

**BOROUGH OF HIGHLANDS  
MAYOR AND COUNCIL  
COMBINED MEETING  
FEBRUARY 1, 2006**

Mayor O'Neil called the meeting to order at 7:29 P.M.

The Borough Clerk Made the following statement: As per requirement of P.L. 1975, Chapter 231, notice is hereby given that this is a Combined Meeting of the Mayor and Council of the Borough of Highlands and all requirements have been met. Notice has been transmitted to the Courier, the Asbury Park Press and the Two River Times. Notice has been posted on the public bulletin board.

**ROLL CALL:**

**Present:** Mr. Nolan, Mrs. Little, Mr. Caizza, Mr. Urbanski, Mayor O'Neil

**Absent:** None

**Also Present:** Nina Light Flannery, Borough Clerk  
David Gilson, Borough Administrator  
Stephen Pfeffer, Chief Financial Officer  
Dominick Manco, Esq., Borough Attorney

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**Executive Session Resolution**

Mrs. Flannery read the following Resolution for approval:

Mayor O'Neil offered the following Resolution and moved its adoption:

**RESOLUTION  
EXECUTIVE SESSION**

**BE IT RESOLVED** that the following portion of this meeting dealing with the following generally described matters shall not be open to the public:

- 1. Insurance Plans**
- 2. Concerns with Property located between Ptak Towers and Raike Property**

**BE IT FURTHER RESOLVED** that it is anticipated that the matters to be considered in private may be disclosed to the public at a later date when the need for privacy no longer exists; and

**BE IT FURTHER RESOLVED** that no portion of this meeting shall be electronically recorded unless otherwise stated; and

**BE IT FURTHER RESOLVED** that the private consideration is deemed required and is permitted because of the following noted exceptions set forth in the Act:

- 9 Related to pending or anticipated litigation or contract negotiations in which the public body is or may be a party.
10. Falls within the attorney-client privilege and confidentiality is required.
11. Deals with personnel matters of public employees and employee has not requested that the matter be made public.

Seconded by Mr. Urbanski and approved on the following roll call vote:

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**ROLL CALL:**

**AYES:** Mr. Nolan, Mrs. Little, Mr. Urbanski, Mr. Caizza, Mayor O'Neil  
**NAYES:** None  
**ABSENT:** None  
**ABSTAIN:** None

The Governing Body then entered into Executive Session.

Mayor O'Neil called the Combined Meeting back to order at 8:13 P.M.

Mayor O'Neil asked all to stand for the Pledge of Allegiance.

**ROLL CALL:**

**Present:** Mr. Nolan, Mrs. Little, Mr. Caizza, Mr. Urbanski, Mayor O'Neil

**Absent:** None

**Also Present:** Nina Light Flannery, Borough Clerk  
David Gilson, Borough Administrator  
Stephen Pfeffer, Chief Financial Officer  
Dominick Manco, Esq., Borough Attorney

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**Amendment to Budget :  
Resolution R-06-37**

Mrs. Flannery explained that this will be on the February 15, 2006 for a public hearing on this item only and then possible adoption of the budget.

Mayor O'Neil offered the following Resolution and moved on its adoption:

**R-06-37  
BOROUGH OF HIGHLANDS  
COUNTY OF MONMOUTH  
RESOLUTION**

**WHEREAS**, the local municipal budget for the fiscal year 2006 was approved on the 21<sup>st</sup> day of September, 2005 and

**WHEREAS**, the public hearing on said budget has been held as advertised, and

**WHEREAS**, it is desired to amend said approved budget, now

**THEREFORE BE IT RESOLVED**, by the Governing Body of the Borough of Highlands, County of Monmouth that the following amendments to the approved budget of fiscal year 2006 be made:

| <u>GENERAL REVENUES</u>  | <u>FROM</u> | <u>TO</u>  |
|--|-------------|------------|
| 3. Miscellaneous Revenues – Section F:– Special Items of General Revenue Anticipated with Prior Written Consent of the Director of Local Government Services – Public and Private Revenues Offset With Appropriations: |             |            |
| Municipal Alliance on Alcoholism and Drug Abuse  | 32,693.00   | 29,300.00  |
| Total Section F: Special Items Anticipated with Prior Written Consent of the Director of Local Government Services – Public and Private Revenues Offset With Appropriations:   | 113,753.23  | 110,090.23 |

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SUMMARY OF REVENUES

3. Miscellaneous Revenues

Total Section F: Special Items of General Revenue Anticipated  
with Prior Written Consent of Director of Local Government  
Services – Public and Private Revenues 113,753.23 110,090.23

Total Miscellaneous Revenues 1,189,768.85 1,186,105.85

5. Subtotal General Revenues 2,714,768.85 2,711,105.85

6. Amount to be Raised by Taxes for Support of Municipal Budget

a) Local Tax for Municipal Purposes Including Reserve  
For Uncollected Taxes 4,880,443.14 4,741,494.72

Total Amount to be Raised by Taxes for Support of  
Municipal Budget 4,880,443.14 4,741,494.72

7. Total General Revenues 7,595,211.99 7,452,600.57  
FROM TO

8. General Appropriations  
(A) Operations – Within “CAPS”

Borough Council  
Other Expenses 11,000.00 13,000.00

Borough Clerk  
Other Expenses 24,000.00 30,000.00

Code Enforcement Officer  
Salaries and Wages 77,360.00 72,400.00

Unemployment Insurance 20,000.00 15,000.00

Police  
Salaries and Wages 1,218,500.00 1,239,200.00

Road Repair and Maintenance  
Other Expenses 47,415.00 46,415.00

Sanitation  
Salaries and Wages 262,460.00 256,000.00  
Other Expenses 19,000.00 17,000.00

Mechanical Garage  
Other Expenses 80,000.00 79,000.00

Public Buildings and Grounds  
Other Expenses 60,000.00 57,000.00

Environmental Commission  
Other Expenses 100.00 250.00

Beachfront Maintenance  
Salaries and Wages 21,520.00 18,000.00

Community Center  
Salaries and Wages 126,785.00 124,000.00

Accumulated Sick Leave 70,000.00 20,000.00

Total Operations within “CAPS” 4,492,480.00 4,441,605.00

Total Operations Including Contingent Within “CAPS” 4,492,480.00 4,441,605.00

Detail:

Salaries and Wages 2,882,348.00 2,885,323.00

Other Expenses 1,610,132.00 1,556,282.00

Statutory Expenditures  
Social Security System 146,090.00 144,400.00

Total Deferred Charges and Statutory Expenditures –  
Municipal within “CAPS” 146,090.00 144,400.00

Total General Appropriations for Municipal  
Purposes Within “CAPS” 4,638,570.00 4,586,005.00

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|  |                  |                  |
|--|------------------|------------------|
| Operations – Excluded from “CAPS”  |                  |                  |
| Length of Service Awards Program   | 85,100.00        | 36,000.00        |
| Insurance (N.J.S.A. 40A:4-45.3(oo))  |                  |                  |
| Group Insurance Plan for Employees   | 1,097,000.00     | 1,043,000.00     |
| Other Insurance  | 85,000.00        | 88,000.00        |
| Workmen’s Compensation   | 105,000.00       | 125,000.00       |
| Police and Firemens’ Retirement System of N.J.                                 | 114,890.00       | 114,891.00       |
|  | <u>FROM</u>      | <u>TO</u>        |
| <br>Total Other Operations – Excluded from “CAPS”                              | <br>1,517,755.00 | <br>1,437,656.00 |
| <br>Total Operations – Excluded from “CAPS”                                    | <br>1,640,999.23 | <br>1,560,900.23 |
| Detail:  |                  |                  |
| Other Expenses   | 1,640,999.23     | 1,560,900.23     |
| Capital Improvements – Excluded from “CAPS”                                    |                  |                  |
| Capital Improvement Fund   | 50,000.00        | 47,000.00        |
| Total Capital Improvements – Excluded from “CAPS”                              | 50,000.00        | 47,000.00        |
| (H-2) Total General Appropriations for Municipal Purposes Excluded from “CAPS” | 2,300,954.23     | 2,217,855.23     |
| (O) Total General Appropriations – Excluded from “CAPS”                        | 2,300,954.23     | 2,217,855.23     |
| (L) Subtotal General Appropriations  | 6,939,524.23     | 6,803,860.23     |
| <br>(M) Reserve for Uncollected Taxes  | <br>655,687.76   | <br>648,740.34   |
| 9. Total General Appropriations  | 7,595,211.99     | 7,452,600.57     |

**SUMMARY OF APPROPRIATIONS**

|   |              |              |
|---|--------------|--------------|
| (H-1) Total General Appropriations for Municipal Purposes |              |              |
| Within “CAPS”   | 4,638,570.00 | 4,586,005.00 |
| (a) Operations – Excluded from “CAPS” –                   |              |              |
| Other Operations  | 1,517,755.00 | 1,437,656.00 |
| Total Operations – Excluded from “CAPS”                   | 1,640,999.23 | 1,560,900.23 |
| ( C ) Capital Improvements                                | 50,000.00    | 47,000.00    |
| (M) Reserve for Uncollected Taxes                         | 655,687.76   | 648,740.34   |
| Total General Appropriations                              | 7,595,211.99 | 7,452,600.57 |

**BE IT FURTHER RESOLVED**, that two certified copies of this resolution be filed forthwith in the Office of the Director of Local Government Services for her certification of the local municipal budget so amended.

**BE IT FURTHER RESOLVED**, that a summary of this amendment, in accordance with the provisions of N.J.S.A. 40A:4-9, be published in the Courier in the Issue of February 9, 2006, and that said publication contain notice of public hearing on said amendment to be held at the Municipal Building on February 15, 2006, at 8:00 o’clock p.m.

Seconded by Mr. Caizza and adopted on the following roll call vote:

**ROLL CALL:**

**AYES:** Mr. Nolan, Mrs. Little, Mr. Caizza, Mr. Urbanski, Mayor O’Neil  
**NAYES:** None  
**ABSENT:** None  
**ABSTAIN:** None

**Consent Agenda Resolutions**

Mayor O’Neil stated that with regard to Resolution R-06-33, Resolution Increasing the Amount of LOSAP Contribution, that the Governing Body needed more information on this matter before this Resolution could be adopted.

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Mr. Pfeffer explained that the increase is the new amount based on the State's calculation which the ordinance allows for.

Mr. Manco stated that he would review the LOSAP ordinance and provide the Governing Body with an interpretation.

The Governing Body agreed to table Resolution R-06-33 at this time and directed the Borough Attorney to review the LOSAP Ordinance and provide them with an interpretation. Mr. Caizza abstained from this decision.

Mrs. Flannery read the titles of the following Resolutions for approval:

Mrs. Little offered a motion to remove Resolution R-06-34 off the Consent Agenda and to have it discussed separately.

Mayor O'Neil expressed his objections to Resolution R-06-34 which is a change order for the Fire House Project.

Mr. Pfeffer explained that a handicap ramp must be put in and the contractor is going to have to be paid and the governing body arguments are with the architect not with the contractor and the change order is with the contractor not with the architect.

Mr. Manco advised the Governing Body that at this point the issue of recovery of expenses is something that is a matter of anticipated litigation and that is something that we should discuss in closed session. The work has to get done, so if we are going to recoup it then we will discuss that in closed session.

Mr. Urbanski explained that the ramp is a big part of the floor of the office space which he further explained.

Mayor O'Neil so we will have to move this along and then seek to recoup loses.

Mrs. Little then withdrew her motion to remove Resolution R-06-34 from the consent agenda.

Mr. Nolan offered the following Resolution and moved its adoption:

**R-06-34  
RESOLUTION – CHANGE ORDER #1  
M & R MECHANICAL CONTRACTORS, INC.  
INCREASE OF \$60,306.16  
CONSTRUCTION OF A NEW FIREHOUSE**

**WHEREAS**, a contract was awarded for M & R Mechanical Contractors, Inc as follows:

R-04-179 September 15, 2004 \$1,665,000.00

**WHEREAS**, change order # 1 dated January 18, 2006 prepared by Tomaino, Tomaino, Iamello & Associates, professional architectures, sets forth reasons for said change order

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**NOW, THEREFORE BE IT RESOLVED** by the Governing Body of the Borough of Highlands that change order #1 increasing the original contract amount by \$60,306.16 is hereby authorized for Construction of a New Firehouse. The contract is hereby amended to \$1,725,306.16.

Seconded by Mr. Urbanski and adopted on the following roll call vote:

**ROLL CALL:**

**AYES: Mr. Nolan, Mrs. Little, Mr. Caizza, Mr. Urbanski, Mayor O'Neil**

**NAYES: None**

**ABSENT: None**

**ABSTAIN: None**

Mr. Nolan offered the following Resolution and moved on its adoption:

**R-06-35**

**RESOLUTION APPROVING LIST OF VOLUNTEER FIREMEN AND FIRST  
AID SQUAD MEMBERS WHO QUALIFY FOR THE BOROUGH OF  
HIGHLANDS LENGTH OF SERVICE AWARD PROGRAM (LOSAP) FOR THE  
YEAR 2005**

**WHEREAS**, the Borough of Highlands (Sponsoring Agency) has a Length of Service Award Program which provides tax-deferred income benefits to active members of the Borough's volunteer fire company and first aid squad; and

**WHEREAS**, the Highlands Fire Department and the Highlands First Aid Squad are required, pursuant to N.J.S.A. 40A:14-191, to annually certify to the Sponsoring Agency a list of all volunteer members who have qualified for credit under the LOSAP for the previous year; and

**WHEREAS**, the Highlands Fire Department and the Highlands First Aid Squad have submitted certified lists of qualified volunteers for the year 2005; and

**WHEREAS**, the Chief Financial Officer has reviewed the lists and found them to be accurate;

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Borough of Highlands, that the certified lists provided by the Highlands Fire Department and the Highlands First Aid Squad of qualified volunteers for the year 2005 are hereby approved.

Seconded by Mr. Caizza and adopted on the following roll call vote:

**ROLLCALL:**

**AYES: Mr. Nolan, Mrs. Little, Mr. Caizza, Mr. Urbanski, Mayor O'Neil**

**NAYES: None**

**ABSENT: None**

**ABSTAIN: None**

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**INSERT LIST OF FIREMEN & FIRST AIDE MEMBERS**

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Mr. Nolan offered the following Resolution and moved on its adoption:

**R-06-36  
RESOLUTION  
AUTHORIZING REFUND OF LANDLORD REGISTRATION FEE  
FOR HELLER GROUP, LLC  
FOR THE YEAR 2005  
FOR BLOCK 58 LOT 24**

**WHEREAS**, the Borough of Highlands received a Landlord Registration Application and fee of \$250.00 from the HELLER GROUP, LLC for the year 2005 for Block 58 Lot 24, 170 Bay Avenue, Highlands; and

**WHEREAS**, said property owner is not required to pay Landlord Registration Fee because it is a commercial property with no residential units on said property.

**WHEREAS**, the Borough of Highlands has received a written request for a refund.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Borough of Highlands that a refund is hereby authorized in the amount of \$250.00 to The Heller Group, LLC for the Landlord Registration fee of \$250.00 for Block 58 Lot 24 for the year 2005.

Seconded by Mr. Urbanski and adopted on the following roll call vote:

**ROLL CALL:**

**AYES:** Mr. Nolan, Mrs. Little, Mr. Caizza, Mr. Urbanski, Mayor O'Neil  
**NAYES:** None  
**ABSENT:** None  
**ABSTAIN:** None

Mr. Nolan offered the following Payment of Bills and moved on its approval for payment:

**RECAP OF PAYMENT OF BILLS  
02/01/06**

|                       |                  |
|-----------------------|------------------|
| CURRENT:              | \$ 1,289,978.44  |
| Payroll               | \$               |
| Manual Checks         | \$ 84,623.37     |
| Voided Checks         | \$               |
| <br>SEWER ACCOUNT:    | <br>\$ 6,228.47  |
| Payroll               | \$               |
| Manual Checks         | \$ 4,082.14      |
| Voided Checks         | \$               |
| <br>CAPITAL/GENERAL   | <br>\$ 50,641.20 |
| CAPITAL-MANUAL CHECKS | \$               |
| Voided Checks         | \$               |



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|                           |    |           |
|---------------------------|----|-----------|
| TRUST FUND                | \$ | 36,419.81 |
| Payroll                   | \$ |           |
| Manual Checks             | \$ |           |
| Voided Checks             | \$ |           |
| UNEMPLOYMENT ACCT-MANUALS | \$ |           |
| DOG FUND                  | \$ |           |
| GRANT FUND                | \$ | 11,913.16 |
| Payroll                   | \$ |           |
| Manual Checks             | \$ |           |
| Voided Checks             | \$ |           |
| DEVELOPER'S TRUST         | \$ |           |
| Manual Checks             | \$ |           |
| Voided Checks             | \$ |           |

**THE COMPLETE PAYMENT OF BILLS IS AVAILABLE IN  
THE CLERK'S OFFICE FOR ANYONE THAT WISHES TO REVIEW THE  
LIST.**

Seconded by Mr. Urbanski and approved for payment on the following roll call vote:

**ROLL CALL:**

**AYES:** Mr. Nolan, Mrs. Little, Mr. Caizza, Mr. Urbanski, Mayor O'Neil

**NAYES:** None

**ABSENT:** None

**ABSTAIN:** None

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**Committee Reports:**

No Committee Reports were given at this meeting.

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**Other Business:**

**Zoning/Planning Review To Go To Fire Official**

Mrs. Flannery stated that they have received a request from the Fire Official that when an application goes before either the Planning or Zoning Board that the Fire Official be named on the list of property owners of which must receive notice of applications.

Mr. Caizza stated that he spoke with the Fire Official about this request and also the Borough Engineer and they think that this is a good idea which he further explained.

Mr. Caizza offered a motion to add the Fire Official to the list of Property Owners who must receive notice of planning and zoning board applications, seconded by Mayor O'Neil and all were in favor.

**Sale of Notes**

Mr. Pfeffer stated that today the borough sold a bond anticipation note for the fire house project for an amount of \$1,762,000.00 and the following is the results of the note sale:

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|             |                         |             |           |
|-------------|-------------------------|-------------|-----------|
| Subject:    | Bond Anticipation Notes | Amount      | Days O/S: |
|             | Fire House              | \$1,762,000 | 360       |
| Issue Date: | 02/01/06                | \$1,762,000 |           |
| Due:        | 01/31/07                |             |           |

|                    | Rate: | Interest: | Rate Base: | Premium   | Net Interest | NIC     |
|--------------------|-------|-----------|------------|-----------|--------------|---------|
| Commerce Capital   | 4.25% | 74,885.00 | 360        | 12,439.72 | 62,445.28    | 3.5440% |
| Bank of America    | 3.58% | 63,079.60 | 360        |           | 63,079.60    | 3.5800% |
| Parker/Hunter      | 4.35% | 76,647.00 | 360        | 11,825.00 | 64,822.00    | 3.6789% |
| Valley National B. | 3.83% | 67,484.60 | 360        |           | 67,484.60    | 3.8300% |
| Two Rivers Com.Bk  | 3.35% | 59,027.00 | 360        |           | 59,027.00    | 3.3500% |

Awarded To: TWO RIVERS COMMUNITY BANK

**Green Acres Program**

Mrs. Flannery explained that the Borough has received a letter from Green Acres and a request that she place this on the agenda to bring to the governing bodies attention the next funding round has been extended until April 14, 2006.

**Bulk Pick Up**

Mr. Urbanski stated that they came up with twice a year, five item bulk pick up and a list of unaccepted items.

This matter will be further discussed at the next meeting.

**Housing Authority PILOT Agreement**

The Governing Body reviewed and discussed a memo that they received from the Highlands Housing Authority dated January 5, 2006 regarding bulk garbage removal and A/C and refrigerator disposal fees.

The Governing Body has a discussion on this matter.

Mayor O'Neil explained that the Borough did offer to lend the Authority our container and transport the bulk for them but have them pay the tipping fees and he has not received a response back from them on that offer.

Mayor O'Neil opened this discussion to the public.

Chris Francy of 36 Fifth Street stated that he believes that Mayor O'Neils offer is a fair and responsible offer.

Roberta McEntee of Fifth Street suggested that we ask the Housing Authority to put the stuff out in the back and the let the people in the authority to look it over to see if there is

something they want before it gets destroyed. She also stated that the Housing Authority is always within their budget so they can not complain they don't have money for the removal.

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**Mountain Street Sanitary Sewer Review & Grading Plan Reviews**

Mrs. Flannery explained that there are outstanding invoices to the Borough Engineer and they are asking the borough to take care of those bills.

Mrs. Little – it seems that there was an agreement between a group of home owners and T & M Associates to pay for something and they have not. An escrow was collected from the home owners and apparently that was not enough to pay T & M.

Mrs. Flannery advised the Governing Body that T & M Associates came up with the required amount to escrow.

The Governing Body discussed this matter and did not feel that the Borough should be required to pay these outstanding invoices.

Mr. Pfeffer explained that T & M knows how much money was collected for escrow and they should be monitoring their bills versus the escrow and stop working if their funds are low.

Mrs. Little suggested that a letter should be sent to T & M explaining that they need to monitor the escrows and not exceed them.

Mayor O'Neil directed the Borough Clerk to draft a letter to T & M Associates and that he would sign it.

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**Approval of Minutes:**

Mayor O'Neil offered a motion to approve the December 21, 2005 and January 1, 2006 minutes, seconded by Mr. Caizza and all were in favor. Mr. Nolan abstained to the December 21, 2005 minutes.

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**Public Portion:**

Chris Francy of 36 Fifth Street – commented with regard to the fire house and questioned why T & M has stated at a past meeting that the Fire House is on schedule and budget.

Mr. Urbanski explained that architect finished the plans then we awarded the bid. The Construction Official reviews those plans and it was shot down before that because it was not ADA compliant. This was a problem before T & M came on board. This is a problem from the Architect.

Donald Manrodt of Bayside Drive stated that he thinks that we should go after the architect for this mistake. He asked if the town could get the sand out on Bayside Drive which blew down from the hill.

Chris Francy of 36 Fifth Street - Atlantic Highlands did their repair to the houses and the road is basically open.

Mayor O'Neil explained that there is another problem down there that came about this past week. Apparently a drain line was undermined the road which he further explained. He stated that they are going to close off Bayside Drive past the border between Atlantic Highlands and Highlands.

Mr. Urbanski explained that houses in Atlantic are not the only problems up there.

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Mr. Francy continued to discuss Bayside Drive with the Governing Body.

Donald Manrodt of Bayside Drive stated that the Atlantic Highlands problem is with a county line that broke and now it's washed back under the road and is undermining all the way down from Ocean Blvd. When you come to our section of Bayside Drive only one vehicle can fit through at one time.

There were no further questions or comments from the public.

The Meeting adjourned at 8:57 P.M.

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**CAROLYN CUMMINS, DEPUTY CLERK**

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