

BOROUGH OF HIGHLANDS
Mayor & Council
Special Meeting
December 11, 2013

Meeting Location: Ptak Towers, 215 Shore Drive, Highlands 07732

Mayor Nolan called the meeting to order at 7:02 p.m.

Mayor Nolan asked all to stand for the Pledge of Allegiance.

Ms. Dailey read through the following statement: As per requirement of P.L. 1975, Chapter 231, Notice is hereby given that this is a Special Meeting of the Mayor & Council of the Borough of Highlands and all requirements have been met. Notice has been transmitted to the Asbury Park Press and the Two River Times. Notice has been posted on the public bulletin board.

ROLL CALL:

Present: Ms. Ryan, Mr. Redmond, Mr. Francy, Ms. Kane, Mayor Nolan

Also Present: Debby Dailey, Deputy Clerk
Tim Hill, Borough Administrator
Bruce Padula, Borough Attorney
Steve Pfeffer, Borough CFO
Dale Leubner, Borough Engineer

Discussion on Capital Improvements to Municipal Facilities:

Mayor Nolan explained that the purpose of this special meeting is to discuss the current status and future plans of the council and move forward. Timeframes and benchmarks will be put together also.

Mayor Nolan asked Dave Mercado, Code Enforcement Officer to introduce Elaine Broyles, newly higher Code Enforcement Officer.

Mayor Nolan welcomed her to the Borough and wished her much success.

Mr. Hill then gave his presentation on Community Facility Recovery. He welcomed and thanked all for showing up.

Mr. Hill began with an update of Borough Facilities that were impacted by Super storm Sandy.

Mr. Hill stated that the PowerPoint presentation will also be available on the website.

Mr. Hill continued to explain repairs needed at the various Pump Stations. He further spoke of the park facilities needing repairs and updating electrical systems.

Mr. Hill spoke of various foundations working on behalf of a lot of agencies to see if we are eligible for funding and they have allocated \$45,000 for Snug Harbor Park basketball and tennis courts. There is also potentially another \$90,000 from another source. He further spoke of other areas that need to be addressed such as; beach erosion. There are various storm and sanitary sewer pipes being inspected as well as road and sidewalks.

Mr. Hill spoke of the fire house repairs from the wear and tear from Borough Hall and the Police Department working out of it. The Highlands First Aid Building has had mitigation. Their electrical is done. They are also addressing the plumbing issues. The James T. White Depuration Plant was not eligible for funding but repairs were done themselves. We did offer assistance.

Mr. Hill spoke of discussions the governing body has had since the storm on whether to repair or relocate borough facilities. There are funding challenges from State, Federal and local agencies and we are seeking all that we can. We are considering all options. He further explained. Most of the Borough facilities will be required to have flood proofing as mitigation instead of raising the buildings such as;

Borough Hall – The governing body is discussing alternate sites such as; Shore Drive property owned by the borough. It could potentially be a two story building and incorporating

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the First Aid. He explained Flood Insurance will be required and has to be taken into consideration on what we do. Mr. Tomaino, Architect, has been hired by the town to provide assistance and guidance with a cost estimates and designs for Borough Hall. He further explained that we are exploring financing options. There may be potential lease options.

Flood Mitigation – We have discussed Flood Mitigation with FEMA on flood proofing measures without lifting the structures.

Community Center – Phase I – rehabilitate and mitigation of the current building and reopen by Spring of 2014.

Phase II – second floor addition to be considered to maximize the use. We will be looking at the structural integrity of the building as well as the soil.

Flood Insurance – it will be required. Prices will be reduced thru flood proofing and mitigation.

Pump Stations – short term repairs to be implemented. He further explained.

DPW – relocate building potential. The yard could be redesigned.

Park & Beach Areas – Veteran’s Park Boardwalk needs to be built to withstand storms.

Electric Upgrades – interior lighting of sidewalks at Veteran Park and installing pavers, fencing and other repairs.

Snug Harbor – new playground, repairs to outdoor courts.

Huddy Park – there has been discussion of adding solar lighting.

Storm and Sanitary pipes – pipes are being evaluated.

Fire House – Fire House if looking for communication upgrades.

The First Aid building needs to extend the roof. A new facility is being considered as part of the Borough Hall complex.

Other Projects – Storm Water/Flood Mitigation Project – we are looking at potential funding.

Inflow and Infiltration – part of this project will require that we remove any improper connections to the system. There may be some illegal hook ups, such as a sump pump.

Mr. Leubner said that a project that was done a few years ago to make repairs to basins reduced I&I. We are just waiting for funding.

Mayor Nolan asked Mr. Francy about reduction in flows since Sandy.

Mr. Francy said it has gone down about 10%. New projects can’t be started until this is fixed.

Mr. Leubner said a lot of the old pipes are clay.

Mr. Hill continued to speak of the cost estimates of projects impacted by Sandy is approximately \$15 million. It does not include the Army Corp of Engineers project, waterfront revitalization, and steep slope. There is also ongoing maintenance. These projects were listed in the FEMA recovery report.

Mr. Hill ended the presentation.

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Mayor Nolan had discussion with the governing body at the table.

Mayor Nolan asked that each take a position of project chairman.

Mayor Nolan will be chairman for Borough Hall.

Ms. Ryan will do the Community Center.

Mr. Francy will do the Sewer Projects.

Mr. Redmond will do Fire, First Aid, Police and Borough Hall.

Ms. Kane will do Parks.

Mr. Hill will do storm water.

Council discussed Borough Hall.

Mayor Nolan said we could sell the building.

Mr. Padula said we could do a public auction.

Kim Skorka of 315 Shore Drive asked about cost of a new borough hall, what are you basing your decision on.

Mr. Pfeffer explained that NJ municipalities go under title 40a for bonds and how many they can issue. Today, the Borough can bond approximately \$24 million. This does not include the sewer system.

Mayor Nolan if any money would be coming back from FEMA.

Mr. Pfeffer the \$14 million was for demolition and house lifting.

Mr. Francy spoke of not spending the money if we are not going to get it. We should treat this money as debt.

Mr. Pfeffer agreed. He spoke of house lifting and following FEMA's guidelines, we should get the money back. The Sewer Utility Debt does not count against the Borough's debt limitations because it is self-sustaining.

Discussion continued about leasing.

Mr. Pfeffer spoke of the sewer system. What normally happens, when you add money to the sewer, you are increasing rates. The I&I projects add to the rates. This has been a good year. We have \$300,000 in the sewer system from FEMA CDL loans. We should be ok for 2014.

Discussion continued regarding loans and bonds.

Mr. Pfeffer explained bonds and how we would pay them back. He spoke of EIT money being a grant not a loan.

Mr. Pfeffer continued to discuss other projects. If there are grants or loans available, we will have to issue the debt to cover our construction and then be reimbursed.

Mayor Nolan feels we should do the Community Center, being the lower cost project.

Mr. Pfeffer explained that FEMA money was received for the Community Center of about \$38,000. We can put it in the grant fund, which will allow us to spend it and also allow us to add more money to it without additional bonding.

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Mr. Pfeffer explained how the \$14 million will be impacted. As we get FEMA money, it reduces the dollar amount. We have a 2.633 cost of funds rating. He continued to explain bonds and how they are paid back.

Mr. Pfeffer recommends that we move quickly on demolition, debris removal and house lifting programs so we can get available FEMA money back.

Mr. Pfeffer feels we should pick easy projects. The Fire House was included in the FEMA report. That project is just about finished. We will get that money back. He continued to explain that the small projects being completed will effect funding.

Mr. Pfeffer spoke about the Borough Hall project and that we need to get an architect, price to refurbish and price on a new building. The architect will cost it out.

Mr. Pfeffer recommends that we appropriate some of the funding and then get a waiver for down payment.

Public Portion:

Larry Colby feels that the property is not worth a lot. He feels we need to bring people down Bay Avenue to the stores, not Shore Drive.

Doug Card of Shrewsbury Avenue suggested putting parking under the building. He feels that Mr. Pfeffer is saying that we are bankrupt.

Mr. Pfeffer said he did not say that.

Ms. Kane stated that the business district wanted us out of the district in the past.

Larry Colby feels there is too much vacancy on Bay Avenue.

Kim Skorka of 315 Shore Drive stated that she has been watching this town waste money and still have no exit strategy. No Borough Hall plans. We need to rehab Bay Avenue. What is the cost analysis?

Mr. Hill said there was \$15 million for a variety of projects.

Ms. Kane stated that we cannot rush this. We are looking into everything.

Kim Skorka continued to complain about lack of dollar figures 13 months later.

Dale Leubner stated that we would have to get approval from the State to raise the land on Bay Avenue thru the DEP. Parking underneath rather than raise it may be the better way.

Mayor Nolan said we will revisit the Master Plan in 2014.

Barbara Ianucci of Shrewsbury Avenue spoke of creating an economical need. She continued to speak of the cost of renting the trailers and the cost of rehabbing Borough Hall.

John McAleer of 52 Barbarie Avenue asked about getting a deadline.

Mr. Hill said we are working on this every day.

Melissa McAleer of 52 Barbarie spoke of timeframes and funding.

Ms. Kane stated that we have to wait for funding. There are many ongoing projects. She further explained projects that were being discussed prior to Sandy.

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Mr. Pfeffer explained constraints by State Law. That is why things take so long. He further explained the process.

Ms. Ryan spoke about the Community Center. Last year she spoke to Mr. Hill about it being repaired. She did not understand why it took so long. She explained the tests and inspections that had to be done. It took eight months. We had to follow the process. There are many regulations to go thru. We are not sitting around doing nothing.

Kim Skorka asked is this being done for Borough Hall.

Mr. Hill said that an architect has been hired to start the process of getting the scope of Borough Hall.

Kim Skorka asked if FEMA or the insurance company gave their opinions on what we should do.

Mr. Hill said that FEMA did give them options on mitigating the building.

Mr. Pfeffer explained the process of how long these things take. The architect does a study and cost. The Borough then moves to the funding side. The funding side process takes at least 2 months and then another month to sell the debt. The architect is then hired to produce specs, and bid documents. It all takes time. Bids could come in higher than what is anticipated. Everything is governed by State Law. We cannot speed up the process.

Melissa McAleer asked about using volunteers.

Mayor Nolan said that we cannot.

Mr. Pfeffer spoke of insurability. We have to follow the codes and certifications. It has to be done perfect. A licensed architect could volunteer.

Ms. Ryan spoke of volunteers approaching her to help rehab Borough Buildings. They chose to work on the VFW building because it was not a municipal building. It comes down to the liability.

Melissa McAleer spoke of insurance cost for the Community Center and would raising it be better cost wise.

Mr. Hill stated that the insurance rate has dropped significantly and will go lower still.

Mayor Nolan directed Mr. Hill to have the architect at the next meeting.

Mr. Francy said we have to act on the grant writer.

Mr. Hill is working on the RFP and will have it out by the beginning of the year.

Melissa McAleer spoke of Veteran's Park and how will it be tied in with the Army Corp of Engineers projects. Could they come in 7 years later and we have to tear it all up? Will we waste our money?

Ms. Kane said we can't wait 7 years for a boardwalk.

Mr. Francy said to give the council some credit. We have to make sure residents understand the impact.

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Mayor Nolan offered a motion to adjourn, seconded by Ms. Ryan and all were in favor.

The Meeting adjourned at 9:50 p.m.

Debby Dailey, Deputy Clerk

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