

**BOROUGH OF KEYPORT
WORKSHOP MEETING MINUTES
TUESDAY, MARCH 5, 2024 7PM**

CALL TO ORDER: 7:00 PM

SUNSHINE LAW NOTICE: Read by Municipal Clerk

Minutes of the Workshop Meeting of the Mayor and Council, Borough of Keyport, held on the above date in Borough Hall Council Chambers, Keyport, NJ, pursuant to the Annual Notice on file with the Borough Clerk forwarded to the Asbury Park Press, and Newark Star Ledger and posted on the Bulletin Board in accordance with the Open Public Meetings Act, P.L.1975, c.231.

ROLL CALL:

Members present: Councilmember Brady, Councilmember McNamara, Councilmember Reilly,
Council President Vecchio, Mayor Araneo

Members absent: Councilmember Gross, Councilmember Peperoni

PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

PROCLAMATION

Women's History Month – read by Mayor Araneo

PRESENTATION

New Jersey American Water presentation by Christopher Abruzzo, Vice President of Business Development, and Kelly O'Rourke, Manager of Business Development

Mayor Araneo explained the purpose of tonight's presentation by New Jersey American Water citing the need to bring everyone's attention to the matter regarding our utilities, specifically the sanitary sewer and water distribution systems. She stated it has become increasingly apparent that we must address crucial infrastructure needs mandated by regulatory requirements. Our municipality is fortunate to have been awarded a lead service line location grant. This grant will aid us in identifying and determining the composition of our water distribution lines, identifying those made of lead or galvanized materials. According to the mandate, these lines must be replaced by the year 2031 to ensure the safety and wellbeing of our community members. The projected cost of this undertaking is substantial, likely reaching tens of millions of dollars. It is essential to highlight this financial burden pertains solely to the water distribution part of our utility system. Additionally, our sanitary sewer system also requires analysis and upgrades. Understanding the gravity of this situation, the governing body is diligently exploring various options available to the Borough. Selling our utility assets is one potential avenue under consideration. However, such a decision must be made with careful consideration of what is in the best interests of our property owners and residents. We recognize the significance of these deliberations and assure you we are committed to transparency and accountability throughout this entire process, which is why this presentation is being made tonight. We will keep you informed as we progress and welcome your input and feedback along the way as we work toward ensuring a safe and sustainable future for our community.

A presentation was given walking through what a sale of the water or waste water system looks like. This is not a sales pitch. We know you are in an exploratory phase so we are here just to answer questions and explain a little bit about how the law works as it relates to the sales of these kinds of systems.

Two procurement alternatives will be reviewed and it is recommended to obtain special counsel for assistance. You are also encouraged to speak to other entities.

1st option – traditional sale route

- Starts with a ballot question on November General Election
- Typically, it is a 12-18 months process from decision to sell to actual sale
- If by referendum and referendum passes, company prepares application to BPU.
- BPU approves sale and the rest is the easy part and buyer takes over operation
- Recommends (optional) municipality gets detailed engineering and financial analysis (identify what the system is worth)

- Buyer should bear cost of education campaign to the public

2nd option – WIPA (Water Infrastructure Protection Act)

- Created about ten years ago to help identify and help municipalities with special needs or dire needs
- Requires an engineering study to determine if one of five critical areas are applicable to Keyport
- For example, may need an operator, or have overwhelming financial issues
- Only need one to qualify for the sales route
- Engineer study is required
- Approval process is a little longer

Chris Abruzzo said an engineering analysis and financial analysis will tell you what your system is worth. Debt must be paid down with sale proceeds before will see benefit.

Councilmember Reilly asked how long engineering studies typically take? Ms. O'Rourke said not too long and in the scope of things it's not that expensive. Mr. Abruzzo clarified saying it typically takes two to three months.

Councilmember McNamara said we've started lead line investigation. Would the acquiring utility company take over our lead line project and entire infrastructure? Ms. O'Rourke said they would take over everything. If we had a watermain break, we're not calling DPW but rather would call the utility company.

The burden is off the municipality and the utility company takes responsibility for all upgrades, all environmental issues, all customer service. Utility company would work with municipality as far as ownership of lines.

Council President Vecchio said we have a newer plant but underground infrastructure is old and eventually has to be fixed. Basically, we are saying take our stuff and fix it.

The Borough Administrator asked about the appraisal difference and Ms. O'Rourke said she will send over a PowerPoint document.

WORKSHOP ITEMS FOR DISCUSSION

1. Pole Banners

Council President Vecchio cited the borough's interest in honoring veterans and asked for feedback about "Hometown Hero Banners" used by other municipalities.

The Borough Administrator responded to questions about the process related to applying for, ordering, and installing the banners, and fees and costs associated with it. Discussion included reference to specific examples, like Keansburg and Hazlet.

There was general consensus in support of moving forward with a Keyport-specific pole banner program honoring veterans, with a banner displaying the veteran's name and an image of the seal of that veteran's branch of the armed forces.

CONSENT AGENDA

(All resolutions listed hereunder are considered to be routine in nature and will be enacted in one motion. Any person may request that an item be removed for separate consideration.)

R2024-99 Payment of Bills Listed on the February 23, 2024 Bills List

R2024-100 Payment of Bills Listed on the March 5, 2024 Bills List

APPROVAL OF RESOLUTIONS

Council Member McNamara asked about the payments to Colliers Engineering and the Auditor listed on Payment of Bills Resolution #2024-100 and wants to make sure we stay on top of payments to our professionals. She asked if the \$51,000 payment referencing Cedar Street Park is for equipment or something different. Borough Administrator said it was for matting that was put down.

Motion to approve resolutions **R2024-99 and R2024-100** on the Consent Agenda.

MM: Vecchio 2nd: Brady

Roll Call: Ayes: Brady, McNamara, Reilly, Vecchio
Nays:
Absent: Gross, Peperoni
Abstain:

APPROVAL OF MEETING MINUTES

Motion to approve the minutes of the December 19, 2023 regular council meeting

MM: McNamara 2nd: Vecchio

Ayes: McNamara, Vecchio Nays: Abstain: Brady, Reilly Absent: Gross, Peperoni

The motion failed to receive a majority of the quorum.

The December 19, 2023 regular council meeting minutes will be considered at the next Council meeting.

PUBLIC COMMENT

The Meeting was opened to the public for comments.

Opened: 8:08 PM Motion by Vecchio, Carried by Brady. Ayes by all present.

John Merla, 34 Broad Street asked about the Cedar Street Park invoice. He commented on tonight's presentation saying this isn't the first time the Borough has considered selling our water infrastructure. In '91 or '92 we went through nonbinding referendum and it failed because we did not educate the public. We had to close the water plant for five months a year and entered into a contract to buy water.

Elmer J. Graham, Jr. 22 St. Peters Place – something definitely needs to be done. Mayor Aumack once showed us a 100-year old water pipe. This is a step in the right direction. Pole banners is a terrific idea. Encouraged joining American Legion. Commented regarding We Care Adult Care.

Michael Lane, 51 First Street – regarding the water presentation you need to get a good engineering study. Commented on project lining old wastewater pipes and make sure engineer understands that program. Commented on wires hanging on poles and the mayor said there is legislation being worked on. Commented on firefighting capabilities on pier. People sleep on their boats. He asked if this has been brought up with Mr. Perlman. Violation was issued and it was fought and removed. Regarding the post office property, he asked what the financial compensation is to the borough for the land. Is it just the \$1,650.00? He commented on four-way stops, utility pole cleanup, Aeromarine lawsuit, work on Henry Hudson trail, and land use requirements.

Ed Carew asked about resolution regarding spraying of mosquitos. He read aloud a letter he wrote to Christine Hanlon.

Paul McKeefry – 107 Maple Place – commented that our borough code says we should have an Historic Preservation Commission and asked why we don't have one. Mayor Araneo said we will look into it.

Closed: 8:37 PM Motion by Reilly, Carried by Vecchio. Ayes by all present.

EXECUTIVE SESSION

Resolution #2024-101 read by the Borough Attorney.

R2024-101– Authorizing a Meeting Not Open to the Public in Accordance with the Provisions of the New Jersey Open Public Meetings Act, N.J.S.A. 10:4-12b for the following item(s): attorney-client privilege communication related to land use dispute and attorney-client privilege matter related to contract negotiations regarding the post office property pursuant to N.J.S.A. 10:4-12b(7).

RESOLUTION #2024-101

**RESOLUTION OF THE BOROUGH OF KEYPORT,
COUNTY OF MONMOUTH, NEW JERSEY AUTHORIZING
A MEETING NOT OPEN TO THE PUBLIC IN**

**ACCORDANCE WITH THE PROVISIONS OF THE NEW
JERSEY OPEN PUBLIC MEETINGS ACT, N.J.S.A. 10:4-12.**

WHEREAS, the Borough of Keyport, County of Monmouth (the “**Borough**”), a public body corporate and politic of the State of New Jersey, is subject to certain requirements of the Open Public Meetings Act, N.J.S.A. 10:4-6, *et seq.* (the “**Act**”), and

WHEREAS, N.J.S.A. 10:4-12 provides that an Executive Session, not open to the public, may be held for certain specified purposes when authorized by resolution; and

WHEREAS, it is necessary for the Borough to discuss, in a session not open to the public, attorney-client privileged communication related to land use and attorney-client privileged matter related to contract negotiations regarding the post office property, pursuant to N.J.S.A.10:4-12b(7).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the Council of the Borough of Keyport, County of Monmouth, State of New Jersey as follows:

1. The aforementioned recitals are incorporated herein as though fully set forth at length.
2. The Mayor and Council assembled in public session on March 5, 2024 and determined that an Executive Session closed to the public shall be held on March 5, 2024 at approximately 7 P.M. at the Borough Hall located at 70 West Front Street, Keyport, New Jersey, for the discussion of matters relating to the specific items designated above.
3. This resolution will take effect immediately.

Motion to go into Closed Session at 8:38 PM.
Moved by McNamara, Carried by Reilly. Ayes by all present.

Council reconvened to Open Session at 9:43 PM.

ADJOURNMENT

Motion to Adjourn
MM: Vecchio 2nd: Brady Ayes: all present Nays:
Time of Adjournment: 9:43 PM