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Christie: Cap school chiefs' pay

14 in Sussex exceed proposed limit based on enrollment

By CHRISTINA TATU
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School administrators in more than a dozen Sussex County districts would be affected by Gov. Chris Christie's plans to limit their salaries based on district size.

Christie made the announcement Thursday at an elementary school in Spotswood, where the administrative staff accepted a pay freeze to help the district manage costs this year.

Christie's proposal, which the administration said can be accomplished without legislative approval, would mean salary cuts for 366 superintendents when their current contracts expire. The salaries of assistant superintendents and business administrators also would be capped.

The administration estimates the move would save school districts $9.8 million annually.

In Sussex County, 14 superintendents are over the limit, according to information provided by county Superintendent of Schools Rosalie Lamonte.

Sparta Superintendent Tom Morton, already one of the highest-paid superintendents in the state, would take the biggest hit, losing $60,207 when his five-year contract runs out in 2015.

The Sparta Board of Education renewed Morton's contract last month, paying him an annual salary of $235,307 for the next five years.

According to the proposed guidelines, superintendents at a district with 3,000 to 10,000 students would be entitled to a maximum salary of $175,000.

"You get what you pay for," Sparta Board of Education President Jennifer Dericks said. "(Morton) is one of the most experienced administrators, especially in a district like Sparta where we are very lean on administrators."

Morton has performed the work of several administrators since two curriculum directors, the dean of students and three guidance counselors were laid off earlier this year, she said. In addition, he also agreed to a salary freeze, not accepting any increases during the next five years.

Morton has been with the district since 2001. He did not immediately return phone calls seeking comment Thursday.

The proposal introduces a sliding pay scale for administrators based on the size of their district to replace what are now individually negotiated contracts.

The scale starts at $120,000 for the superintendent of a K-8 district with fewer than 250 students and rises to $175,000 for the superintendent of a district with up to 10,000 students.

Compensation for 16 superintendents statewide who oversee more than 10,000 students, including those in Newark and Toms River, would be negotiated individually with the Education Department.

Stillwater Superintendent Bill Shelton, who made $153,129 in 2009-10, would see an $18,129 decrease in pay.

"If I had to go to $135,000, it would no longer make any sense for me to work. I would make more money retired than working," Shelton said.

"I love my job. I think it's an important job, and I think I do it well, but I'm not going to take an $18,000 pay cut," he said.

Shelton is still in negotiations with the Stillwater Board of Education for a new contract. His previous three-year contract expired this year. Shelton has been with the district for 20 years.

"I would think that (the state) would like people like me to retire, because I think then they could hire less experienced superintendents for less money," he said.

Hopatcong Superintendent Charles Maranzano also believes the proposal will cause many qualified administrators to leave their posts.

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Kids make a splash at camp's Fun Fair

Photo by Amy Paterson/New Jersey Herald

Children wait in line to try and dunk fellow campers, or be dunked themselves, at the Jefferson Lakes Day Camp's annual Fun Fair Thursday in Byram. More photos, Page A8.

Suburban Propane users sue company

By TOM HOWELL JR.
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Suburban Propane customers in Sussex County and across the nation claim the fuel company charged unfair prices and "held them hostage" with storage tank policies that deterred competition, according to a pair of lawsuits.

Customers also say the Whippany-based company failed to disclose pricing and fees in advance of services and dragged its feet in the face of complaints, according to papers filed at the state Superior Court in Newton and the U.S. District Court in Newark.

"It's the craziest moving target I've ever seen," said attorney Paul Lukas, of the Nichols Kaster law firm in Minneapolis, who filed the federal suit. "(Suburban's) story changes depending on the circumstances. ... There's no rhyme or reason to their pricing other than the highest profit goal."

The Sussex County-based suit was filed by 16 couples who reside in the Meadow Ridge Estates development along the Lafayette-Frankford border. In the suit, they say Suburban Propane claimed ownership of the underground storage tanks without proper documentation, refused to allow competitors fill the tanks, and charged prohibitive fees for excavating and taking away the tanks.

The plaintiffs' attorney, John McDermott Jr., of Vernon, said he handled a similar case against Suburban last year on behalf of a

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Congress passes limits on banks, Wall St.

By JIM KUHNHENN
Associated Press Writer

WASHINGTON — Congress on Thursday passed the stiffest restrictions on banks and Wall Street since the Great Depression, expanding consumer protections to prevent a repeat of the 2008 meltdown that knocked the economy to its knees.

A year in the making and 22 months after the collapse of Lehman Brothers triggered a worldwide panic in credit and other markets, the bill cleared its final hurdle with a 60-39 Senate vote. It now goes to the White House for President Barack Obama's signature, expected as early as Wednesday.

The law will give the government new powers to break up companies that threaten the economy, create a new agency to guard consumers in their financial transactions and shine a light into shadow financial markets that escaped the oversight of regulators. The vote came on the same day that Goldman Sachs & Co. agreed to pay a record $550 million to settle charges that it misled buyers of mortgage-related investments.

From storefront payday lenders to the biggest banking and investment houses on Wall Street, few players in the financial world are immune to the bill's reach. Consumer and investor transactions, whether simple debit card swipes or the most complex securities trades, face new safeguards or restrictions.

A powerful council of regulators would be on the lookout for risks across the finance system. Large, failing financial institutions would be liquidated and the costs assessed on their surviving peers. The Federal Reserve is getting new powers while falling under greater congressional scrutiny.

"I'm about to sign Wall Street reform into law, to protect consumers and lay the foundation for a stronger and safer financial system, one that is innovative, creative, competitive and far less prone to panic and collapse," Obama said.

"Unless your business model depends on cutting corners or bilking your customers, you have nothing to fear."

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Gas pipeline approved, at a higher price

By PHILLIP MOLNAR
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TRENTON — The State House Commission approved a plan Thursday to build a natural gas pipeline through 16 miles of Highlands-protected land in Wantage and Vernon, but greatly increased the cost.

The 24-year lease for the Tennessee Gas Pipeline was going to cost the pipeline's owner, El Paso Corp., $45,000. The commission, which controls the sale and leasing of state-owned properties, instead raised the price to $180,000.

After nearly two hours of public comments, most of which centered on the deal having an unfair, low price, state Sen. Gerald Cardinale, R-Bergen, suggested quadrupling what the state would charge the corporation.

A lawyer representing El Paso Corp., Michael Gross, went outside the committee room to text "higher management" and came back to say they had approved the new number.

The adjusted number still angered environmental groups, which told the commission to send the appraisal back to the state Department of Environmental Protection.

"Let's send this back to the department," said Bob Wolfe, of Public Employees for Environmental Responsibility. "This arbitrary decision ... doesn't deal with the underlying problem."

The reason the amount was low was because the DEP's state-designated appraiser had to take into account that the land was undevelopable under the Highlands Act, according to DEP Assistant Commissioner Amy Cradic.

The new pipeline, totalling 23 miles, will require El Paso Corp. to rip up land, build access roads and construct staging platforms. It will cross through some of the most environmentally sensitive and restricted lands in the Highlands.

Cradic did say "moving forward" the DEP would be changing its methodology for appraising land.

State Sen. Bob Smith, D-Middlesex, and Assemblyman Joseph Cryan, D-Union, earlier in the morning had questioned the DEP on its appraisal amount. "The standard you are using is maybe forcing you to buy cheap," Smith said.

Smith told Cradic the DEP was "not thinking outside the box."

In a deal with the DEP, El Paso Corp. would replace four trees for every tree lost, engage in environmental conservation projects in the affected area, and follow the existing pipeline the company has operated in northern New Jersey since 1955.

Cradic insisted El Paso Corp. would have to pay nearly $2 million in mitigation costs. Later, Smith asked El Paso representatives how much money they expected to make on the pipeline over the next 24 years. Gross said he did not know.

According to a recently filed report with the Securities and Exchange Commission, El Paso Corp. earned $577 million in pre-tax income during the first three months of this year.

El Paso Corp. would also purchase about 75 acres to give to the Highlands Council, which approved the pipeline in September 2009.

The plan still did not sit well with environmentalists.

"One acre of interior forest isn't equal to one acre of edge forest," said David Pringle, of the New Jersey Environmental Federation. "One sapling isn't equal to a 125-year-old oak tree."