Approved 3/17/09

December 22, 2008
Keyport, New Jersey

Minutes of the Regular Meeting of the Mayor and Council, Borough of Keyport, held on the above date in the Borough Hall Council Chambers, Keyport, N.J., pursuant to the adoption of the Annual Notice on file with the Borough Clerk, forwarded to the Asbury Park Press, Courier, Independent, Two River Times and Newark Star Ledger and posted on the Bulletin Board in accordance with the Open Public Meeting Act, P.L. 1975, Ch. 231.

Council President Sheridan called the meeting to order at 6:37 P.M. Clerk Valerie Heilweil read the Sunshine Law Notice.

ROLL CALL

On Roll Call the following were present: Councilmembers Kovacs, Sheridan, Hill, Bolte, Walling. Others present: Mr. Wisniewski, Borough Attorney and Borough Administrator Wright. Absent: Mayor Bergen and Councilman Ortman.

RESOLUTION

1. Resolution No. 261-08, Closed Meeting - Personnel, Contract Negotiations

WHEREAS, the Open Public Meetings Act, P.L. 1975, Chapter 231, permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, Mayor and Council of the Borough of Keyport are of the opinion that such circumstances presently exist; and

WHEREAS, the Governing Body wishes to discuss:

1. Litigation Construction Board Appeals - Cheryl Hill Matter and Paff Matter

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, Borough Hall, for the purpose of discussing the above-mentioned items.

BE IT FURTHER RESOLVED that discussions on Contract Negotiation and Personnel conducted at said Closed Session shall be disclosed when the matters discussed are resolved and this meeting shall continue in approximately 20 minutes.

Offered for adoption by: , Seconded by

Roll Call Vote: Ayes: Councilmembers Kovacs, Sheridan, Hill, Bolte, Walling
Nays:
Absent: Councilmember Ortman
Abstain:

Council President Sheridan called the meeting to order at 7:05 P.M. and the Borough Clerk read the Sunshine Law Notice. The Pledge of Allegiance was said and there was a moment of silence.

On Roll Call the following were present: Councilmembers Kovacs, Sheridan, Hill, Bolte, Walling. Others present: Mr. Wisniewski, Borough Attorney and Borough Administrator Wright. Absent Mayor Bergen, Councilman Ortman.

APPROVAL OF MINUTES

November 25, 2008 - Regular

Motion to approve the minutes as amended listed above, moved by Ms. Bolte, second by Mr. Hill, with Ayes by all present.

PUBLIC HEARING/ADOPTION OF ORDINANCES

1. **Ordinance #25-08 - Bond Ordinance - for purchase of various vehicles**

The Clerk reads the Ordinance by Title:

"PROVIDING FOR VARIOUS CAPITAL IMPROVEMENTS OF THE BOROUGH OF KEYPORT, IN THE COUNTY OF MONMOUTH, NEW JERSEY, APPROPRIATING THE AGGREGATE AMOUNT OF $325,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF $308,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF".

The Clerk reports that the Ordinance was published as introduced in the Asbury Park Press, issue of December 12, 2008, that the Affidavit of Publication is on file in her office, and that copies were posted on the Bulletin Board and made available to the public.

BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF KEYPORT, IN THE COUNTY OF MONMOUTH, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section i) The several improvements described in Section 3 of this bond ordinance are hereby respectively authorized to be undertaken by the Borough of Keyport, New Jersey (the "Borough") as general improvements. For the several improvements or purposes described in Section 3, there are hereby appropriated the respective sums of money therein stated as the appropriation made for each improvement or purpose, such sums amounting in the aggregate to $325,000, including t aggregate sum of $17,000 as the several down payments for t improvements or purposes required by the Local Bond Law. The down payments have been made available by virtue of provision for down payment or for capital improvement purposes in one or more previously adopted budgets.

Section ii) In order to finance the cost of the several improvements or purposes not covered by application of the several down payments, negotiable bonds are hereby authorized to be issued in the principal amount of $308,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section iii) The several improvements hereby authorized and the several purposes for which the bonds are to be issued, the estimated cost of each improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each improvement and the period of usefulness of each improvement are as follows:

Purpose	Appropriation and Estimated Cost	Estimated Maximum Amount of Bonds or Notes	Period of Usefulness
a) Acquisition of an ambulance, including all equipment and appurtenances related thereto.	$175,000	$166,000	5 years

Purpose	Appropriation and Estimated Cost	Estimated Maximum Amount of Bonds or Notes	Period of Usefulness
b) Acquisition of two dump trucks for the Department of Public Works, including all equipment and appurtenances related thereto.	$150,000	$142,000	5 years
TOTALS	$325,000	$308,000	

The excess of the appropriation made for each of the improvements or purposes aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the down payment for each purpose.

Section iv) All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no note shall mature later than one year from its date. The notes shall bear interest at such rate or rates and be in such form as may be determined by the chief financial officer. The chief financial officer shall determine all matters in connection with notes issued pursuant to this ordinance, and the chief financial officer's signature upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law. The chief financial officer is hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The chief financial officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

Section v) The Borough hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Borough is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

Section vi) The following additional matters are hereby determined, declared, recited and stated:

(a) The purposes described in Section 3 of this bond ordinance are not current expenses. They are all improvements that the Borough may lawfully undertake as general improvements, and no part of the costs thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness, computed on the basis of the respective amounts of obligations authorized for each purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 5 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by $308,000, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding $15,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated costs indicated herein for the purposes or improvements.

Section 7. The Township hereby declares the intent of the Township to issue the bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use proceeds to pay or reimburse expenditures for the costs of the purposes described Section 3 of this bond ordinance. This Section 7 is a declaration intent within the meaning and for purposes of Treasury Regulatio §1.150-2 or any successor provisions of federal income tax law.

Section 8 Any grant moneys received for the purposes described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 9 The chief financial officer of the Borough is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Borough and to execute such disclosure document on behalf of the Borough. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Borough pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Borough and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Borough fails to comply with its undertaking, the Borough shall not be liable for any monetary damages, and the remedy shall be limit to specific performance of the undertaking.

Section 10. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Borough, and the Borough shall be obligated to levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 11. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

The Hearing is opened to the public for comments or questions at 7:43 P.M.

Kishore Chizurapati, 22 First Street, asked what the ordinance was for; trucks and ambulance.

Mike Lane, asked about the difference between two figures in the title; difference is the Borough's share.

Attorney explained that bonds cannot exceed the useful life. Attorn explained the bonding. Mr. Lane stated he is concerned that the bo... could go on for more than five years even though temporary funding can only be five years. Asked Council what current debit is, asked if any of the purchases were in the capital budget for the year; no.

There being no further comments or questions the hearing was closed to the public at 8:29 P.M.

Offered for adoption by Ms. Bolte second by Mr. Walling

Roll Call Vote: Ayes: Councilmembers Kovacs, Sheridan, Hill, Bolte, Walling
Nays:
Absent: Councilmember Ortman
Abstain:

Motion authorizing the Clerk to publish the Ordinance as adopted, in the Asbury Park Press moved by Mr. Walling second by Mr. Hill with ayes by all present.

COMMUNICATIONS AND PETITIONS

1. Application for a Bingo License from St. Joseph PTA for bingo to be held on January 25, 2009

2. Application for a Bingo License from St. Joseph Church for bingo to be held on May 27, 2009

3. Application for a Raffle License from Eagle Hose Company for an Off-Premise 50/50 Cash Raffle to be held on August 1, 2009

Motion to approve moved by Mr. Walling second by Ms. Bolte with ayes by all present.

4. Results of the December 12th First Aid Squad Election

Motion to receive and file moved by Mr. Kovacs, second by Mr. Walling with ayes by all present.

5. Request for a Social Affairs Permit from St. Joseph School PTA for a Casino Night to be held on Saturday, February 28, 2009

otion to approve moved by Mr. Kovacs, second by Mr. Hill with ayes by all present.

6. Letter from Keyport Business Alliance (with attachments) requesting approval of:
   A. approval of 2009 Keyport Budget Overview
   B. approval of four (4) page pullout which will be going into the Monmouth County Tourism Guide
   C. approval of Calendar of Events
   D. approval of Board of Directors meeting dates for 2009
   E. authorization for Borough Clerk to publish dates in approved newspaper

Motion made to receive and file moved by Mr. Walling second by Mr. Hill with ayes by all present.

Regarding Item #6C - might be a conflict September 19th with the Soap Box Derby. Holiday Tee Lighting, December 5 - November 28th in the flyer, wrong on the letter correct on the calendar.

s. Bolte mentioned that the Antique Car show was missing.

REPORTS OF DEPARTMENTS

1. Borough Clerk's Monthly Report for November 2008
2. Tax\Water\Sewer Collector's Report for November 2008
3. Monthly Report for Building Department for November 2008
4. Minutes of November 18, 2008 Board of Health Meeting and Treasurer's Reports for November 2008
5. Property Maintenance Report for November 2008
6. Municipal Court's Monthly Cashbook Report for November 2008

Motion to accept all reports as read and file, moved by Mr. Kovacs, second by Mr. Walling with ayes by all present.

COMMITTEE REPORTS

Councilman Kovacs; Building and Grounds and Library: Mr. Kovacs read the library report of circulation and computer usage. Senior Center boiler system is down.

Councilman Sheridan; Fire, First Aid & Emergency Services: Mr. Sheridan reported that the First Aid is up to 1,200 calls.

Councilman Hill; Health and Recreation: Mr. Hill had no report.

Councilwoman Bolte; Finance, Grants and Redevelopment: Ms. Bolte reported on the following:

- NPP resolutions on tonight, explained what the resolutions were f total of an additional $125,000 until 2010.
- Garden Club members will be renovating historic signs. Working with Gale's hardware. Borough Administrator said with prior authorization something could be worked out to purchase supplies. Administrator stated that money would come out of buildings and grounds.

Motion was made by Mr. Kovacs, carried by Mr. Hill - Authorize Borough Administrator to authorize purchase by Garden Club members for signs.

Councilman Ortman; Police: Absent

Councilman Walling; Public Works/Recycling/Property Maintenance: Mr. Walling reported on the following:

- Leaf program is in process
- Pamphlets for recycling have been handed out
- Asked that Administrator issue summons to get Borough Hall in shape

ADMINISTRATOR'S REPORT

Ms. Wright reported on the following:

- Library Boiler - no heat- Interfaith Neighbors will be moved to another location
- Budgets for departments to be gone over with CFO after first of the year
- Contacted the County who administers the Paris Grant - first step is a records assessment. This is a three phase grant.
- Waterfront Park - minor demolitions to begin in January
- Library bathroom - designed to have a passive air system. Sink is working fine. Bathroom is complete, might be some tweaking in the design.

DISCUSSION

Location of benches at Beach Park

Mr. Sheridan mentioned that a resident would like the bench moved because it is looking at her house.

Administrator stated that the benches were placed as designed. It is in cement.

Mr. Sheridan stated that previous benches were backless so you cou face either way. Also a conflict with the location of the trash can.

Administrator will look into how much it would cost to move them. Ms. Bolte would like any cost discussed with Council prior to doing anything.

ATTORNEY'S REPORT

Attorney had nothing to report.

UNFINISHED BUSINESS

Mr. Walling spoke about forming a committee to look at KBA. Scores, a group of students from Brookdale who is unbiased, was suggested.

Ms. Bolte concurred. She thinks we should involve as many people as possible.

NEW BUSINESS

RESOLUTIONS

2. Resolution No. 262-08 Assigning Patrolwoman Shannon Hyman to the Detective Bureau
3. Resolution No. 263-08 Authorizing Grant Application to the NJ Department of Community Affairs for Neighborhood Housing Rehabilitation Program
4. Resolution No. 264-08 Authorizing the Mayor to Execute a Letter Amendment for the 2007 Neighborhood Preservation Grant
5. Resolution No. 265-08 Authorizing Settlement Agreement
6. Resolution No. 266-08 Authorizing Transfer of Appropriations
7. Resolution No. 267-08 Authorizing the Cancellation of Appropriations
8. Resolution No. 268-08 Payment of Bills
9. Resolution No. 269-08 Authorizing Administrator to authorize purchases up to $100 from Gale's for signs to be repaired by Garden Club members.
10. Resolution No. 270-08 Not to hold KBA money in abeyance

Resolution Number three was removed.

PUBLIC COMMENT PORTION

The Meeting is opened to the public for comments or questions at 7:43 P.M.

Art Olsen spoke regarding the Garden Club and says KBA would work with them as a Visual Improvements. Mr. Olsen presented their proposed 2009 budget, mentioned resolution to do a review of the KBA Board. Next KBA payment is March 1st, payment held in abeyance until March 31st. Mr. Olsen would like Council to reconsider withholding funds from the KBA.

Mr. Kovacs asked about the date for the Soap Box derby; Mr. Olsen stated it was a week after.

Mr. Ludwig, 50 Beers Street, stated he disagrees with Art Olsen regarding the reconsidering of holding KBA funds. Feels KBA is not credible due to Jo-Jo Merla's position on the Board.

Mr. Olsen stated that under the By-laws Mr. Merla cannot be removed in one meeting. A motion was made and passed to remove him at their last meeting and a letter was sent to him in prison.

Bob Ludwig, felt the Borough Council should direct the Board to remove Mr. Merla. The Borough Attorney was asked whether it would be legal for the Borough to do so. The Attorney explained such a resolution would be an opinion and would not be binding. Attorney also stated that the KBA and the Borough are separate corporate bodies with their own set of by-laws. The Borough does not have the power to compel the KBA,

Mike Lane, 51 First Street, asked that the Borough not put KBA budget in abeyance. Stated that he feels they need to be able to do work now to prepare for events. Mr. Lane wished that Mr. Ortman was here tonight so that he could thank him for his positive contributions.

Mr. Lane state he has status questions:

- Asked about Keyport COAH planner? (Mr. Connolly assigned) Feels there is a potential for 500 units between Brown Point, Aeromarine, 75 Manchester, etc.
- Reval notices were to go out in December. Administrator stated that physical inspections have been completed; letter should go out in January.
- Asked about what Borough will do regarding illegal conversions, how will this be handled. Mr. Sheridan replied that the Mayor has been spearheading those last two items and he is not here to answer.

Mr. Lane will send projected number of units to Council. He asked f update of litigations. Mr. Wisniewski explained what he knew of t litigations. Another firm has been handling some of the settlemeni matters. Mr. Lane asked the status of the Redevelopment Plan.

Ms. Bolte stated she received no communication since the Planning Board acted.
Mr. Lane also asked about the following:

- Uptown Bar & Grill
  - after hours violation being dealt with
  - deck at the Uptown? Who owns the deck? Jo-Jo Merla said he did, but the County records show it is owned by both Mr. Merla and Leroy Robinson, who has since been found guilty of money laundering. Feels testimony at renewal was different from what the County records show.

- KCCC - listened to tapes - he had previously asked about Borough Employees being on the Committee. Councilwoman Bolte said there would be no paid staff. Who appointed that committee? Attorney clarified that what Mr. Lane really means is not the committee itself but the Board of Directors. Mr. Wisniewski stated that was the Mayor and/or Mayor and Council.

  Councilman Walling stated it was not the Council so Mr. Wisniewski stated then it must have been the Mayor. Attorney asked what his questions are. Mr. Lane talked about Mr. Walling's asking about amending the by-laws and was told only the Board of Trustees can do so which he feels is a conflict because Borough employees are on the Board.

Kishore Chiquarapati asked about the special meeting he saw on the calendar; the special meeting was a disciplinary hearing for the Uptown Bar and Grill. Mr. Chiquarapati spoke about withholding monies but feels findings should come first, before money is held in abeyance.

Bob Ludwig stated he had a few questions for the Borough Attorney:

- Has litigation between Century Land Group and Aeromarine been resolved? Mr. Wisniewski stated he did not know since Mr. Litwin was had been handling it.
- Cheryl Hill case - Mr. Wisniewski replied that he was only involved in the appeal of the stop-work order. Mr. Wisniewski stated th the Planning Board Attorney, Mr. Menna, would have more informati regarding anything else on that case.

Chief Mitchell spoke regarding KBA streetscape, total funding for that project is coming from KBA funds and things will be held up if KBA money is held.

Motion was made by Mr. Walling and second by Mr. Kovacs to give KBA their money. Not to hold payment in abeyance until March 31st - asked that it not be held at all. Mr. Walling is in favor of having an unbiased committee look at the KBA. Ms. Bolte stated that her motion was to be a three person committee.

There being no one further from the audience who wished to be heard, the meeting was closed to the public at 8:29 P.M.

APPROVAL OF RESOLUTIONS

Motion on the Consent Agenda

Motion to amend agenda and add KBA resolution to not withhold abeyance, add to agenda, moved by Mr. Walling, second by Mr. Kovacs

Roll Call Vote: Ayes: Councilmembers Kovacs, Sheridan, Hill, Walling
Nays: Bolte
Absent: Councilmember Ortman
Abstain:

ADJOURNMENT

Motion to Adjourn moved by Mr. Walling, second by Mr. Hill with Ayes by all present.

Time of Adjournment: 8:38 PM