience, so this would stop the municipality that presently isn't running a dump. I guess perhaps under your specifications, it would have allowed a municipality who isn't running a dump to bid.

MR. HEALEY: I'm sure we would have, yes.

SENATOR CRABIEL: I think your testimony is very comprehensive and well done.

SENATOR WALDOR: Assemblyman Vreeland?

ASSEMBLYMAN VREELAND: I have no questions.

SENATOR WALDOR: Mayor Healey, I have a few questions, sir.

Without delving into any internal political affairs of the Town of Kearny, I have received communications from

an individual who is a member of your Council, a Mr. Anthony J. Cavalier. Now it is my understanding, according to your testimony - and again, sir, I am not going into the political phase of this, but to get the record straight, since I do have this communication and it is a matter of record to me or to the Commission - did I understand you to say, sir, that the approval of the terms of the lease were entered into unanimously by members of the Council?

MR. HEALEY: That is correct.

SENATOR WALDOR: I have before me, which I should like to enter into the record - I don't know whether or not you are familiar with this -

MR. HEALEY: I am not familiar with that letter.

SENATOR WALDOR: It is addressed to Senator Milton A. Waldor, 11 Commerce Street, Newark, N. J., dated January 28, 1969 - re investigation of garbage contracts.

"Dear Senator Waldor:

"It has come to my attention that the cost of garbage collection in Essex County municipalities has been sharply increased. I believe one of the major factors of the increase is the monopoly of the dump area recently leased by the Town of Kearny for a ten-year term.

"The lease may have an impact adverse to the interest of the people of Kearny as well as those of our neighbors in Essex County. I consider these leases require careful examination by the State Investigation Commission to determine if there is a restraint of trade inherent in these long-term leases.

"I respectfully urge you to call upon the State Investigation Commission to examine at once the legality of the leases, and I suggest that the books and records of these garbage collectors and dump operators be examined. I believe that an unconscionable profit is being derived from the people of northern New Jersey.

"If legislation is needed, perhaps the same can be passed before the commencement date of the new lease.

Respectfully,
Anthony J. Cavalier, Councilman, Town of Kearny."

Now, I have since spoken to Councilman Cavalier or he has called me, I should say, on the telephone, and I indicated to him that I would make public the contents of this letter and I, at the time, was somewhat unfamiliar - or only generally familiar, I should say, from newspaper reports of what the situation was so far as your present lease was concerned.

Do you have any comments upon this communication from Councilman Cavalier?

MR. HEALEY: Councilman Cavalier, as the record of the Council would indicate, voted for the leases, and Councilman Cavalier, I am sure, voted for the questionnaire. Councilman Cavalier attended all the conference that were called to discuss this. You will find a true copy of the meeting when the bids were awarded shows that Councilman Cavalier was there. I said there were nine votes in the affirmative. He never raised any question at all at that time.

One of the things I might say is, there has been talk about a municipality like ours going into the garbage disposal business. To me, I feel that this would be a very difficult thing. I have made some studies of garbage disposal and for us, as a community, to start a sanitary landfill and have to meet the requirements set forth at this particular time under the State Department of Health, and for us to have to hire engineers through Civil Service and pay the rates to our laborers - whereas these people seem to be able who operate dumps - the men who work on the dumps actually are not

I would say, the highest paid. It would be difficult for us more so to keep the landfill under the - and I refer to the Department of Health, because they are the people who are always after open burning - for us to go out and look at the fill would require a whole new department. And I felt, in view of the fact that this land in the near future would become part of the Meadowland Development Agency and that it would cost, it is estimated by our people, some two hundred thousand dollars for the Town of Kearny to go into this business - I felt that it was for our best interest to bid them, not lease them for a dollar a year.

SENATOR WALDOR: Let me ask you this, Mr. Mayor. I have read reports in the newspapers and have received other phone calls from a group in Kearny - I don't recall their exact title.

MR. HEALEY: There are several, Senator. We all have them, I think, today.

SENATOR WALDOR: Of course. And I think in fairness to you and to the Town that you should be given the opportunity to say or comment in any way you so desire upon the allegations that have been made both in the newspapers and on the telephone to me. One of the group that has been formed in connection with the awarding of the contract indicates in the public press that there is some nine million dollars profit, or some figure such as that, that the contractors who have received the bid will make during this period of time. Now, you have said, Mr. Mayor, that you would approximate the cost of \$200,000 for the Town of Kearny to operate the dump themselves and to go into the sanitary landfill business. Was a survey made by the municipality or was their

any indication in the bids or the questionnaires as to the profit that would be made by the successful bidder for the somewhat less than 1200 acres that is the subject matter of the lease?

MR. HEALEY: There was nothing there.

SENATOR WALDOR: So you have no idea nor has the municipality as to whether or not (1) it is a profit-making endeavor or not and (2) if it is a profit-making endeavor, what the amount or percentage of profit might be by the operators of that dump site. You don't know that?

MR. HEALEY: No, sir. I read the article that you are talking about in the paper and I couldn't conceive that a group of people could by spending an hour a day or even a day determine how much money would be paid into the dump area, because our own industries are allowed free, the people of our community can dump free, our own trucks are going in and out - I don't know how anybody could answer that except the people who had the lease.

SENATOR WALDOR: Incidentally, Mr. Mayor, do you know - I don't know whether you do or not - who the principals of the Municipal sanitary Landfill Authority are?

MR. HEALEY: Yes, sir.

SENATOR WALDOR: I'm not talking about the registered agent because that's just a legal concept that every lawyer is involved in upon the registration of a corporation, but who the principals are who actually operate this corporation.

MR. HEALEY: You mean, the Municipal Sanitary Landfill?

SENATOR WALDOR: Yes, sir, the people who were the successful bidders for that land.

MR. HEALEY: William Keegan, Incorporated.

SENATOR WALDOR: William Keegan, Inc.?

MR. HEALEY: Yes. Do you want the officers?

SENATOR WALDOR: Yes.

MR. HEALEY: 411 Bergen Avenue, Kearny. I am reading this from the questionnaire. Officers - William A. Keegan, Jr. and William A. Keegan, Sr. Reclamation and Improvement Company, 90 Milburn Avenue, Maplewood, N. J. - officers Michael Cignarella, Salvatore Nesto. Peter Roselle & Sons, 163 Tremont Avenue, East Orange, N. J. - officers Louis P. Roselle, Crescent J. Roselle. Delaware Sanitation Company, 280 Central Ave., Orange, N. J. - officers Joseph Cassini, Jr. and Anne Cassini. Those are the four.

SENATOR WALDOR: Those are the four corporations that comprise the Municipal Sanitary Landfill Authority to whom the bid was awarded.

MR. HEALEY: Yes.

SENATOR WALDOR: Now make I ask this in connection with what Senator Crabel has already asked you. No municipalities, I take it, bid on this land?

MR. HEALEY: That's right.

SENATOR WALDOR: Can you tell us whether or not notification as to the availability of the land for lease purposes or bid purposes was made known throughout the State, or how was the bid advertised and where?

MR. HEALEY: It was advertised.- we have the proof of publication - four times in the legal paper circulating in the Town of Kearny. There is another paper, The Observer, owned by the same publishing company who distributed .- throughout the community and had a mailing list in three communities, or four counting East Newark, over 20,000 copies free, delivered to your door.

SENATOR WALDOR: That would be like Kearny, East Newark, Harrison, and North Arlington.

MR. HEALEY: Yes. And this is delivered by newsboys free and the Plain Dealer is their legal paper, which is -

SENATOR WALDOR: A Kearny newspaper.

MR. HEALEY: Yes. Besides, I had read an article that the statement had been made that the municipality was not notified. I did not notify anyone.

SENATOR WALDOR: No municipalities were notified per se. You followed the usual advertising practice.

MR. HEALEY: I feel if I or any public official was to contact anybody in this business or any municipality, there would be immediately a cry of collusion. We depend upon the local paper; we depend upon "Brown's letters," I think they call them. If contractors want to bid in the Town of Kearny, they seem to find their way when we advertise in the local paper. There are all these services, plus I have here a copy of a notice that was sent out.- you might already have this - on May 9, 1968, and the bids were to be received June 12th. This is a month before. It says: "Sanitation Chairman Francis T. Cray, representative of the joint meeting No. 1 for solid waste disposal; Thomas Cervasio,

Sanitation Superintendent. Next is Kearny-owned meadowlands - title. The attached newspaper article is self-explanatory. I respectfully recommend that the officials of Joint Meeting No. 1 for Solid Waste Disposal investigate this matter thoroughly. This dumping area is best for the needs of East Orange over all other locations. Please be advised that this change in dump lease procedure will affect the cost of future scavenger contracts.

I have sent photostatic copies of this newspaper article to the following: Mayor Walter D. McKinley, Verona; Councilman Charles F. Hendry, Glen Ridge; Councilman Harry Callahan, Orange; Emmet Savillo, Engineer, Cedar Grove; Councilman Joseph Napolitano, Bloomfield, Hamilton B. Bowser, Montclair; Edward P. Decker, Assistant Secretary-Treasurer; William Reis, Attorney; Frederick Galloway, Consulting Engineer; James Goff, Director of Public Works, Montclair; Mayor John F. Monica, Orange.

Attached copies to Mayor James W. Kelly, Jr.; Councilman Alfred E. Brown, Sanitation Committee; Councilman John R. Kidd, Sanitation Committee.

On the second page is a photostatic copy of the Star Ledger, page 25, of the May 9th release. In here it is about a so-called action taken in Pensacola, Florida, on a poolroom. It says we're behind the eight-ball.

But right in this article encircled here is the following paragraph: "In other business, Council introduced an ordinance authorizing the leasing of 1268 acres of town-owned meadowland for public dumping. Bids will be received June 12th. The area involves four public dumps which have been leased for one dollar

a year for the past 30 years" - which is incorrect - 20 years; and on the side it says, "Thomas Cervasio, Superintendent of Sanitation, Office of the City Engineer, 44 City Hall Plaza, East Orange, New Jersey.

On the next page is a copy of the proposal taken from the Plain Dealer, setting forth the ad that the Town of Kearny placed for the bids. And over here is a copy of the Kearny Plain Dealer or Observer, Thursday, May 9, 1968, and it's an article on the dumps and says: "Kearny to lease dumping grounds to highest bidder at a dollar a year." Now this would indicate to me that people who are listed here or municipalities had notice of this.

SENATOR WALDOR: Again, part of the specifications that were advertised, I take it, as Senator Crabel indicated through his question, was that any bidder, in order to qualify, must have had five years' experience in the operation of a dump site. Is that correct, Mr. Mayor?

MR. HEALEY: That is correct.

SENATOR WALDOR: And, therefore, would that not, in your judgment, disqualify any municipality, for example, who had never been engaged in municipal collection or in any form of collection or operation of a dump site, from bidding under the terms of these specifications? They couldn't qualify if they hadn't been engaged in the operation -

MR. HEALY: That is correct; it would disqualify them if they had not had that prior experience. So the Town thought it was important to put that in, in order that the sanitary landfill

program was conducted in the proper manner. I understand that it takes a great deal of experience to do this properly.

SENATOR WALDOR: I'm not questioning the reason for putting it in. I just want for the record all of this straightened out. Just let me ask you this: The people who were the successful bidders this time, and you named them to us, were they the same individuals who had operated the dump-site under the dollar a year lease prior to that, for the previous 20 years?

MR. HEALEY: Yes.

SENATOR WALDOR: And was it under the same name, the Municipal Sanitary Landfill Authority?

MR. HEALEY: No, sir, they were under four individual names.

MR. HEALEY: But they were the same - Keegan and the Reclamation, Peter Roselli and Delaware Sanitation, in other words, were the people who operated the dump sites under the dollar a year basis.

MR. HEALEY: Delaware Sanitation was the, I believe, James Petrecelli & Son, and Mr. Petrecelli is now deceased.

SENATOR WALDOR: I see.

MR. HEALEY: That would be the change.

SENATOR WALDOR: But these were the same people then; even though the name of Delaware Sanitation may be somewhat different, it represents a similar -

MR. HEALEY: There could be another change made but these are the same -

SENATOR WALDOR: They are the same people who operated under the dollar-a-year premise for the previous 20 years under

two 10-year leases prior to that. Is that correct?

MR. HEALEY: Yes, sir. My purpose in reading this to you is, I have read where people are not aware whether they would have qualified or not, and this is another thing, but I had no communication from the people who were involved in this at that particular time.

SENATOR WALDOR: Notwithstanding the fact that you sent that letter, Mr. Mayor.

MR. HEALEY: I didn't send it.

SENATOR WALDOR: Well, whoever sent it, I assume, and perhaps it's an erroneous assumption, that you or whoever it was who was responsible for sending it to council, whoever the individual was, was aware of the fact that none of the municipalities that comprised Solid Waste Disposal Joint District No. 1 have ever, to my knowledge in any event, operated a dump site.

MR. HEALEY: I wouldn't know that. I wouldn't know the method of disposal of many of the communities involved in here.

SENATOR CRABIEL: There are municipalities, though, within the area of that dump site that have operated their own dump site and could have bid, were there not?

MR. HEALEY: North Arlington, I believe, had a municipal dump on lease. They didn't operate it, they leased it.

SENATOR WALDOR: Now you indicated or Mr. McCurrie indicated, if I understood it correctly, that if the town were desirous for any reason whatsoever - and please correct me if I'm wrong - of reclaiming any portion of the 1100 acres, or whatever the exact amount of acreage is, they could do so by proportionately reducing the amount paid, the \$51,000 per year paid?

Did I understand you correctly?

MR. HEALEY: Not quite, Senator. The provision in the lease provides that if the Town wishes to sell a portion of that property, it can do it at any time and, if it does, then the rent will be reduced proportionately, depending upon the amount of land sold.

SENATOR WALDOR: Right. And you also indicated that the Town, of course, dumps on this site with no cost to the municipality.

MR. HEALEY: That is correct, Senator.

SENATOR WALDOR: Has that been the same for the past 20 years prior to the present?

MR. HEALEY: Yes.

SENATOR WALDOR: It has. I also understood you to say that should the fill, the 10 feet you have indicated, take place over any part of the acreage, this would then revert to the Town with no decrease in the rental paid by the corporations who operate the dump site.

MR. HEALEY: That's right, that's a provision in the lease also. Automatically it reverts back, with no reduction in rent.

SENATOR WALDOR: Now may I ask you this for the purposes of information, if you know. You indicated that originally there were six people submitted bids, two of whom were unqualified - or one asked to withdraw his and the other was unqualified by reason of the fact that he did not have the five years' experience set forth in your specification. Might I ask whether or not that particular company, Bellezza & Co., Inc., appeared before the Council or before the governing body or any committee established

by the governing body, to voice any objection to the provision in the specifications of five years' experience, or indicated in any way they were displeased, dissatisfied, or anything of that nature, with the terms of the specifications.

MR. HEALEY: No, they never did, Senator, and I might also point out that they were immediately notified of their disqualification by certified mail.

SENATOR WALDOR: Did you ever receive a dollar and cent value bid from Bellazza Company, Inc., notwithstanding the fact that they were unqualified or were disqualified?

MR. HEALEY: No.

SENATOR WALDOR: You did not, because they were disqualified before, I take it, they submitted -

MR. HEALEY: Before the bidding.

SENATOR WALDOR: Right. I just wanted to make that perfectly clear.

Now what is the population of Kearny, sir, approximately?

MR. HEALEY: Under 40,000 residents but we have a very large population based on the amount of people working in industry. It was estimated during World War II that Kearny had 125,000 people within the confines of the community on a 24-hour basis.

SENATOR WALDOR: Are you familiar, Mr. Mayor - I don't know whether this is a part of your function directly or not - but are you familiar with the number of trucks that you have picking up refuse or garbage in the Town of Kearny?

MR. HEALEY: No, I'm not familiar with that.

SENATOR WALDOR: Now you indicated before that there was no survey or there are no figures that you have obtained in order to determine what profit or whether or not it was a profitable enterprise so far as the dump site operation was concerned. Is that right?

MR. HEALEY: That's right.

SENATOR WALDOR: Do you know, sir, will any effort be made on the part of the Town of Kearny to ascertain the profits of the corporations who were the successful bidders on this dump site?

I'll withdraw that question because you couldn't very well tell us now what you may do in the future or may not do.

ASSEMBLYMAN DODD: Through you, Senator -

SENATOR WALDOR: This is Assemblyman Dodd who is also a member of the Commission. I don't know why he is sitting way back there. Come on up here, Assemblyman.

ASSEMBLYMAN DODD: Under the five-year experience provision of the dump operator, would it be possible for a town like Orange to sub-contract the dump operator in order to qualify -

MR. McCURRIE: I would think that would have been proper.

ASSEMBLYMAN DODD: Or the Town of West Orange, or any town for that matter, could qualify by sub-contracting a dump operator such as Egan, who maintains its own sanitation -

MR. McCURRIE: Yes.

(Off the record Senator Waldor
welcomes students present in the gallery.)

SENATOR WALDOR: Are there any questions by members of the Commission?

ASSEMBLYMAN WILSON: Mayor Healey, you and the Council must have met more or less in caucus before you put these dump sites out for bids, did you not?

MR. HEALEY: Yes, sir.

ASSEMBLYMAN WILSON: What did you feel would be a good bid for a 10-year period? You must have had some idea?

MR. HEALEY: I don't think anybody had any idea, to be perfectly honest with you. We were going from a one-dollar bid to something - we didn't know.

ASSEMBLYMAN WILSON: You didn't have any idea of what would be a good price?

MR. HEALEY: No.

ASSEMBLYMAN WILSON: Would you have accepted anything; for example, if the low bidder was \$100,000, would you have accepted that?

MR. HEALEY: That would have had to be referred to Council and then there would be a discussion on it. But the Council felt that the bid as presented, the highest bid, was a good bid. I'm sure if they didn't feel that way they wouldn't have voted for it.

ASSEMBLYMAN WILSON: Well, you had no established figure before?

MR. HEALEY: No, sir. We have a two-party Council and it was unanimous.

ASSEMBLYMAN WILSON: Well, sure it was unanimous. What amazes me, for example, is that the high bidder was \$216,000 over

the next bidder. To me that's a tremendous difference. It seems that the other bidders were all relatively close but then the top man was so far ahead, over \$216,000, and I was just wondering if there was a price that you had actually established that you felt would have been fair to the municipality, but you have indicated that there wasn't any.

MR. HEALEY: No, sir, no one had set any price.

SENATOR WALDOR: Mr. Mayor, may I ask you this, sir: Was there or is there in your specification at the present time any authority which the Town of Kearny has reserved unto itself for the regulation of the dump site itself?

MR. HEALEY: I believe that the dumps now come under the State Department of Health.

SENATOR WALDOR: Aside from that, I am wondering whether the municipality itself has any regulations separate and apart from or in conjunction with the State Department of Health for the regulation and operation of the dump site. That is my question.

MR. HEALEY: Actually I would say that from experience in the last 20 years and with power being given to the State Department of Health, they working in conjunction with our own Health Department have done an excellent job in the curbing of fires, preventing open burning, and we know this because of the fact that we are the owners of the land and when they sight somebody they notify us, and they have traversed that area in all methods of transportation and I would say that they have done an excellent job in eliminating fires. We have very few fires now.

SENATOR WALDOR: Well, I wasn't referring specifically and solely to the health aspects of it or the regulation of fires or anything like that, but has Kearny, for example, provided in the specifications that the rates for the cost of dumping be posted or be established at a certain monetary figure or anything of that nature?

MR. HEALEY: No, sir.

SENATOR WALDOR: Has the Town of Kearny ever provided in its specifications or in any town ordinance or rules and regulations, whatever may be adopted by the municipality, for the dump sites to be open to any person or any municipality or any contractor, private or otherwise, to be able to dump there separate and apart from the four corporations that make up the one that was the successful bidder.

MR. HEALEY: No, we haven't.

SENATOR CRABIEL: How could they do that? They are taking bids and are letting a man sell this thing. How could they suddenly say that somebody else can dump for free?

SENATOR WALDOR: I want this information; that's why I'm asking the question.

MR. HEALEY: No, we have no proviso; the only proviso we have is for our own sanitation department and for all our industries, and I understand our industries alone bring in about a hundred trucks daily. I would say, incidentally, that some of our industry brings in certain types of combustibles that have to be taken care of immediately and this presents a problem for the man who has the lease then. He's got to have necessary fire equipment and what not to make sure he doesn't

have a fire there because as soon as there's fire, you have the State Department of Health.

SENATOR WALDOR: Do you know of your own knowledge, Mr. Mayor, whether or not the dump sites have posted rates and make the site available for the use of any municipality or any contractor to dump?

MR. HEALEY: Not to my knowledge.

SENATOR WALDOR: You wouldn't know the answer to that.

MR. HEALEY: Municipalities rarely have checked with us with regard to our dumps. Once or twice a community would call, and one asked if we had additional land. We didn't have it. We had land leased. You can imagine years ago what really prompted members of the Council when everybody was dumping. Even today, with watchmen and what not, it is very difficult to keep people from dumping along the highway. They come from other communities, I'm sure, and just dump there.

SENATOR WALDOR: Are there any further questions?

MR. HEALEY: I would just like to add -

SENATOR WALDOR: Add anything you like, Mr. Mayor.

MR. HEALEY: I have a copy of the North Arlington Leader - you asked if we had done any investigating - I think this might be interesting to read. It's in regard to the Bergen County Freeholders who have had some experience in four or five dumping sites, I believe, and they tell about how the price of dumping has increased and how it's almost impossible to operate as a Board of Freeholders; in fact, it says here in The North Arlington Leader of January 23rd that they must maintain equipment of over \$200,000, and tells about the cost of bulldozers

and what not. They say that one alternate studied by the Freeholders is to put the dump operation under private control, They have already discussed the possibility of using a company to operate the new operation to be opened at Lyndhurst. This is one of the things that interested me because we had done some checking on this and taking in the cost and what not, we felt it was not feasible for us. There have been many, many articles written on this situation. In the North Arlington papers there have been a few editorials. This one is against the meadowlands. I won't read that.

SENATOR WALDOR: You can refer that to another commission. If there isn't one now, I'm sure there will be.

MR. HEALEY: I'm sure there will be. .

SENATOR WALDOR: Thank you very much, Mr. Mayor and Mr. McCurrie, You have been very informative.

Is Mr. John Dill here? And Mr. Gagliano - is he going to participate with you?

Mr. Dill and Mr. Gagliano, I don't know, gentlemen, whether you've been here part of the morning, but most of the witnesses, or all of the witnesses. I should say at this point, have been sworn. Do you have any objection to taking an oath?

(Witnesses have no objection)

SENATOR WALDOR: Will you both please raise your right hand if you are both going to testify?

J O H N D I L L AND S. T H O M A S G A G L I A N O,
were duly sworn.

SENATOR WALDOR: Will each of you please state your name and your affiliation for the record?

MR. DILL: I am John Dill and I am appearing as Chairman of the Monmouth Shore Refuse Disposal Committee at the request of the Municipal Public Service Coordinating Committee which is essentially the same municipalities. I am Chairman of Sanitation and Councilman of Rumson.

MR. GAGLIANO: I am S. Thomas Gagliano and am a lawyer and Treasurer of the Monmouth Shore Refuse Disposal Committee and a member of the Borough Council of the Borough of Oceanport in charge of Sanitation. I went to college with Mr. Vreeland's two sons.

SENATOR WALDOR: I don't think we will request of him that he disqualify himself. I don't know that there is any conflict that exists.

MR. GAGLIANO: I am appearing more or less in the capacity of an engineer rather than as an attorney.

SENATOR WALDOR: Thank you very much.

Mr. Dill, are you going to testify first, sir?

MR. DILL: Yes, sir.

SENATOR WALDOR: Do you have a prepared statement?

MR. DILL: No, I do not.

SENATOR WALDOR: Would you like to tell us whatever information you have to offer at this time?

MR. DILL: Well, this Monmouth Shore Refuse Disposal Committee is a combination of urban and suburban municipalities that are trying to work out jointly a long-range problem of garbage disposal and collection. We formed almost exactly a year ago today, at the request of one of the Mayors of the municipalities - I believe it was Fair Haven, and I appeared

as a representative of Rumson and wound up, much to my astonishment, as Chairman of the Committee. We have undertaken to form a loosely-knit organization financed by contributions of 14 of 21 municipalities which are believed to have a common interest. We have undertaken to study what our next move was and at the present time we have gotten indications from all but three municipalities out of 21 that they are prepared to finance a feasibility study to come up with specific recommendations.

We have received a proposal from a consultant in the sanitary engineering field to do this work and providing that this Committee accept the financial responsibility for it, and within the next week or so we hope to get out vouchers to the municipalities to obtain the funds and place the feasibility study contract.

I would like to say that at the beginning of this Committee's activities, we picked up a Report by the Monmouth County Planning Commission which contained a substantial number of facts and recommendations, which was dated 1966 and supplemented by a 1968 edition. We found that this Report pointed out the non-uniformity of collection procedures; that is, some municipalities had municipal collection and dump facilities furnished by a contractor and some were scavenger collections, some were contract collections, and some were municipal disposal areas. The sum and substance of the report was that the amount of land available for disposal area was being diverted to other uses, and they strongly urged that we act jointly and acquire a disposal area adequate for 20 years' use.

In the past year we have reviewed the thoughts and concepts incorporated in this Report, and we find there is nothing we argue with, and it seems to be a perfectly reasonable and fair statement of the problem.

Our feasibility report is intended to pick up the problem from that point and convert it into actual cost figures and a specific program, with the thought that we would form a regional authority and pursue it jointly. As far as I know, the program has not been diverted in any respect from the program laid out by the Monmouth County Planning Commission. As I said, our status now is that we are on the verge of collecting moneys to finance this feasibility report.

I might add that the Committee felt that the underlying problem of the collection and disposal problem was disposal.

Mr. Gagliano probably has something to add.

SENATOR WALDOR: Thank you. Assemblyman Dodd, is there something you would like to ask Mr. Dill?

ASSEMBLYMAN DODD: Not at the moment.

SENATOR WALDOR: Assemlman Vreeland, Senator Crabiel, Assemblyman Wilson? (No questions)

SENATOR WALDOR: Mr. Dill, I would like to ask a couple of questions. It has been brought to my attention, through some of the elected officials who represent some of the 21 municipalities that you have mentioned, that there have been skyrocketing costs of both collection and disposal in your particular area; for example, in New Shrewsbury, I believe, someone pointed out to me, and I don't know the authenticity of

this; I'm asking for the purpose of information - he asked as to whether or not you had knowledge of the increase, if any existed, percentagewise or dollar-and-centwise, in the cost of collection and disposal in your area.

MR. DILL: Senator, this information has come to me more or less by hearsay and I would be very reluctant to quote figures because they were not given in an authentic way. However, the organization was founded as a result of increase in contract costs in February of 1968. There have since been two of substantial proportions and my impression is that they are of the order and magnitude of 50 to 100 per cent increase.

SENATOR WALDOR: That was the information that was given to me.

MR. DILL: That is just a vague impression. I haven't seen the figures.

SENATOR WALDOR: You don't have any information as to (1) the dollar or percentage increase in any of the contracts for the municipalities that you represent as President of the Monmouth Shore Refuse Disposal Commission.

MR. DILL: No, I do not.

SENATOR WALDOR: And you do not have any specific information, I take it, as to who the contractors are who service specific municipalities in the Monmouth Shore Refuse Disposal Commission?

MR. DILL: This information is covered by this Monmouth County Planning Commission Report which I believe I have here. I don't know that I can lay my hands on it but the principal contractor is referred to as Bellezza in Neptune, and the second major contractor for disposal -

SENATOR WALDOR: I'm sorry, I didn't hear the last part of your remark.

MR. DILL: I am referring to the contractors for disposal, not collection. I devoted my attention solely to the disposal problem, because I felt that that was the underlying problem. There are two major disposal areas in our segment of the county, one of which is known as the Bellezza Disposal Area which Rumson had under contract.

SENATOR WALDOR: Where is that located?

MR. DILL: In Neptune. Rumson, I think, was the first municipality in this area to contract with Bellezza and they are, I believe, in their second 7-year contract and their renewal contract did not involve a change in price.

SENATOR WALDOR: It did not?

MR. DILL: It did not. This was some two or three years ago. And the other - I don't recall the name of the contractor or the owner of the property, but I believe it is some affiliated corporation of the Stravolla Construction Company, but then again I'm not sure.

SENATOR WALDOR: Where would that be located, do you know, Mr. Dill?

MR. DILL: That is adjacent to the Earle Naval Depot, which I believe is partly in New Shrewsbury and partly in Wall Township - partly in Colts Neck, although it is physically separated by Earle from the populated areas.

SENATOR WALDOR: You don't have any idea either, I presume, as to which municipalities are engaged in which of the two -

MR. DILL: This is incorporated also in this Report.

SENATOR WALDOR: Would we be able to get a copy of that, or may we have a copy of that?

MR. DILL: I don't have one with me but they are obtainable and I would be glad to loan one.

SENATOR WALDOR: We would greatly appreciate it.

Is there anything else you wanted to add, sir?

MR. DILL: Incidentally, there is additional information on a variety of types of collection as part of this Report which would be helpful in indicating some of the reasons for the difference in collection costs; the type of service that is afforded, etc.

I would also like to recommend to the Commission a publication by the Office for Local Government in the State of New York, which was prepared, I believe, in 1965, and set up to help municipalities with specific problems of municipal waste disposal of various kinds. This was prepared in conjunction with or by the firm of Freeling-Hanson of Chicago, which I think is widely regarded as a very knowledgeable organization in this particular field. I would like to make this available.

SENATOR WALDOR: Thank you, Mr. Dill. Is there anything further you would like to add?

MR. DILL: No, except to dwell a little bit on the subject that my predecessor spoke on, and that is this business of having disposal areas in other municipalities. As I understand it, the law now permits a Regional Authority to condemn land in another municipality so that such a common disposal plant for municipalities is a legal possibility. I

don't know this to be a fact but if it is not, it would be a serious obstacle.

SENATOR CRABIEL: That's assuming that the municipality the dump is in is a member of the Authority. Is that correct?

MR. DILL: Yes.

SENATOR WALDOR: You favor this concept, I take it.

MR. DILL: Very much so. As an engineer the economies of scale and the ability to finance a more sophisticated means of disposal; that is, a reduction in the volume of waste seems to be a certainty in the future. I can't imagine going out and putting that type of garbage all over the country and it seems to me that this kind of equipment is too expensive for a small-sized municipality to finance.

SENATOR WALDOR: Thank you. Mr. Gagliano?

S. T H O M A S G A G L I A N O: Gentlemen, as I indicated before, I am Treasurer of the Monmouth Shore Refuse Disposal Committee. I also happen to be an attorney, and as a result I looked into some of the existing legislation we have which would regulate intermunicipal representation; for instance, a Regional Authority or something like that, so that the municipalities, especially the smaller ones who have completely run out of dump space could get together with others and make a satisfactory arrangement. I am familiar with only the joint meeting concept and the most recent legislation of August 16, 1968, Chapter 249 of the Laws of 1968, known as the Solid Waste Management Authorities Law. I have reviewed this briefly and also discussed it with Charles Pike who is Executive Director of the Monmouth County Planning Board. But the problem as I see it with this particular statute, which I understand is a carryover from an

old law called the Incinerator Authority Law, or something like that, is that, as Senator Crabiel said, in order for municipalities to condemn property outside of their own municipality, it must still be within the district and, in that connection, I refer you to Section 17 of that Act, which states that "every Solid Waste Management Authority is hereby empowered in its own name, but for the local unit or units to acquire by purchase, gift, grant or devise or to take for public use real property within the district, which may be deemed by the Solid Waste Management Authority necessary for its purpose."

Well, right now we probably do have 17 or 18 municipalities who are interested in seeing to it that we establish some sort of competition so that we can have landfill sites also available for these municipalities. But after we organize, let's assume we do - if we don't come up with a municipality which has an area that can be used for landfill, then we would not be in business under the existing legislation.

SENATOR CRABIEL: But the existing legislation allows the member municipality to veto it, doesn't it?

MR. GAGLIANO: That's another problem that I was going to get to, Senator. I have the Official Copy Reprint - I have not reviewed it as it appears in the New Jersey Statutes Annotated, but the official copy reprint indicates to me that the words "or without" were deleted at some time during the course of this legislative process and it apparently used to read, or read at some point when it was a bill, that this real property could be purchased within or without the district, and the words "or without" were removed prior to adoption of

the legislation. I don't know why. I just wanted to bring that to your attention.

SENATOR CRABIEL: Well, the answer is simple - the argument of "home rule." That's why it was taken out.

MR. GAGLIANO: The other point being that one municipality or any number of them, for that matter, would require unanimous approval of all the representatives to the Authority, in order to select a designated site and the question of decision to issue bonds and fix a rate, the latter two not being so important for our purposes. We would have difficulty maybe in obtaining unanimous consent. I am not familiar enough with other Authorities and their concept, but I just wondered whether that should remain in the law because we may never obtain the unanimous consent of groups of municipalities in connection with the site location for sanitary landfill.

The last comment has to do with Section 27 of that Act, which states that after creation of the Authority, no municipality shall have power to enter into contracts with any others than the Authority itself, or compete with the Authority in any way in connection with the garbage collection or disposal process, unless the Authority is not active in a particular area. I believe that means that if the Authority is not collecting garbage, then it would be perfectly permissible for the municipalities to do it in any way they wish.

I like the idea behind that but maybe it should be redrawn so that it would be impossible for a municipality to be in some sort of competition with the Authority. Again, I think these are real stumbling blocks to the idea of regionalization of garbage collection and disposal.

That's all I have.

SENATOR WALDOR: Are there any questions? Senator Crabiel?

SENATOR CRABIEL: What is your position as to whether, rather than creating this regional Authority, this responsibility be given to the county?

MR. GAGLIANO: My personal feeling on that - I can't speak for the Committee because we have never really discussed it - but my personal feeling on that would be that I think we should give the counties the opportunity to do so and at the same time allow regional groups of municipalities to have the same powers as the county. I think it is similar to sewerage authorities. The sewerage authority laws seem to indicate the county or groups of municipalities, more than one municipality, may get together and form regional sewerage authorities. I think the concept should be the same.

SENATOR CRABIEL: Yes, but the difference is that a regional sewerage authority doesn't create the nuisance that a regional dump does. That's the problem here when you try to get unanimous consent. You have heard my questioning of the President of the League of Municipalities and you heard his hedging on it and you heard Mayor Healey's answer very free and emphatically that he wasn't about to let somebody else dump in his community. I am aware of the law that you cited because that was debated last year and those specific points were debated, and that's the only way that law went through, and I don't believe that law is workable, I agree with you. It didn't then and still don't. The problem is though, if you are going to allow competition to an Authority, then you jeopardize the

bonds and the financing and everything else, so I don't quite see how you could allow competition there to an Authority.

MR. GAGLIANO: Yes, Senator, I told you I agreed with the concept but I think there should be some softening in some areas where a municipality can continue to govern itself with respect to some portions of it. Maybe with the approval of the Regional Authority similar to the situation of the Sewerage Authorities where, if you have a municipality which has an Authority, a Sewerage Authority, and that municipality is also part of a Regional Authority, specific approval has to be granted, before the local Authority goes into operation, by the Regional Authority, and that would protect the bonds. And I guess that's the reason for it.

I would rather see some language like that, because I feel at the same time we would be protecting the bonds of the Regional and we would be allowing some home rule with some aspects of garbage collection or disposal.

SENATOR CRABIEL: One other question: If the PUC were given the authority to regulate disposal sites as a public utility so that all costs were established and no excessive profits were allowable, would you be willing to leave this in the private sector?

MR. GAGLIANO: As an individual I would say yes. Again, we have not discussed this as a committee.

SENATOR CRABIEL: I am trying to get the benefit of your thinking. That's what the Committee is trying to do, believe me.

MR. DILL: I would like to volunteer something.

- again speaking as an engineer.

SENATOR CRABIEL: You are talking to another engineer now. That's good; they are few and far between.

MR. DILL: I think a county line is really of no significance in the engineering problem of collection and disposal of garbage. Therefore, I have a slight tendency and my thoughts are very close to those of Mr. Gagliano. I feel definitely that the collection should be a municipal responsibility and not a regional responsibility or a county or a State responsibility.

SENATOR CRABIEL: I was only talking about - I thought you both emphasized the disposal sites and that's all I was addressing myself to. I agree with you there.

MR. DILL: In our case, in Monmouth County, there are four areas composed as units in this county study, one right adjacent to the Raritan Bay area. I see no reason why they should arbitrarily limit any joint action to a site within the county. And on the other hand, we are adjacent to Ocean County and I see no reason why Ocean County municipalities should not operate in the same disposal areas as we do.

SENATOR CRABIEL: Except I think we are going to have to crawl before we walk, and it's going to be hard enough to get it within the county, let alone getting it across the county lines.

SENATOR WALDOR: Assemblyman Vreeland?

ASSEMBLYMAN VREELAND: I would like to suggest to Mr. Gagliano that maybe he could submit to us in writing what he thinks should be done with the present legislation to give it more flexibility and to fit it into the picture

that we are trying to resolve here. Would that be possible?

MR. GAGLIANO: I would be pleased to do it.

SENATOR WALDOR: Thank you. We would appreciate it very much.

Assemblyman Dodd, have you a question?

ASSEMBLYMAN DODD: Do you go into the physical aspects as far as the community is concerned with reference to collection, who would operate the machinery, the dumps, how the cost would be shared, whether it would be on a per capita basis, or how would this work out mechanically?

MR. GAGLIANO: Well, again, speaking not as a consultant on the subject, my thought is that the practice is acceptable of charging for this service on a tonnage basis, the way the large municipalities do it. They weigh the trucks in and out. I haven't come to any conclusion really. My thought was that if it were possible for us to do this on a regional basis and collect the fees and operate and own the property and perhaps contract the operation of the landfill area -

ASSEMBLYMAN DODD: Own the dump itself.

MR. GAGLIANO: Yes. However, there are those who believe that this is a proper county responsibility.

ASSEMBLYMAN DODD: You believe that rather than a county responsibility, it should be the responsibility of the communities involved in this joint practice.

MR. GAGLIANO: That's the way I see it.

ASSEMBLYMAN DODD: And that it would be an unfair burden on the rest of the community -

MR. GAGLIANO: That's exactly the way I see it.

ASSEMBLYMAN DODD: And the operation of the dump itself would be done on some formula basis.

MR. GAGLIANO: That's right.

SENATOR WALDOR: Are there any further questions?

MR. DILL: Mr. Chairman, I haven't had an opportunity to follow up on it, but there was established in the fall of 1968 an organization known as the Lower Passaic Valley solid Waste Management Authority. I have a copy of their ordinance. That was established between Paterson, Clifton, Wayne and Passaic. I spoke to Mr. Arthur Price of the State Department of Health and there was an indication from him at the time that they were getting together in order to set up a modern incineration type of thing. I just wondered if your Commission had heard anything from them as to whether or not they had any luck in putting the thing into effect under the existing statute.

SENATOR WALDOR: You are asking me?

MR. DILL: Yes. I didn't know.

SENATOR WALDOR: I don't know either.

Might I ask of you, Mr. Dill and Mr. Gagliano, if there should be any figures or statistics - and I say this because of the fact, not that I know there are but because of information that has come to me from one source or another in your area - that give these 50 to 100 per cent increases in cost of collection and dumping, I wonder if you would be kind enough to make that available to us from a statistical standpoint.

MR. DILL: Well, I'm sure that the municipalities involved, or I would think they would be glad to volunteer -

SENATOR WALDOR: They indicated their desire to do so, but I haven't heard from them.

MR. DILL: Well, Mr. Gagliano suggested that this information might be readily available from Mr. Pike's office, from the Monmouth County Planning Commission.

SENATOR WALDOR: Fine. Thank you very much, gentlemen, for your testimony. It has been most enlightening.

The next witness is the Mayor of Chatham, Doctor Westlin.

Doctor, I note that you have been here for a while. All the witnesses have been sworn. Do you have any objection to being sworn?

DR. WESTLIN: No, sir.

W I L L I A M F. W E S T L I N was duly sworn.

SENATOR WALDOR: Will you state your name, Doctor, and your affiliation?

DR. WESTLIN: Dr. William F. Westlin, and I am Mayor of Chatham Township.

[Five minute break]

SENATOR WALDOR: I'm sorry, Doctor, to have delayed you.

Doctor, you have been sworn and you have indicated that you are presently the Mayor of Chatham. We would like to ask whether or not you have any comments, or do you have a prepared statement that you would like to distribute to this Commission, or are you going to testify from your notes?

DR. WESTLIN: I have no prepared statement.

SENATOR WALDOR: Thank you, Doctor. Will you proceed to give us whatever information you think is pertinent to this

investigation.

DR. WESTLIN: As I told the Secretary of the Commission, Mr. Applebaum, I didn't come here today prepared to testify. I came mainly out of interest. As you are all aware Chatham Township has previously been the site of sanitary landfill operation which closed on December 31, 1968. The closing of this landfill operation has created problems not only for Chatham Township but for several other communities in the area. If you allow me to state the obvious, the solid waste problem actually is a two-part problem, one collection and one disposal, and I think that by far the more important consideration is disposal. Being in the second most densely populated State in the United States, we are certainly feeling population pressures. I think that all will agree that sanitary landfill is presently the most economical method of refuse disposal. Therefore, I think that it's important that the legislative machinery be set up so that we can continue to use the sanitary landfill until such time as it becomes impractical or until such time as incineration or other technologies permit abandonment of this type of disposal operation.

In that regard, I would like to comment on some of the previous statements with regard to Authorities. I feel that the existing legislation should be improved along the lines of the previous speaker, Mr. Gagliano. It is quite obvious that nobody loves a dump and, in order to achieve the landfill site under the present law, as I understand it, it is necessary for all of the communities to agree and it's

also necessary for the site to be located in one of the communities comprising the Authority. This would seriously hamper some of the planning that is currently going on in our area. As to the question of whether authority should be given to the county or to a landfill authority, I would agree that it probably should go to both. We live in an area - we live in Morris County, the southeast section of Morris County, but we have many interests in common with our neighboring communities in Union County. I attended a meeting on Tuesday night of three communities of Morris County and four communities of Union County, and one community of Essex County, and all of us feel that we have a common problem and we could very well form a joint meeting or authority to handle our problems. However, it's also likely that it would be necessary for us to select a site in a county other than the three that I mentioned, and this apparently would not be possible under existing legislation.

I have also attended several meetings with the Freeholders of Morris County and they have agreed to set up a study group to select landfill sites. The feeling of the Freeholders is that the county should not bear the financial burden for the problems of a few communities in the county and, therefore, if something is set up, it will probably have to be set up as a Regional Authority.

On the subject of the incinerator, eventually, I am sure, we will have to come to something like this, and my understanding is that the present New Jersey Air Pollution Code makes it virtually impossible for manufacturers of

small incinerators to meet the requirements of air pollution control. As I have been told, it is only those incinerators that are able to handle between 500 and 1000 tons a day that have the technology to provide the degree of pollution control that is necessary. This type of operation is beyond the scope of any small community or any group of small communities. We are talking in terms of 75 to 100 tons a day for several small communities. It might be well to review the requirements of the air pollution code to see whether or not they may be too stringent and perhaps some regulations of these requirements with regard to small incinerators might provide more good than harm.

As far the Public Utility controlling the private scavengers, at the moment I would not favor this. I still believe in private enterprise and I feel that the municipality still has certain options in this regard. If the private scavengers appear to be milking the public, then the community perhaps can negotiate a contract with the private scavengers at suitable rates and, barring this, the municipality can go in the refuse collection business itself. We don't have as many options with regard to disposal and it seems to me, again, that this is the area that requires the greatest attention on the part of the State.

I feel that every effort should be made to insure the cooperation of the State Board of Health and the Conservation Commission and any other State body that is interested in sanitary landfills from any standpoint, and that the facilities, the personnel, and the know-how of these organizations should

be made readily available to Regional Authorities or county government or to a community and that the planning not be carried out by individual municipalities but be carried out in a cooperative way with the State bodies.

I think that's about all of the comments that I want to make at this time. I will be happy to answer your questions.

SENATOR WALDOR: Thank you. Are there any questions?

Senator Crabiel?

SENATOR CRABIEL: Mayor, do I understand that your township closed a dumping site by ordinance? Is that correct?

MR. WESTLIN: Yes, sir.

SENATOR CRABIEL: Do you favor the right of condemnation by a municipality so as to purchase a dump site?

DR. WESTLIN: The right of a single municipality to condemn a site in another municipality? I would say no.

SENATOR CRABIEL: You closed the site in your own township but you don't favor your right to condemn a site some other place and, as I understand it, you aren't particularly satisfied with a county operation doing this. Just how do you propose to get this dump site?

DR. WESTLIN: Well, there was a case a few years ago and unfortunately I don't have the reference to it here, wherein the State upheld the right of the local community to prevent the dumping of refuse of communities outside their bounds.

SENATOR CRABIEL: I'm not saying you didn't have the right to close your dump. You in your wisdom felt you should close the dump. Now I am trying to find out where you think the dump site should come from.

DR. WESTLIN: I think it may be possible for communities to find dumping sites outside of their own community and purchase these sites and operate them. But I think as long as it's possible for that local community at any time in the future that the community which is selected for the site - let's postulate a hypothetical situation in which there is a sparsely populated area and there is no objection at the present time to a group of communities establishing a landfill site. Now as time goes on, the population of this community increases, the type of home that goes in there is of a higher calibre than the type that is in there at the present time and of higher value, and the citizens of the community begin to agitate with regard to the presence of this landfill in their community. It has happened in our own.

With the case in question, it was upheld by the courts. It would then be possible in the future for a community to close such a landfill site. I think that something should be done to prevent this. Now that's a little bit different from what you are talking about with regard to the right of condemnation and setting up a landfill site in another community.

SENATOR CRABIEL: Suppose another community decides to buy the present site in your town where you just stopped the dump. You wouldn't allow that.

DR. WESTLIN: I'm afraid that it would create tremendous problems.

SENATOR CRABIEL: I know that, but how do you propose then to be able to turn around and buy a dump site in some

other community and not allow them the privilege of closing that dump by ordinance as you did. I don't quite understand what you're proposing. You appear to me to want your cake and eat it too. I mean, you want to keep your town clear but you want to buy it somewhere else, but you don't want them to have the same privilege that you have.

DR. WESTLIN: I think that if we allowed a community to condemn property in another community, then every community could then pick on the opposite community. I think that when you establish an Authority, a group of cooperating communities, that they should have the right to condemn property in another community -- whether it's among the group of communities that have joined together in the Authority or not.

SENATOR CRABIEL: Do you agree that in that group of communities that established the Authority, they have the right of condemnation - I would agree with you there. Do you agree, though, that the community where the dump is going to be condemned, that if that community is a member and it vetoes it, it should be vetoed?

DR. WESTLIN: No.

SENATOR CRABIEL: Then let me ask you this: If your town was a member of the Authority and the majority decided to use the dump that you presently closed, do you want to give up your right to veto it?

DR. WESTLIN: I think it is necessary for communities to cooperate for the common good, and that sometimes this cooperation may work a hardship on one or more of the communities that have banded together. I think this is the price that we

have to pay. I think there is a difference between allowing a single municipality to condemn another municipality whereby, as I said, you could have ten communities with 10 landfill sites in every one of the other communities, but it seems to me that when a group of communities combine together in an Authority and this Authority studies the available sites and determines that it is for the common good to have a landfill site in one of those cooperating communities, this community that has been selected must be willing to accept it.

SENATOR CRABIEL: And you would support that if that legislation were amended?

DR. WESTLIN: Yes.

SENATOR CRABIEL: Even though that might in effect put the dump back in your township?

DR. WESTLIN: Yes. I started out by saying that nobody loves a dump but I also feel that we must have dumps. Nobody wants it in his town but if it is the best thing, then it is something that has to be.

SENATOR CRABIEL: You also referred to one other thing concerning the PUC. I agree with you concerning the collectors, but would you object to the PUC regulating by keeping dump sites in private hands but regulating dump sites so that they must show their costs and show a proper profit and also post prices and take facilities of anyone who will dump under the regulation of the PUC? Would you object to that?

DR. WESTLIN: No. In that connection I have a question with regard to a group of municipalities forming an Authority and operating a landfill site. I do not know whether that

operation would be permitted to charge private scavengers for dumping. In other words, would it be possible under either existing or future legislation for five communities to operate a landfill site for their own use, but to also accept refuse from private scavengers or other communities and to charge those private scavengers for the service?

SENATOR CRABIEL: I see no reason why it couldn't be done.

DR. WESTLIN: It may be necessary to do this in order to make it economically feasible for a small group of communities to get together and operate.

SENATOR WALDOR: Are there any questions.

Assemblyman Vreeland?

ASSEMBLYMAN VREELAND: Doctor, can you give me a specific reason why you closed your dump site?

DR. WESTLIN: Yes, it was closed because of tremendous internal and external pressures placed upon the governing body.

ASSEMBLYMAN VREELAND: But it had nothing to do with the operation of the dump as a landfill operation in accordance with the legislation we have today.

DR. WESTLIN: That's right. It was probably one of the best landfill sites and best operations in the State of New Jersey at the time it was closed. Our records indicate that very rarely there was found to be a violation of any State or our local regulations. It had nothing to do with the site itself. It was strictly a political situation where tremendous pressures were exerted upon the governing body by groups within and without the community and the threat of the

jetport, which all of us in that area loathe, dictated that this was the only course of action.

ASSEMBLYMAN VREELAND: You wouldn't say it was a question of pollution of the streams or anything of that nature?

DR. WESTLIN: I think that the problem of pollution was of secondary importance.

SENATOR WALDOR: Thank you, Doctor.

I will call Mr. Frank Vanore.

Mr. Vanore, all the witnesses who have testified so far have testified under oath. Do you have any objection?

MR. VANORE: No, I do not.

F R A N K V A N O R E was duly sworn.

SENATOR WALDOR: Will you be seated, sir, and state your name and your affiliation, for the record, please.

MR. VANORE: My name is Frank Vanore and I am Business Administrator of the City of Long Branch, Monmouth County. I am here today taking the place of Mayor Nastasio who was invited.

SENATOR WALDOR: Thank you, sir. Do you have a prepared statement to give to this Commission?

MR. VANORE: No. I have a letter here which I wish to read. I appeared at the Public Utility Commission hearing on February 13 and was unable to be heard because of the length of time the previous witnesses spoke, and I asked the Chairman, Mr. Byrne, if I could send a letter with my remarks, which I did, mailing it on February 14. I have a copy of it here but I would like to read it.

SENATOR WALDOR: We will be happy to receive it.

Will you kindly proceed and read it into the record.

MR. VANORE: It is addressed to the Department of Public Utilities, Mr. Brendan T. Byrne, President.

(Reading) "Dear Sirs:

"Having attended your hearing yesterday with our City Attorney, Mr. Robert Mauro and having sat for some three hours, unfortunately I was unable to speak because of the late hour.

"I wanted to make some comments and therefore I requested that I be allowed to send this letter so it could be made a part of the record of that meeting.

"Unfortunately. Judge VanRiper left after he had spoken as a representative of the contractors organization, at which time he claimed he had heard no testimony to the fact that other towns had taken or called for more than one bid. I now wish to relate the problems we had and hope that some effective solutions can be worked out through the Commission or through the State Division of Health.

"We started to prepare bids in October of 1968. Our contract expired January 31, 1969. We worked very hard and prepared new specifications. one for a dumping area and one for garbage service. The garbage service specification had six alternate types of proposals ranging from one year, two years, three years, five years, six years, and ten years, and each of these proposals stated use of the contractors' dump or use of the city dump. We recorded all those who sought bids and we made telephone calls to many areas as far away as a 60-mile radius. Some of the replies on the telephone were 'I am not interested,' - 'That is not my territory,' etc. Undismayed, we persisted. The night of November 13, 1968, we received one bid, by our present contractor. The cost was slightly over 100 per cent rise from the previous three-year bid. We were unsatisfied with this and rejected the bid. We readvertised, this time sending our certified letters to 16 scavengers which all of them acknowledged receipt. In December when we received the second request for bids, two bids came in. One was from our present contractor known as M & T DeLisa Company; the other, Fereday & Meyers from Elizabeth, N. J.

"I might mention the bid of M & T DeLisa was a little bit lower. Still not satisfied we readvertised again. Now the pressure was mounting on us as the contract deadline was nearer. We again sent out over 16 bids by certified mail. The receipts were returned in most instances. (At least 12 or 14, I believe, were received back.) One bid came in in January from M & T DeLisa, this time for one year at \$190,000. Of course I failed to mention that

all of these bids were based on a price in the city dump, none of them in the contractor's dump. The original bid of M & T DeLisa was for \$225,000 a year. We again rejected the bid and called for a fourth bid, sending out certified letters again - it was about 15 days running to the end of the contract. We used three newspapers each time for the Notice to Bidders. We received one bid from the M & T DeLisa Company for one year at \$185,000, using the city dump. Prior to these bids, in November 1968, we did receive one bid for dumping grounds from the Stavola-Roselle Company, Colts Neck, N. J. for \$50,000 a year for three years.

"Since we were advertising for bids and offered our own dumping ground, we had to take this three-year bid for \$50,000 per year to protect ourselves one way or another. During this time we were seriously considering the possibility of going into the garbage business ourselves. After making several cost analyses, the best we could do was approximately \$176,000 for the service alone. This was including all cost factors and amortizing equipment. The difference being so slight, the one-year bid was taken by private contractor and we are requesting a survey from the Department of Community Affairs in this matter which we hope will help us with a decision at the end of this year as to what will be more feasible."

I might add we have since seen the Department of Community Affairs last week, Mr. Rosen, and he is making arrangements for this survey for us.

"The \$185,000 figure is approximately 65 per cent higher than the last previous year and the contractor has a dump of his own which he may or may not use - something we will have no jurisdiction over.

"In my opinion I feel that the real problem is having a place to dump garbage. I would or still hope that the Commission or Division of Health could suggest or assist the counties in proposing landfill areas in certain geographical regions of the county so that it would be accessible to those in the north, south, east, and western parts of each county."

However, as you know, we did have our own dump and, of course, we still had great difficulty.

That's the end of the letter and our Mayor still feels he would like to go into municipal operation. That is his feeling. However, we are going through with the survey of the Department of Community Affairs. Counsel, after taking this bid and the difference in the money of our estimate of \$176,000 as

to \$185,000, felt that we should have a paid survey. Council felt they should get some experts and have a paid survey. However, the vote was mixed. Some Councilmen felt it should be by an advisory committee, unpaid volunteers, and some Councilmen felt it should be a paid survey. In the meantime we have this other survey of the Department of Community Affairs.

SENATOR WALDOR: Assemblyman Wilson, any questions?

ASSEMBLYMAN WILSON: I would just like to clarify this one point. Was it the fourth bid that was \$185,000.

MR. VANORE: The fourth bid was \$185,000, so there was a saving of \$40,000 from the first bid of \$225,000. We were entertaining bids for equipment, trucks, and interviewing applicants for jobs as helpers. We were doing this collaterally all the time.

ASSEMBLYMAN WILSON: Did the contractor give reasons for such an increase? What did he say was the reason for the increase. The first one you said was 100 per cent or almost 100 per cent increase.

MR. VANORE: A little better, yes. Well, to go back to what I have been able to dig up in the records and find, the 3-year bid that he previously held, when the bid was let in 1966, it was stated in the contractor's dump or in the city dump the same way. There was the same dumping ground. The city had \$45,000 at this time with an option from the same dump site. And only from what I can gather from the previous records, since I was not working in the town at the time, when the bid was let in February of 1966, the lowest bidder was Barrett Company, I believe, of New Shrewsbury or Shrewsbury, who, when he started

to operate, could not do the work, and I believe he wanted out of the contract, and the bonding company came in and asked M & T DeLisa, who was the second lowest bidder, at approximately \$147,000 at that time, if he would pick up the contract and, of course, he did. He felt he was working under quite a hardship these past 3 years and the fact that he and his brother were supervising the men physically out on the job and whipping them in shape and seeing that the work was done, and actually they were saving salaries of maybe 20 to 30 thousand dollars by doing this themselves for their own company. And they were able to do this.

Another reason - they have their own dump, which is adjacent to our city, I believe, in Ocean Township, and they would go to their dump even though they bid on using our dump; they didn't go to our dump because of the mileage distance factor. By using their own dump, the time and labor and money they could save probably made up the difference and they were able to keep working this contract for the past three years. This is the way he explained it. Of course, I imagine, like any businessman, he wasn't going to get burned again on the new bid that came up. He felt that the cost going up, the labor costs, and his dump was being filled, he would probably have to look for another site, and there were various other reasons for this high cost. Of course, it remains to be seen four months later -

ASSEMBLYMAN WILSON: But only one person actually bid it- once on the third time round -

MR. VANORE: The second time round there was another bid.

ASSEMBLYMAN WILSON: And what was the difference between the two?

MR. VANORE : There was quite a bit of difference, about \$40,000.

SENATOR WALDOR: Thank you. Senator Crabiel, have you any questions of this witness?

SENATOR CRABIEL: Mr. Vanore, does the City of Long Branch still have this dump under contract?

MR. VANORE ; The dump we had previously in the Colt's Neck area, we had two or three years with an option to renew for two more years, but the option to renew was \$45,000 and it was to go to \$50,000 on the option if you exercised it for two years. By bidding it for three years, it came in at \$50,000 so we got an extra year out of it for \$50,000.

SENATOR CRABIEL: For the \$50,000, what do you get? Do you get covering facilities?

MR. VANORE: Yes. All the contractor has to do or ourselves, we bring trash and we send people there by permit; they just get there and they dump it.

SENATOR CRABIEL: Well, the dump operator has an expense, a considerable expense.

MR. VANORE: Oh, yes, he has a crane and he has a bulldozer. I don't think there is any qualm about this cost. There is, of course, the distance factor.

SENATOR CRABIEL: In your opinion, do you think it would be helpful if the county handled this problem of sites - not collections?

MR. VANORE: No, I think the site is the main situation. We are satisfied with the service.

SENATOR CRABIEL: Would it be possible for the county to do that, to provide sites?

MR. VANORE: I think that's where it should be, at the county level. They have the land, they have the geographical areas where they are taking swamp properties and different things.

SENATOR CRABIEL: Do you think that would be better than leaving it in private ownership and having it under the control of PUC so that dumps would be available and quote the prices?

MR. VANORE: I think it should be optional. I think it should be an optional thing. There is no point in putting private people out of business but, with the other sites available, I think it will be healthy competitively and be a voluntary restraint rather than a compulsory restraint.

SENATOR WALDOR: Assemblyman Vreeland?

ASSEMBLYMAN VREELAND: Do I understand, Mr. Vanore, that you lease this site for \$50,000 a year?

MR. VANORE: Yes.

ASSEMBLYMAN VREELAND: I think, to follow up Senator Crabiel's question - do you then agree that if the county were to acquire landfill sites by lease and then permit the municipalities to use these areas, would that be feasible?

MR. VANORE: I think it would, yes, or at least available so that it might help deter in the service contracting. The contractor could take his choice of dumping close in his

own or going farther. He would have an option at least and you would have some type of control.

ASSEMBLYMAN VREELAND: Do you have any specific feeling with regard to leasing as opposed to purchasing by the county?

MR. VANORE: Well, I think it would be better if the county owned the land and then reclaimed it and used it for other purposes.

SENATOR WALDOR: Assemblyman Dodd?

ASSEMBLYMAN DODD: Mr. Vanore, in your letter you said on your second or third bid you placed phone calls and it was important enough to put in your letter, one of the contractors said, "No, it is not my territory. What did he mean by "territory"? Physical or otherwise?

MR. VANORE: Probably the area that they might have covered or where geographically they may have their businesses or they may set a maximal radius on where they should go with their trucks or how far they should bid for business.

ASSEMBLYMAN DODD: On the dump site you also mentioned that even with your own dump site you had trouble getting bids. Now what would be the difference in your opinion if the county owned the site and you filed for bids again, wouldn't you find yourself in the same boat- you still couldn't get any competitive bids?

MR. VANORE: Well, that's possible. We could have gone ahead with our own thoughts of buying equipment and going into operations ourselves and that fact may be the big deterrent in the final analysis. If a contractor feels that business

is good and it is convenient for him, I'm sure he has a certain limit to which he will try to save the bid before giving up on it, and I think this is what happens -

ASSEMBLYMAN DODD: So in any event, whether you own your own dump or utilize the county dump, with your own Sanitation Department, you feel the cost might be a saving to the municipality.

MR. VANORE: Well, there would be a saving in any event, but I am satisfied with private contractors in general and they have gotten good service but, like any other business, you try for all you can get the first time out. You know, if you get away with it, fine - just like free enterprise anywhere else. If you have something to back you up when you're playing this poker game, I think it's advantageous and will help you.

SENATOR WALDOR: Mr. Vandore, I have a couple of questions I would like to ask. How long have you been the City Administrator of Long Branch?

MR. VANORE : Two years.

SENATOR WALDOR: And are you familiar with the background of refuse collection and disposal in Long Branch prior to the two years of -

MR. VANORE: Only by reading through the minutes before and the previous contracts.

SENATOR WALDOR: How long had the present contractor held the contract for the City of Long Branch?

MR. VANORE: For three years previous to this he held it. He had it before that also for three years. He is a local man and he's a taxpayer.

SENATOR WALDOR: And what is his name?

MR. VANORE: It's the M & T DeLisa Company. They are brothers and both reside in town.

SENATOR WALDOR: You indicated, as I recall, that there was only one bid.

MR. VANORE: The first time, the second time two, and the third and fourth there was one.

SENATOR WALDOR: The second time two, and then there was one bid subsequent to that. Other than the second time there was one bidder each time.

Do you have any knowledge, based upon your having read about past experience, whether or not there were other bidders on the previous contract that was let?

MR. VANORE: On the previous 3-year contract there were, I think, four bidders.

SENATOR WALDOR: Do you have any idea whether or not there was a great disparity in the bid price by the other bidders as compared to M & T DeLisa Company?

MR. VANORE: Well, from my recollection of the firm, it wasn't able to perform. He was quite low, and I think that's why he wasn't able to perform. He probably wasn't that experienced in it. The jeopardy you run into is when you have your own dump site. Anyone feels that all they have to do is buy your own truck and you're in the garbage business. There are so many factors in garbage - bonding and knowing the business and the labor market, and probably this first bidder didn't have that, and, of course, M & T DeLisa were the previous contractors but were slightly higher and second lowest bidder, and were able to

come in when the bonding company requested them to take over.

SENATOR WALDOR: Now just one other question, sir. You said there was slightly better than 100 per cent increase in the bid price for the one-year contract this year over last year's contract. Was the last contract a 3-year contract?

MR. VANORE: It was a 3-year.

SENATOR WALDOR: What was the price under the last contract?

MR. VANORE: It was one hundred thirteen thousand and some odd dollars.

SENATOR WALDOR: And the original bid or the first bid at this time was two hundred and -

MR. VANORE: Two hundred and twenty-five thousand -

SENATOR WALDOR: - two hundred and twenty-five thousand dollars and eventually a contract was entered into for a hundred and eighty-five thousand, was it?

MR. VANORE: Yes for one year.

SENATOR WALDOR: A one-year contract for \$185,000. Is that right?

MR. VANORE: Yes, sir.

SENATOR WALDOR: It's about \$72,000 more than the contract that has just expired. Is that correct?

MR. VANORE: Yes, but it was a fixed figure for three years, that previous one, and I know the city grew and had extra stops -

SENATOR WALDOR: That was my next question. In other words, the number of people to be serviced under the present one-year contract is more than it was prior to that time.

MR. VANORE: Much greater . There are many apartment complexes. I think we have one of the biggest garden apartment complexes in Monmouth County in our city. And this is quite a problem, plus new housing.

SENATOR WALDOR: Are there any further questions?

SENATOR CRABIEL: I have one question. A hundred and thirteen thousand dollars - was that the defaulted contract?

MR. VANORE: Yes.

SENATOR WALDOR: That's all. Thank you very much, Mr. Vanore. We appreciate your coming down and you have been very informative.

If there are no further witnesses to come before this Commission, I hereby declare this hearing adjourned and the members of the Commission and the press will be notified of the date of the next hearing.

A D J O U R N E D