December 21, 2001
Keyport, New Jersey

Approved 2/19/02

Minutes of a Special Meeting of the Mayor and Council, Borough of Keyport, held on the above date in the Keyport Senior Center, 110 Second Street, Keyport, N.J. pursuant to the adoption of Resolution #358-01, in accordance with the Open Public Meetings Act. Notices were faxed to the Courier, Asbury Park Press, Independent and Two River Times and posted on the Bulletin Boards.

Mayor Graham called the meeting to order at 5:45 P.M. and read the Sunshine Law Notice.

ROLL CALL

On Roll Call the following were present: Councilmembers Merla, Atkins, Bergen, Pedersen. Absent: Councilmembers Ashmore and Antonucci. Others present: Gordon Litwin, Borough Attorney

HEARING ON ORDINANCES

1. Ordinance #21-01, Amend Fire Prevention Ordinances

The Clerk reported that the Ordinance was published, as introduced, in the Courier, issue of December 13, 2001, that the Affidavit of Publication is on file in her office, that copies were posted on the Bulletin Boards and made available to the public.

The Clerk read the Ordinance by Title:

AN ORDINANCE TO AMEND AND SUPPLEMENT CHAPTER XIII, ENTITLED "FIRE PREVENTION" OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF KEYPORT

The Hearing was opened to the public for comments or questions at 5:46 P.M. There being none, the hearing was closed at 5:46 P.M.

Offered for adoption by Mr. Merla, seconded by Mr. Bergen

Roll Call Vote: Ayes: Councilmembers Merla, Atkins, Bergen Pedersen
Absent: Councilmembers Ashmore and Antonucci

1a. Motion authorizing the Clerk to publish the Ordinance as finally adopted according to law, in the Courier, issue of December 27, 2001 moved by Mr. Merla, seconded by Mr. Bergen with Ayes by all present.

2. Ordinance #22-01, Salary Ordinance/Recreation Commission Secretary

The Clerk reported that the Ordinance was published, as introduced, in the Courier, issue of December 13, 2001, that the Affidavit of Publication is on file in her office, that copies were posted on the Bulletin Boards and made available to the public.

The Clerk read the Ordinance by Title:

AN ORDINANCE AMENDING AND SUPPLEMENTING AN ORDINANCE FIXING THE SALARIES OF THE VARIOUS OFFICERS, CLERKS, AND EMPLOYEES OF THE BOROUGH OF KEYPORT, IN THE COUNTY OF MONMOUTH AND STATE OF NEW JERSEY

The Hearing was opened to the public for comments or questions at 5:48 P.M. There being none, the hearing was closed at 5:48 P.M.

Offered for adoption by Mrs. Atkins, seconded by Mr. Bergen

Roll Call Vote: Ayes: Councilmembers Merla, Atkins, Bergen Pedersen
Absent: Councilmembers Ashmore and Antonucci

2a. Motion authorizing the Clerk to publish the Ordinance as finally adopted according to law, in the Courier, issue of December 27, 2001 moved by Mr. Merla, seconded by Mr. Pedersen with Ayes by all present.

3. Ordinance #23-01, Amend Business Improvement District

The Clerk reported that the Ordinance was published, as introduced, in the Courier, issue of December 13, 2001, that the Affidavit of Publication is on file in her office, that copies were posted on the Bulletin Boards and made available to the public.

The Clerk read the Ordinance by Title:

AN ORDINANCE AMENDING THE LIST AND DESCRIPTION OF ALL ASSESSED PROPERTIES IN THE BUSINESS IMPROVEMENT DISTRICT

The Hearing was opened to the public for comments or questions at 5:49 P.M. There being none, the hearing was closed at 5:49 P.M.

Offered for adoption by Mrs. Atkins, seconded by Mr. Merla

Roll Call Vote: Ayes: Councilmembers Merla, Atkins, Bergen
Abstain: Councilman Pedersen
Absent: Councilmembers Ashmore and Antonucci

3. Motion authorizing the Clerk to publish the Ordinance as finally adopted according to law, in the Courier, issue of December 27, 2001 moved by Mrs. Atkins, seconded by Mr. Bergen with Ayes by all present.

DISCUSSION

1. **Insurance.** Mr. Bergen said that 2002 will not be a good year. There was a $74,000 increase in Health Insurance. There was a comparison with the State Health Plan. If a Police Officer has been in the plan and has 25 years of service, then health benefits are provided. Other employees would have to contribute to their health benefits. A comparison was made between the State Plan and Blue Cross. This matter would have to be negotiated with the Unions. Mr. Bergen did not recommend the State Plan for 2002; the State Plan is below cash reserve. The Borough can look at this with the Unions in 2003. Mr. Bergen recommended staying with the current JIF. Mr. Bergen also recommended the Borough stay where it is with Workers Compensation. Regarding other insurance, there will be a 20% increase over last year. Last year the cost was $114,000 which included the umbrella policy. It will go from $101,000 to $127,000 (it could be $5,000 less). Mr. Bergen reviewed the coverages; the umbrella premium went up. Coverage of $10 million, $5 million or $2 million was discussed with Mr. Litwin; $2 million is too low. This matter should be held until the January 1, 2002 meeting. Mrs. Atkins asked why insurance costs are so high. Mr. Bergen said that the market is in flux since the September 11th attack and various other reasons. Mr. Merla asked if Mr. Winant has given an opinion on the State Plan; Mr. Winant said that there has been a significant increase. Ninety days notice would be needed to offer the plan to the Union; there are differences in the plans and the employees share. Mr. Litwin asked why Council would wait until the last minute. Mr. Merla asked if there was any clause to protect the Borough; no. The Workmen's Compensation and Health plans are in place, but the other insurance expires on January 6, 2002. Mr. Litwin said that it should be more than one million before the plan expires and recommended $10 million. Mr. Merla said that one company concurred (no quote) on terrorism, flood, earthquake, etc. Mr. Bergen said that there has been a drop in flood and earthquake insurance.

RESOLUTIONS

1. Resolution #378-01, 2002 Other Insurance

WHEREAS, there exists a need for various insurance coverage for the Borough of Keyport; and

WHEREAS, a proposal has been received from Winant-Bomack Insurance Agency, Inc. and same has been considered by the Mayor and Council; and

WHEREAS, the insurance premium for the various coverages as outlined is One Hundred Sixty Five Thousand Six Hundred Seven Dollars and funds are available for same; and

WHEREAS, said insurance coverage is to be effective January 6, 2002; and

WHEREAS, the Local Public Contract Law requires that the Resolution authorizing the award of contracts for insurance coverage without competitive bids and the insurance agreement must be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Keyport as follows:

1. The Mayor and appropriate Borough Officials are hereby authorized to enter into an agreement with Winant-Bomack Insurance Agency, Inc. for the following insurance coverage effective January 6, 2002 for a period of one year:

Insurance Coverage	Company	Premium
Property, General Liability, Auto Liability, Auto Physical Damage Coverage, Inland Marine Law Enforcement Liability, Public Officials	TIG Insurance Co.	$127,526.00*
Various Bonds	Zurich North American Surety	$ 1,628.00
Umbrella Liability	Diamond State Insurance	$ 30,507.00
Accident and Sickness Proposal/Volunteer Firemen	National Union Insurance Company	$ 5,946.00
	TOTAL	$ 165,607.00

*Payments
1/6/2002 - $31,881.50
4/6/2002 - $31,881.50
7/6/2002 - $31,881.50
10/6/2002 - $31,881.50

Offered for adoption by Mr. Bergen, seconded by Mr. Pedersen

Roll Call Vote: Ayes: Councilmembers Merla, Atkins, Bergen Pedersen
Absent: Councilmembers Ashmore and Antonucci

2. Resolution #379-01, Amend Resolution #371-01

WHEREAS, Resolution #236-01 adopted on July 10, 2001 set the salaries for Fire Chief and Assistant Fire Chiefs; and

WHEREAS, on December 18, 2001, Salary Resolution #371-01 was adopted which had incorrect salaries listed for these positions.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council that the following salaries for the indicated positions effective January 1, 2001 or date of hire or transfer are:

Fire Chief	$1,700.00
Assistant Fire Chief	$1,500.00

Offered for adoption by Mr. Merla, seconded by Mrs. Atkins

Roll Call Vote: Ayes: Councilmembers Merla, Atkins, Bergen Pedersen
Absent: Councilmembers Ashmore and Antonucci

3. Resolution #280-01, Closed Meeting - Contract Negotiations

WHEREAS, the Mayor and Council of the Borough of Keyport propose to discuss the following subjects:

Contract Negotiations
1. Garbage Contract (Potential Litigation)

WHEREAS, the Governing Body has determined that within the provisions of the Open Public Meetings Law, the Public should be excluded from the discussion of said subjects;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body that a meeting of the Mayor and Council shall be held forthwith from which the public shall be excluded in the Council Chambers for the purpose of discussing the following subjects:

Contract Negotiations

BE IT FURTHER RESOLVED that the discussions on Contract Negotiations conducted at said closed session shall be disclosed when the matters discussed are resolved, and this meeting shall continue in approximately 15 minutes.

Offered for adoption by Mr. Bergen, seconded by Mr. Merla

Roll Call Vote: Ayes: Councilmembers Merla, Atkins, Bergen Pedersen
Absent: Councilmembers Ashmore and Antonucci

Mr. Merla said that the four resolutions adopted at the December Work Meeting for representation of Borough officials in the Magic Touch case did not have attorney's names in them. Mr. Litwin said that Council can approve the names at some point prior to the Hearing of the case. Mrs. Atkins asked if one attorney could represent all four officials. Mr. Litwin said that there are different facts for each person so separate Counsel is necessary (this is similar to the Kennedy and Stitch case).

Mr. Bergen congratulated Mr. Litwin on the RCG case (he quoted Mr. Litwin's brief). Mr. Litwin said that Mr. Springberg who represents A&K said that they are ready to proceed. The order was hand delivered to Judge Lawson for immediate execution. A&K may proceed with the foundation. The other attorney was not going to recommend an appeal be filed. Chances are that the decision will hold. Mr. Bergen said that a Clerk of the Works should be hired. Mr. Litwin recommended that the Title Insurance be increased and that the Borough get the Builder's Risk Insurance. A&K's Performance Bond and Insurance are due. Mr. Merla asked if A&K can change their bid amount; no, and they never raised the question. Various costs have gone up and down. A&K is anxious to proceed.

Council went into closed session at 6:25 P.M. and this meeting was reconvened at 6:43 P.M. On Roll Call the following were present: Councilmembers Merla, Atkins, Bergen, Pedersen. Absent: Councilmembers Ashmore and Antonucci.

ADJOURNMENT

Motion to Adjourn moved by Mr. Bergen, seconded by Mr. Pedersen with Ayes by all present.

Time of Adjournment: 6:43 PM

Respectfully submitted,
Judith L. Poling/amc
Judith L. Poling, RMC/CMC
Borough Clerk/Administrator
Allyson M Cinquegrana
per Allyson M. Cinquegrana, RMC
Deputy Borough Clerk