December 30, 2003
Keyport, New Jersey

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 #411-03, 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 Merla called the meeting to order at 6:30 P.M. and read the Sunshine Law Notice.

ROLL CALL

On Roll Call the following were present: Councilmembers Atkins, Hyer, Stalter, Doyle. Absent: Councilmembers Bergen, Green. Others present: Wesley Kain, Borough Attorney, Gerald Freda, Borough Engineer, Thomas Fallon, Chief Financial Officer.

HEARINGS ON ORDINANCES

1. Ordinance #36-03, Amend Quarterly Minimum Water Charges

The Clerk reported that the Ordinance was published in the Courier, issue of December 18, 2003, 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 ENTITLED "REVISED GENERAL ORDINANCES OF THE BOROUGH OF KEYPORT" ADOPTED BY THE MAYOR AND BOROUGH COUNCIL AND AMENDED FROM TIME TO TIME THEREAFTER AMENDING AND SUPPLEMENTING CHAPTER VIV, WATER AND SEWER

The Hearing was opened to the public for comments or questions at 6:32 PM. Wade Pedersen, 228 Main Street asked how much of the increase would go for repairs to the system. Mr. Fallon, CFO said an $800,000 bond ($20,000 plus the down payment for the bond). The Hearing was closed at 6:33 PM.

Offered by Councilman Stalter, seconded by Councilman Hyer

Mayor Merla said Councilmembers Hyer and Atkins voted no on the introduction. Mr. Hyer said he spoke with Mr. Fallon. There has been no increase in water rates since 1994, only sewer from 140% to 160%. (Councilman Bergen arrived at 6:35 PM). He was assured by Mr. Fallon regarding the increase. There was surplus over the years in the water account. The BRSA costs have increased from $836,478 in 1994 to $1,870,000 in 2004, 123.5% increase in over 10 years. Mr. Bergen said the surplus offset the budget. Mr. Hyer said 5 years ago the surplus started to go. Mr. Fallon said the surplus started to go down in 1999. Mr. Bergen said two years ago the Council had a choice, to either increase revenues or decrease costs. Mr. Hyer said the residents want services. Mayor Merla said in 1994 the BRSA impact was received and the Borough started paying for water. 68% of the BRSA budget is for debt service. Mr. Hyer said Mr. Fallon said 4-5 years ago something should have been done. Mr. Bergen asked Mr. Fallon if he advised to raise rates. Mr. Fallon said in 1996, 1997 the Borough had surplus and considered lowering the rates but didn't because of the BRSA. Mr. Hyer asked Mr. Fallon if 4-5 years ago he said to raise rates and Mr. Fallon said yes. Mayor Merla said this is over and done with, there are mandates, the BRSA and New Jersey American. The Borough needs to start fixing the infrastructures and the meters are running slow. Mr. Bergen said some have separate meters, no sewer. Mayor Merla said the big commercial establishments are taking advantage. Mr. Hyer said meters tested recently are running low. Mayor Merla said the Borough should start with in the infrastructure and then address the meters. Mr. Bergen advised being careful spending money, to start with the commercial meters. Mr. Bergen said he does not remember being told to raise rates 4-5 years ago, two years ago revenues were not generated and the rates have not been raised in 10-12 years. Mrs. Atkins said the matter can still be looked into and state mandates caused problems. Mr. Bergen said the BRSA has fixed debt and will be still paying it. Mr. Fallon said the credits received help balance the budgets but they cannot be banked.

Roll Call Vote: Ayes: Councilmembers Bergen, Atkins, Hyer, Stalter, Doyle
Absent: Councilman Green

Remarks: Mr. Bergen said he abstained on the introduction, has spoken with Mr. Fallon, that he would like to look at the structure and other issues and work to reduce the rates, that you have to be smart on spending monies, in spirit be bipartisan and cooperative. Mrs. Atkins said that the State mandated that the Borough could only use the water plant 5 months out of the year, that they would not allow alternatives, that changes and upgrades have to be made that she is not in favor of the increase but will vote yes. Mr. Hyer said he agrees with Mr. Bergen and has conferred with Mr. Fallon. Mr. Bergen said it is not doomsday, that several factors such as weather could produce a swing and there could be monies. Mayor Merla thanked the Councilmembers for being responsible and having to make hard choices (increasing the residents bills), that next year to capitalize on what has been done to this point and allocate monies for capital improvements.

1a. Motion authorizing the Clerk to publish the Ordinance as finally adopted according to law, in the Courier, issue of January 8, 2004 moved by Mr. Hyer, seconded by Mr. Stalter, with Ayes by all present.

2. Ordinance #38-03, Bond Ordinance, $100,000, Benjamin Terry Park Bulkhead

The Clerk reported that the Supplemental Debt Statement has been received and approved from the Division of Local Government Services.

The Clerk reported that the Ordinance was published in the Courier, issue of December 18, 2003, 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:

BOND ORDINANCE PROVIDING FOR IMPROVEMENTS TO THE BENJAMIN TERRY PARK BULKHEAD, BY AND IN THE BOROUGH OF KEYPORT, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY; APPROPRIATING $100,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF $95,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF

(FULL COPY OF ORDINANCE ATTACHED HERETO AND MADE A PART OF THESE MINUTES)

The Hearing was opened to the public for comments or questions at 6:52 PM. Wade Pedersen, 228 Main Street asked what was being done. Mayor Merla said a wall which is 60 years old and the property will remain open space. Mr. Pedersen said there an aerator was there and asked if any test borings were done. Mr. Freda said it was looked at in the summer and considered a serious problem, the public works tried to repair but there is nothing left to patch, it either has to be replaced or removed. The Council decided to take down and move it back to a certain point, grade and let it take its course. Mayor Merla said the DEP was asked (because of the connected park) and they said they had no problem for the Borough to continue. The whales and docks are still there along First Street. Mr. Bergen asked if the Borough had addressed points; no. Mr. Bergen said they should be addressed. Mr. Freda said in time the wall will become exposed (from the plant), all clean fill will be put in and the contractor will stabilize the ground. Mr. Freda said there is no design, that it was an emergency. Mr. Pedersen said Cedar Street is being held by the old bulkhead. Mr. Freda said the whole bulkhead will not be taken down. Mr. Bergen recommended that time be taken for the Engineer to prepare a design. The area could be stabilized by vegetation, or rock or mini walls. The erosion is to the wall and then the wall will erode. People are down there this time of year. Mr. Freda said the DEP prefers removal. There was discussion on pilings, whalers, tie backs, sheathing, what condition they are in. Mayor Merla said the matter will be reviewed further, that the Engineer to a further inspection before work starts as they want to start January 5th and submit a report for the January 6th meeting. Mr. Freda said he did an assessment, not a design. Mr. Freda is to contact the contractor that he is not to begin until after the January 6, 2004 meeting. The Hearing was closed at 7:17 PM.

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

Roll Call Vote: Ayes: Councilmembers Bergen, Atkins, Hyer, Stalter, Doyle
Absent: Councilman Green

2a. Motion authorizing the Clerk to publish the Ordinance as finally adopted according to law, in the Courier, issue of January 8, 2004, moved by Mr. Hyer, seconded by Mrs. Atkins, with Ayes by all present.

COMMUNICATIONS & PETITIONS

1. Resignation from David A. Rooke, Supervisor of Public Works, effective January 2, 2004.

   Motion to accept with regret, moved by Mr. Bergen, seconded by Mr. Hyer, with Ayes by all present.

1. Letter from Shorelands Water Company regarding New Jersey-American Water request to BPU for increase in rates.

   Motion to receive and file, moved by Mr. Bergen, seconded by Mrs. Atkins, with Ayes by all present.

2. Memo from Board of Fire Wardens regarding delivery on 2003 E-One Rescue Pumper.

   Motion to receive and file, moved by Mrs. Atkins, seconded by Mr. Stalter, with Ayes by all present.

PUBLIC COMMENT PORTION

The meeting was opened to the public for comments or questions at 7:25 PM. Mary Allen, Maple Place asked what was the water rate increase, 25%. Mayor Merla wished everyone a Happy and Healthy New Year. The Public Comment Portion was closed at 7:26 PM.

RESOLUTIONS

1. Resolution #434-03, Transfer of Appropriations
2. Resolution #435-03, Corrective Action Plan (2002 Audit)
3. Resolution #436-03, Amend and Supplement Resolution #58-03, Fixing the Salaries of Various Employees
4. Resolution #437-03, Notice to Contractor/Benjamin Terry Park Bulkhead
5. Resolution #438-03, Payment of Bills

(RESOLUTIONS ATTACHED HERETO AND MADE PART OF THESE MINUTES)

Offered by Councilman Doyle, seconded by Councilman Stalter

Roll Call Vote: Ayes: Councilmembers Bergen, Atkins, Hyer, Stalter, Doyle
Absent: Councilman Green

6. Resolution #439-03, Closed Meeting-Personnel and Contract Negotiations

(RESOLUTION ATTACHED HERETO AND MADE PART OF THESE MINUTES)

Offered by Mr. Hyer, seconded by Mrs. Atkins

Roll Call Vote: Ayes: Councilmembers Bergen, Atkins, Hyer, Stalter, Doyle
Absent: Councilman Green

Council went into Closed Session at 7:30 PM and this meeting was reconvened at 8:24 PM. On Roll Call the following were present: Councilmembers Bergen, Atkins, Hyer, Stalter, Doyle. Absent: Councilman Green.

ADJOURNMENT

Motion to Adjourn moved by Mrs. Atkins, seconded by Mr. Doyle, with Ayes by all present.

Time of Adjournment: 8:25 PM

Respectfully submitted,
Judith L. Poling
Judith L. Poling, RMC/CMC
Borough Clerk