

March 25, 2015

A Regular Meeting of the Borough Council of the Borough of Avalon was held on Wednesday, March 25, 2015 at 8:30 p.m. in the Meeting Room, 3100 Dune Drive, Avalon, New Jersey.

Attendance: Public - - - - - 15 Reporters - - - - - 2

The meeting was called to order by Council President Covington.

<u>Roll call:</u>	Council President Covington	Present
	Council Vice President Dean	Present
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Present
	Councilman McCorristin	Present

Also present:

Scott Wahl, Business Administrator
 James A. Waldron, Assistant Business Administrator
 Steven Fabietti, Esquire, Gruccio, Pepper, DeSanto & Ruth
 James V. Craft, Chief Financial Officer
 Police Chief William McCormick
 William Macomber, Director of Public Works & Utilities
 Michael Garcia, Ford Scott & Associates
 Thomas R. Thornton, P.E., Borough Engineer, Hatch Mott Macdonald, LLC

Council President Covington read the Open Public Meetings Act Announcement.

Notice of this Regular Meeting was included in the Annual Schedule of Meetings dated June 25, 2014. It was given to the news media and posted on the Official Bulletin Board as required by law.

Minutes:

Work Session, Agenda Session, Regular Meeting, Closed Session – February 25, 2015
 Work Session, Agenda Session, Regular Meeting – March 11, 2015

Motion made by Councilman McCorristin, seconded by Council President Covington that the minutes be approved as submitted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

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Public comments regarding Resolutions:

None.

Resolution No. 64-2015: A RESOLUTION REGARDING 2015 LOCAL
MUNICIPAL BUDGET READ BY TITLE ONLY
AS PROVIDED BY N.J.S.A. 40A:4-8

Motion made by Councilman McCorristin, seconded by Council Vice President Dean that the resolution be adopted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Council President Covington, Michael Garcia, Auditor, Ford Scott Associates, LLC and Councilwoman Hudanich gave a power point presentation and reviewed the 2015 Local Municipal Budget, a copy of which is attached to these minutes.

Public Hearing regarding the 2015 Local Municipal Budget:

Presiding Officer: The meeting is now open for public hearing on the 2015 Local Municipal Budget. Are there any questions or comments?

Steve Malyzke, 7218 Ocean Drive, asked how the Borough issues bonds and if the Borough had money budgeted to repair Ocean Drive.

Council President Covington said bonds are reviewed twice yearly to evaluate if re-financing is feasible. He explained that most bonds have a fixed rate, but if there is a 3% savings, they are refinanced.

Councilwoman Hudanich explained that the 2014 budget provided for roads, but this year the amount is minimal because the Borough is doing an assessment.

Council President Covington mentioned the County is planning to repave Ocean Drive in 2016.

Martha Wright, 632 7th Street, stated she has looked at expenses paid to Lomax and questioned if Professional Services Contracts are reviewed yearly to see how much is being spent by the Borough. She encouraged Council to look at the expenditures more closely.

Council President Covington said the Professional Services Contracts are reviewed yearly.

Frank McLaughlin, 7278 Ocean Drive and 261 47th Street, asked for clarification on the budget and said he was concerned about the debt of the Borough. He asked that the Borough look at their spending and be prudent spending money.

Michael Garcia, Ford Scott & Associates and James V. Craft, Chief Financial Officer gave an overview explaining the debt, bonds and interest.

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Motion made by Councilwoman Hudanich, seconded by Council Vice President Dean that the public hearing be closed.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Resolution No. 65-2015: A RESOLUTION REGARDING 2015 LOCAL MUNICIPAL BUDGET AS FINALLY ADOPTED

Motion made by Councilwoman Hudanich, seconded by Council Vice President Dean that the resolution be adopted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Resolution No. 66-2015: A RESOLUTION AUTHORIZING A SHARED SERVICES AGREEMENT BETWEEN THE BOROUGH OF AVALON, CITY OF SEA ISLE CITY AND BOROUGH OF STONE HARBOR FOR UTILIZATION OF THE COMCAST LOCAL ACCESS CHANNEL FOR A ONE (1) YEAR TERM COMMENCING APRIL 1, 2015 THROUGH MARCH 31, 2016

Motion made by Council President Covington, seconded by Councilwoman Hudanich that the resolution be adopted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Resolution No. 67-2015: A RESOLUTION GRANTING A 2015 AMUSEMENT GAMES LICENSE TO TWO BITS AMUSEMENTS, INC. FOR PREMISES LOCATED AT 2805-07-09 BOARDWALK, AVALON, NEW JERSEY

Motion made by Council Vice President Dean, seconded by Councilwoman Hudanich that the resolution be adopted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

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Resolution No. 68-2015: A RESOLUTION AUTHORIZING THE EXECUTION OF A PROFESSIONAL SERVICES CONTRACT, NON-FAIR AND OPEN, WITH 7 MILE PUBLISHING AND CREATIVE GROUP, LLC OF AVALON, NJ FOR PUBLIC RELATIONS AND ADVERTISING SERVICES FOR THE BOROUGH OF AVALON FOR A TERM OF ONE (1) YEAR COMMENCING APRIL 1, 2015 THROUGH MARCH 31, 2016

Motion made by Council President Covington, seconded by Councilman McCorristin that the resolution be adopted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Resolution No. 69-2015: A RESOLUTION OPPOSING NEW JERSEY SENATE BILL S2076/ASSEMBLY BILL A3358 REGARDING CLASS I RENEWABLE ENERGY CERTIFICATE MULTIPLIER PROGRAM FOR UNPROFITABLE LANDFILL GAS TO ELECTRICITY FACILITIES

Motion made by Councilwoman Hudanich, seconded by Council Vice President Dean that the resolution be adopted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Resolution No. 70-2015: A RESOLUTION AUTHORIZING PAYMENT OF BILLS

Motion made by Council President Covington, seconded by Councilman McCorristin that the resolution be adopted.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Second reading, public hearing and final action on Ordinance No. 719-2015:

Motion made by Council Vice President Dean, seconded by Council President Covington that Ordinance No. 719-2015 be brought on for second reading, public hearing and final action.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

March 25, 2015

Borough Clerk to read aloud Ordinance No. 719-2015:

Ordinance No. 719-2015:

AN ORDINANCE AMENDING CHAPTER 14 (WATER AND SEWER) OF THE CODE OF THE BOROUGH OF AVALON, 2013 IN ORDER TO CHANGE THE QUARTERLY ALLOWANCE FOR WATER AND SEWER SERVICES

Council President Covington opened the meeting for public hearing on Ordinance No. 719-2015 and asked if there were any questions or comments.

There were no questions or comments.

Motion made by Council Vice President Dean, seconded by Council President Covington that the public hearing be closed.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Motion made by Council Vice President Dean, seconded by Council President Covington that Ordinance No. 719-2015 be finally adopted, submitted to the Mayor for approval and advertised according to law.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Second reading, public hearing and final action on Ordinance No. 720-2015:

Motion made by Councilman McCorristin, seconded by Councilwoman Hudanich that Ordinance No. 720-2015 be brought on for second reading, public hearing and final action.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Borough Clerk to read aloud Ordinance No. 720-2015:

Ordinance No. 720-2015:

AN ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 9 (PARKS, BEACHES AND RECREATION FACILITIES) AND CHAPTER 10 (LICENSING AND PERMITS GENERALLY) OF THE CODE OF THE BOROUGH OF AVALON, 2013

Council President Covington opened the meeting for public hearing on Ordinance No. 720-2015 and asked if there were any questions or comments.

There were no questions or comments.

Motion made by Councilman McCorristin, seconded by Councilwoman Hudanich that the public hearing be closed.

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<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Motion made by Councilman McCorristin, seconded by Councilwoman Hudanich that Ordinance No. 720-2015 be finally adopted, submitted to the Mayor for approval and advertised according to law.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Second reading, public hearing and final action on Ordinance No. 721-2015:

Motion made by Council Vice President Dean, seconded by Councilman McCorristin that Ordinance No. 721-2015 be brought on for second reading, public hearing and final action.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Borough Clerk to read aloud Ordinance No. 721-2015:

Ordinance No. 721-2015:

BOND ORDINANCE PROVIDING FOR VARIOUS CAPITAL PROJECTS IN AND BY THE BOROUGH OF AVALON, IN THE COUNTY OF CAPE MAY, NEW JERSEY, APPROPRIATING \$590,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$ 531,000 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF

Council President Covington opened the meeting for public hearing on Ordinance No. 721-2015 and asked if there were any questions or comments.

There were no questions or comments.

Motion made by Council Vice President Dean, seconded by Councilman McCorristin that the public hearing be closed.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Motion made by Council Vice President Dean, seconded by Councilman McCorristin that Ordinance No. 721-2015 be finally adopted, submitted to the Mayor for approval and advertised according to law.

<u>ROLL CALL VOTE:</u>	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

March 25, 2015

Reports and Recommendations by Mayor and Officials:Reports of Officials:

Scott Wahl, Business Administrator updated Council on the Peermont Substation project. He said a meeting was held on Friday, March 23rd in Borough Hall to discuss the ongoing project regarding the construction of the new Peermont Substation in Avalon between 60th and 61st Streets. He said the Borough received a timeline of construction of the substation to meet the current and future energy needs of the Seven Mile Island, and to reduce the number and duration of power outages in the Borough during storm events and other emergencies. He reported construction will continue through Thursday, May 21st when construction will cease, a safety/security fence will be installed, and the site will have no activity through the entire summer including Labor Day weekend; after Labor Day weekend the construction begins again with the current substation being de-energized and removed, and the new substation constructed and energized to be in service before Memorial Day weekend, 2016. He indicated all information is available on the Borough's website.

Monthly Reports:Month of February 2015:

Borough Clerk and Registrar's Report submitted by Marie J. Hood.

Bureau of Fire Prevention, Licensing, Miscellaneous Construction Collection, Construction Water and Sewer, Uniform Construction Code, Taxicab, Beach Vehicle Reports submitted by John Tracy.

Code Enforcement Report submitted by Paul E. Short, Sr.

Municipal Court Report submitted by George B. Neidig, Jr.

Police Department Report submitted by Chief William McCormick.

Public Works Department Report submitted by William Macomber.

Recreation Operations Report submitted by Chuck McDonnell.

Tax Collector Control Account Report and Water/Sewer Control Account submitted by Connie L. DiCola.

Zoning Report submitted by Jeffrey R. Hesley.

Motion made by Councilwoman Hudanich, seconded by Council President Covington that the reports be approved.

ROLL CALL VOTE:	Council Vice President Dean	Aye
	Councilman Ellenberg	Absent
	Councilwoman Hudanich	Aye
	Councilman McCorristin	Aye
	Council President Covington	Aye

Pending business.

None

New business

None

Public Comments:

None.

March 25, 2015

Motion made by Councilman McCorristin, seconded by Council Vice President Dean to adjourn the Regular Meeting.

ROLL CALL VOTE:

Council Vice President Dean	Aye
Councilman Ellenberg	Absent
Councilwoman Hudanich	Aye
Councilman McCorristin	Aye
Council President Covington	Aye

Regular Meeting adjourned at 8:18 p.m.

Respectfully submitted,

Marie J. Hood, Borough Clerk

Charles P. Covington, Council President



Change over last year's budget appropriations		<u>(\$2,589,049)</u>
Breakdown:		
Salary and Wage Increase		\$118,442
Other Expense - Change:		
Capital Projects	892,823	
Insurance Cost (Outside CAPS)	66,000	
Debt Service	(593,299)	
Surplus Transfer to W/S and Beach	(16,883)	
Grants (Back bay/39 th Street Park)	(3,178,392)	
Statutory Expenses – Pension	(26,946)	
Prior Year Payment of Bills	(48,255)	
Reserve for Uncollected Taxes	71,914	
Library Appropriation	30,228	
General Government	<u>95,318</u>	<u>(\$2,802,809)</u>
		<u>(\$2,589,049)</u>

Change in Revenues		<u>(\$2,589,049)</u>
Breakdown:		
Surplus	\$47,641	
Receipts from Delinquent Taxes	100,000	
Other Special Items	(15,755)	
Grants With Offsetting Appropriations	(3,178,392)	
Local Revenues/State Aid/Misc	6,226	
Transfer of Excess Library Surplus	<u>152,475</u>	
		(\$2,887,806)
Library Tax Levy Increase	30,228	
Local Tax Levy	<u>268,528</u>	
		\$298,756
Total Change in Revenue		<u>(\$2,589,049)</u>

Budget Changes		
TOTAL BUDGET 2015	\$	25,339,828
TOTAL BUDGET 2014	\$	27,928,877
INCREASE IN BUDGET	\$	<u>-2,589,049</u>
BOROUGH TAX LEVY 2015	\$	16,637,528
BOROUGH TAX LEVY 2014	\$	16,369,000
INCREASE IN TAX LEVY	\$	<u>268,528</u>
BOROUGH TAX RATE 2015		22.6 CENTS
BOROUGH TAX RATE 2014		22.4 CENTS
NET VALUATION TAXABLE 2015	\$	7,367,492,940
NET VALUATION TAXABLE 2014	\$	7,308,584,327
INCREASE IN RATABLES (NET)	\$	<u>59,908,613</u>

2% Levy CAP Calculation

Prior Year Amount to be Raised by Taxation	16,369,000
Less: Funding of Capital Ordinances	1,088,000
Net Prior Year Tax Levy for Local Purpose Tax for CAP	15,281,000
Calculation	
Plus 2% CAP Increase	305,620
Adjusted Tax Levy Prior to Exclusions	15,586,620
Exclusions:	
Health Insurance Cost Increase	121,000
Capital	687,250
Fund Capital Ordinances	1,293,273
Total Exclusions	2,101,823
Less Cancelled or Unexpended Exclusions	1,012
Adjusted Tax Levy	17,687,431
Additions:	
New Ratables - New Construction	68,100,600
Prior Year's Tax Rate (Local)	0.224
	152,545
Prior Year CAP Banks	877,683
Maximum Allowable Amount To Be Raised By Taxation	18,749,593
Amount To Be Raised By Taxation - Budget Sheet 11	16,637,528
Under 2% Levy CAP With Banking	2,112,065

Major Factors in the 2015 Budget Surplus

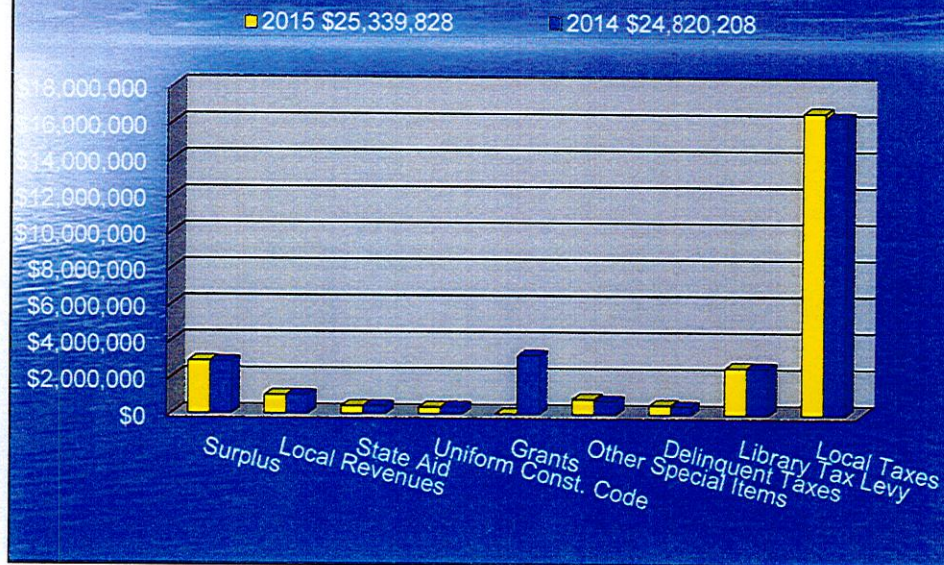
Surplus Generated in 2014 \$3,505,639

STATUS OF SURPLUS

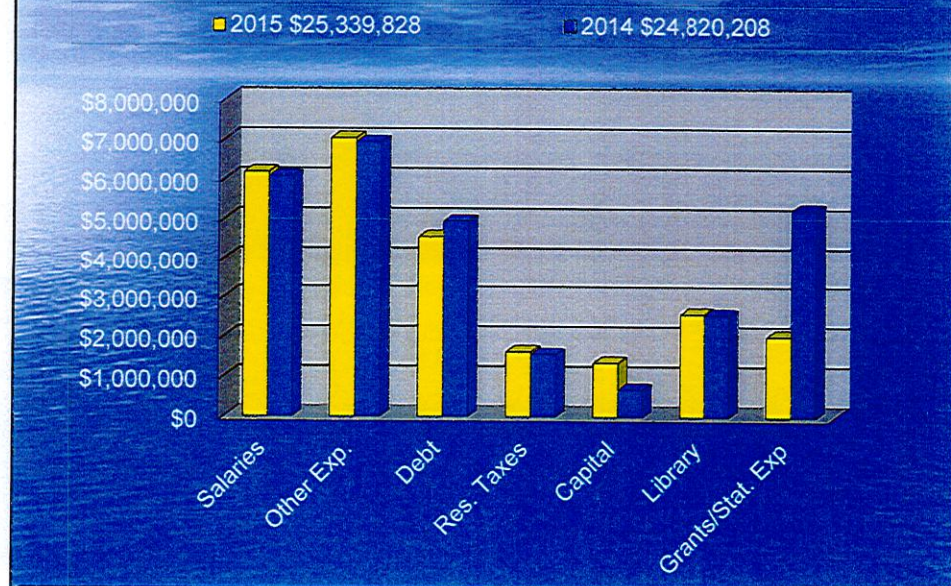
BALANCE DECEMBER 31, 2014	6,519,812
USED IN 2015 BUDGET	2,885,000
REMAINING SURPLUS	\$ 3,634,812

HAVING RECURRING SURPLUS IS IMPORTANT IN MAINTAINING
FAVORABLE BOND RATING

Current Fund Revenues



Current Fund Appropriations

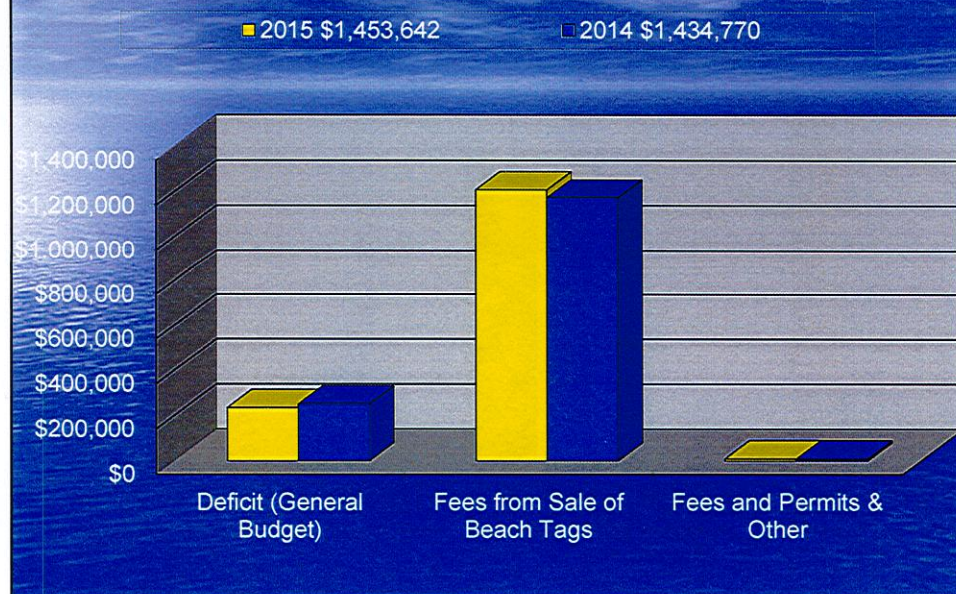


2015 Major Capital Projects

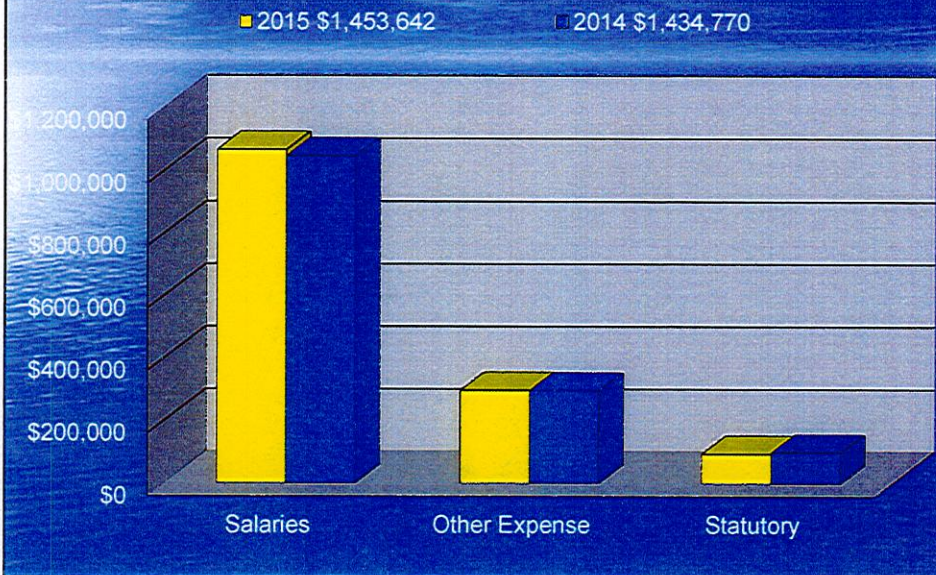
- General Capital

– Beach Nourishment	\$12,000,000
– 28 th Street Parking Lot	480,000
– 30 th Street Beach Improvements	300,000
– Improvements to Community Hall/Playground	
Improvements	* 82,000
– Public Works Equipment	*124,000
– Back Bay Dredging	*160,000
– Bulkhead/Storm Drain 80 th St.	*135,000

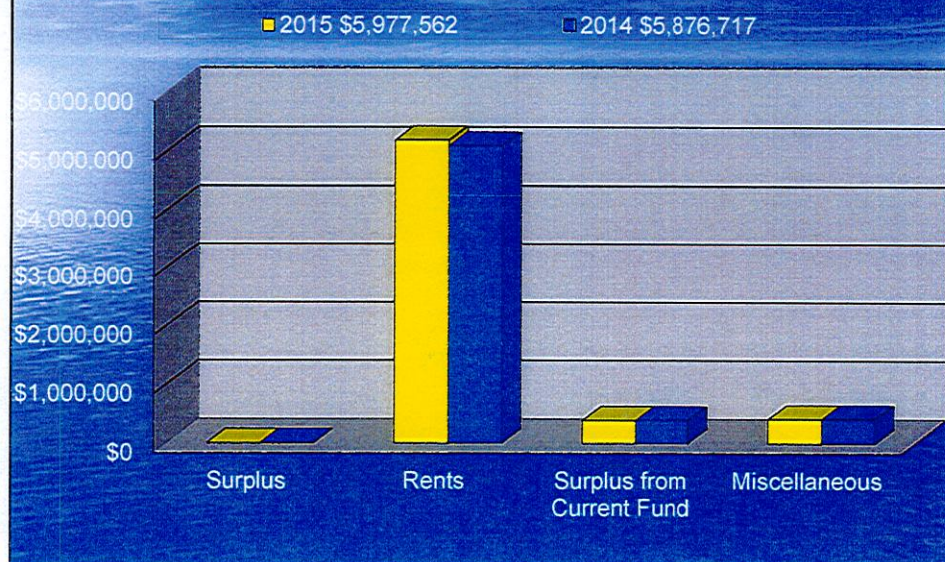
Beach Utility Fund Revenues



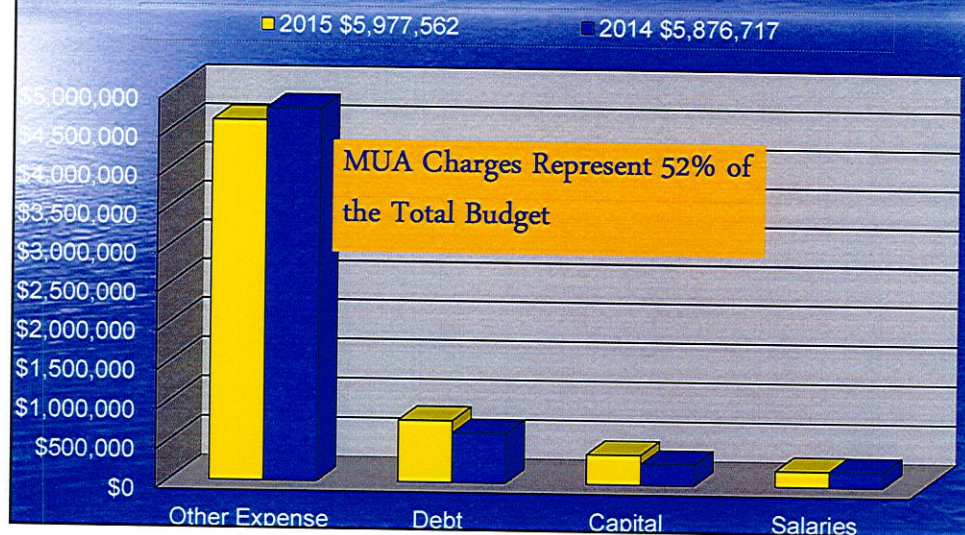
Beach Utility Fund Appropriations



Source of Water/Sewer Utility Fund Revenues



Water/Sewer Utility Fund Appropriations



Current, Water/Sewer and Beach Fund Services Provided

