A Work Session of the Borough Council of the Borough of Avalon was held on

Wednesday, November 9, 2016 at 4:05 p.m. in the Meeting Room, 3100 Dune Drive, Avalon, New Jersey.

 Attendance: Public -------------------- 4 Reporters ----------------------- 2

 The Meeting was called to order by Council President Hudanich.

Pledge of allegiance.

 Roll call: Council President Hudanich Present

 Councilman Burns Present

 Councilman Covington Present

 Councilman Dean Present

 Council Vice President McCorristin Present

 Also present:

Scott Wahl, Business Administrator

James Waldron, Assistant Business Administrator

Stephen D. Barse, Esquire, Borough Solicitor

William Macomber, Director of Public Works/Utilities

Police Chief William McCormick

James V. Craft, Chief Financial Officer

Edward Dean, Fire Chief

John Tracy, Construction Official

Thomas R. Thornton, P.E., Borough Engineer, Hatch Mott Macdonald, LLC

 Council President Hudanich read the Open Public Meetings Act Announcement.

 Notice of this Work Session was included in the Annual Schedule of Meetings dated June 22, 2016. It was given to the news media and posted on the Official Bulletin Board as required by law.

Further discussion regarding Resolution authorizing electronic sales and distribution of beach tags and discussion of increase to preseason and season beach tag fees.

Jim Craft reported discussions have taken place with the CFO in Ventor as well as the Clerk in Asbury Park that deal with the vendor for electronic beach tag sales. Both individuals highly recommended the company and had no complaints with the system. Ventor sold approximately 700 tags and are hoping to increase sales next year. Asbury Park sold approximately 15,000 daily tags and will be expanding their sale to include seasonal tags next year. The company involved in the program completes all necessary set-up and training.

Council President Hudanich asked where purchasers can pick up tags that are purchased electronically.

Jim Craft explained tags could be picked up by presenting the code generated to a Beach Tagger or at the Beach Tag Booth.

Council President Hudanich advocated extensive training and a strategic plan in place to ensure the most efficient purchasing and pick up process.

Jim Craft added the price of preseason tags will increase by $1.00 to $23.00 per tag, and the price of seasonal tags will increase by $1.00 to $27.00 per tag. Stone Harbor is increasing their fees in the same increment. This increase should generate approximately $34,000 of additional revenue.

Council agreed to proceed with a Resolution to be prepared for the November 22, 2016 Regular Meeting.

Discussion regarding Resolution authorizing transfer of 2016 appropriations.

Jim Craft explained transfers within the budget are needed to fund the proposed stipend program with the Avalon Volunteer Fire Department.

Council agreed to proceed with a Resolution to be prepared for the November 22, 2016 Regular Meeting.

Discussion regarding status of USACOE hydraulic beach fill in Avalon and Stone Harbor.

Scott Wahl gave the following report:

On Tuesday, November 2nd a meeting was held in Avalon to discuss the status of the Avalon and Stone Harbor Beach Fill project. The meeting was called by NJDEP’s Bill Dixon at the request of Commissioner Bob Martin. Also in attendance were Scott Wahl, Jim Craft, Tom Thornton, Jill Gougher, and NJDEP’s Chris Constantino (via telephone). This meeting and potential solution happened as a credit to Avalon’s attempts to exhaust every avenue possible to make this beach fill a reality due to the emergent conditions on our beaches caused by three coastal storm events.

Commissioner Martin met with Mr. Dixon this morning and instructed him to come to Avalon to meet with us on a potential solution to the beach fill dilemma as it relates to the USFW’s application of the CBRA law that would restrict the use of federal dollars to extract sand out of Hereford Inlet for the benefit of Stone Harbor’s portion of the beach fill. Commissioner Martin indicated that the State, and both Boroughs are negatively impacted by this decision, a long-term solution is necessary, and the State will do all it can to make this beach fill a reality.

Commissioner Martin recognized that a contribution by the State to pay for the sand removal from Hereford Inlet would solve the CBRA issue as non-federal dollars can be used to extract as much sand from the Inlet as possible. However, he also recognized that it would provide a financial advantage to Stone Harbor and Avalon is entitled to some relief.

Mr. Dixon presented a worksheet to our group; the final draft requires some corrections as a result of our conversation and will be forthcoming. Essentially the agreement would provide non-federal funding to remove sand from Hereford Inlet to help satisfy the base bid only for Stone Harbor, while some of the federal funding would be shifted to the Avalon side of the ledger that would help satisfy Avalon’s base bid, along with Option2 and Option 3 of the bid.

For Avalon, we would receive the base of 145,000 cubic yards of sand, Option 2 of 250,000 cubic yards of sand, and Option 3 of 95,000 cubic yards of sand for a total of 490,000 cubic yards of sand. Avalon’s contribution to this would be in the neighborhood of $764,188.75. Option 1 would not be awarded which totals 450,000 cubic yards of sand because that option is greater than the sum of money available from the feds and the state. *For Stone Harbor, they would receive only the base bid of 210,000 cubic yards of sand with a contribution of $788,289.81. Stone Harbor would receive none of its three options. Avalon would essentially receive approximately 65% of the sand available in this project before any options were applied, Stone Harbor would receive 35% of the sand.*

Both Avalon and Stone Harbor would be able to pay for additional sand under the options available. For Avalon, if we wanted to purchase all of Option 1 at the unit price of $5.15 per cubic yard (which is exceptionally low), we would have to add another $2.3 million to the project to get a total volume of 940,000 cubic yards of sand on our beach.

There are two factors to consider, one of which may provide the Borough with some financial relief. It is the NJDEP’s understanding that there may be some FCCE (emergency) funding available to the Philadelphia District if Congress would pass an emergency appropriation for damage in the south caused by Hurricane Matthew. If that happens, then any additional sand the Borough would desire past the 490,000 cubic yard volume can be paid for in part with this funding. The second factor would be to determine just how much sand Avalon needs. Mr. Dixon indicated that the Corps will be able to provide that information to us; it is possible that we may need much less than the Option 1 volume which would bring that additional cost down. However, we should consider that we have a great ability to get a lot of sand at a very low unit price of $5.15 without an extra mobilization so it may very well be in the Borough’s best

Scott Wahl report (continued) interests to place as much sand as possible. Also, the target of how much sand we actually need may very change if we have any storm events in the next few months. Tom Thornton and Jim Craft both believe we should pump as much sand as possible due to the cubic yard price.

For a reference point, the mobilization for this project is staggering $4.475 million; the dredge “Illinois” from Great Lakes would be mobilized from a Cape May project to our area after their 50 day project begins on or about December 1st.

Avalon had created a $12 million bond for beach work as a result of the last beach fill which cost slightly over $6 million that we paid for 100%; we have about $5 million in funding in place (we charged the ordinance with some other beach expenses including backpassing).

On November 1st, Avalon was assigned a case number for our complaint about the CRBA issue prepared by Neil Yoskin and Daniel Greenhouse. The case was heard by Chief Judge Jerome Simandle on Monday, November 7th, at 11:00am. The Judge was receptive to the Borough’s concerns and questioned the counsel provided who represented BOTH the USACOE and Fish and Wildlife, who have competing interests in this case. The hearing was continued to December as the Judge was made aware of this one time potential solution of this CRBA issue.

Mr. Dixon also indicated that there is a long term solution needed to this for which we are all in agreement. He said another beach project in central New Jersey faced the same hurdle in Congressman Pallone’s district. The Mayor has secured a commitment from Congressman LoBiondo to look at this issue during the winter for a long term fix. We can share the complaint prepared by Yoskin/Greenhouse with the congressional office as it provides all research and information he would need. CRBA includes some exceptions which include a portion of Michigan and Key West (if memory serves me correctly); the most simple correction would be to include beach and bay fronts in New Jersey. Mr. Dixon has pledged full cooperation from the NJDEP to support fixing this legislatively.

Stone Harbor has consented to the terms of this agreement. Avalon will be able to pull this essential project out of deep jeopardy and get at least 450,000 cubic yards of sand for under $800k and consider a larger beach with a unit price of $5.15 per cubic yard, it is a tremendous win for resiliency and our economy. We have been proactive to work on a solution to an insurmountable problem, work cooperatively with other government agencies to save a tremendous amount of money as compared to our last hydraulic fill, and to take on an issue legally and legislatively to make sure our communities are not put in this situation again.

Currently an MOU is being drafted between the Corps and the State for this funding arrangement. And the contractor has consented to an extension to hold the bid until December 15th so particulars can be worked out. I will be discussing this issue and others relating to the beach at the Saturday AHLOA meeting at Community Hall.

Councilman Covington questioned how much sand the Borough would be getting through this program.

Scott Wahl explained if CRBA did not apply, the base beach fill would have been 145,000 cubic yards. As part of this funding agreement, the Borough is eligible to receive additional federal money which would increase the amount of sand to approximately 490,000 cubic yards.

Councilman Covington asked how much the Borough would need to pay to participate in the program.

Scott Wahl explained the cost realized by the Borough to receive 490,000 cubic yards of sand through this program would be approximately $780,000.00. If the Borough decides to purchase additional sand, the cost would be an additional $5.15 per cubic yard.

Councilman Covington question how much sand is needed.

Tom Thornton noted a survey would need to be conducted to produce accurate figures, however an estimate would suggest there is between 400,000 cubic yards and 500,000 cubic yards needed.

Council agreed to participate in the program as proposed by Scott Wahl.

Discussion regarding Resolution authorizing Mott Macdonald to proceed with design and bidding services for the 8th Street jetty repairs.

Tom Thornton reported it was discovered that Winter Storm Jonas damaged the jetty by monitoring the jetty and conducting hydrographic surveys around the area. The findings of the studies and observations were presented to FEMA to demonstrate the damage observed in the weeks following the storm was caused by Winter Storm Jonas. Upon review of the application, FEMA approved funding for that project in the amount of $1,800,000.00. The application for funding included construction costs as well as engineering costs, and both would be fully reimbursed by FEMA. This would be considered a large project, and if the total cost of the project exceeds the original award amount of $1,800,000.00, that additional money would be reimbursed as well. The proposal for design permitting and bidding services comes to $195,000.00. Of that amount, $35,000.00 is associated with damage observed that could not be directly attributed to Winter Storm Jonas, which is not eligible for FEMA reimbursement. The scope of work includes hydrographic and typographic surveys of the area, detailed physical examination, and recording of voids within the jetty to accurately map the damage so the bidders understand what is required of them. Phases of design will be provided. At 60% of design, a meeting will be held with the Borough for review and to confirm all agree on the direction of the project as well as the designs before finalization. There will also be a permitting effort required through the Department of Environmental Protection. Additional services included with this project include the construction drawings and specifications included in bid packages and bidding services. The estimated schedule of design is approximately three months at which point an application for the permit can be submitted. It is expected the permit will be received between four and six months after the application is submitted. Construction would be expected to begin around September of 2017.

Councilman Burns asked if the Department of Environmental Protection acts faster on permit applications when there is an unsafe condition.

Tom Thornton noted it is possible, however if the Borough declares this project as an emergency, the Department of Environmental Protection may not allow construction to cease during the summer months.

Council President Hudanich inquired how long construction will take once it begins.

Tom Thornton responded construction should take approximately three to four months.

Council President Hudanich emphasized the need to focus on the safety of all residents and visitors, especially during the summer season and fall fishing season.

Tom Thornton noted the jetty will be very closely monitored in the time leading up to the project beginning to ensure the safety of all residents and visitors.

Council Vice President McCorristin questioned if another proposal to inspect the job will come at a later time.

Tom Thornton responded yes and explained those services were not included in the original application submitted to FEMA. However, a conversation took place with a FEMA representative who explained the application can be amended to include inspection and project management services.

Council agreed to proceed with a Resolution to be prepared for the November 22, 2016 Regular Meeting.

Further Discussion regarding bids received for Fifth Avenue and 60th Street Water & Sewer Improvements and Resolutions awarding contract and inspection services by Mott Macdonald.

Tom Thornton reported the low bidder of this project, Perna Finnigan, Inc., is confident they can complete the work associated with the project at their bid amount of $634,644.00, which is significantly lower than the Engineer’s Estimate of $1,020,000.00. The repaving of 60th Street to be paid by Atlantic City Electric amounted to approximately $96,000.00. He recommended Council approve the award of contract.

Council agreed to proceed with the appropriate Resolutions to be considered at tonight’s Regular Meeting.

Discussion regarding bids received for 2017-2019 Fireworks contract.

Scott Wahl reported one bid was received from a company the Borough has used in the past. The bid was at a lower cost than the previous contract. Any safety issues have been discussed with Chief Dean and are now resolved. The fireworks show will take place on July 4 during 2017, 2018 and 2019. He recommended Council approve the award of contract.

Council agreed to proceed with a Resolution to be prepared for the December 14, 2016 Regular Meeting.

Discussion regarding Resolution authorizing release of rental bonds.

Council agreed to proceed with a Resolution to be prepared for the December 14, 2016 Regular Meeting.

Further Discussion regarding Ordinance amending Chapter 19 (Flood Damage Prevention) regarding flood elevation of accessory structures.

Jim Waldron reported Chapter 19 has gone through multiple revisions due to the extensive activities of the working committee comprised of the Construction Official, Zoning Officer and Ed Dean. These revisions have been vetted, reviewed and approved through extensive input from Mott Macdonald and more specifically Frank Bruton as Flood Plain Manager. The proposed revisions include the addition of six definitions and the substantial revision of one definition. Section 19-6.3 includes a change to the definition of “utilities” and Section 19-7.1 includes substantial modifications to section “a”, the addition of new sections “c” and “d”, and a revision to the elevated building definition to add the Coastal “A” Zone. Frank Bruton is confident with these changes which are designed to accommodate only the accessory structures. These amendments will allow such structures to be built at grade, however the attendant equipment and all mechanicals must continue to be built at base flood plus one with certain exceptions. There is a mechanism within Document 24, which is prepared by the American Society of Civil Engineers and the Structural Engineering Institute that permits attendant utilities and equipment, or mechanicals, to be built below base flood elevation plus one provided that they comply with certain provisions of the code which would require water-proofing. That document has been adopted and made statutory by FEMA. To do so may be cost prohibitive, however it is an option if an individual wishes to do so for a particular reason. Absent those circumstances, everything of a mechanical nature will be built at base flood plus one. Drainage is not included in the attendant utilities and must be installed at base elevation plus one.

Council Vice President McCorristin noted accessory structures are not covered under insurances or by FEMA. He questioned why these changes are being made if insurance and FEMA do not cover these types of buildings.

Ed Dean explained these changes are to align Borough policies with the code.

Council agreed to proceed with an Ordinance to be considered on first reading at tonight’s Regular Meeting.

Discussion regarding Resolution supporting Senate Bill 2663 and Assembly Bill 4234 concerning permitting Joint Insurance Funds (JIF) to invest in debt obligations.

Scott Wahl read the following report:

There are now companion bills awaiting action in both the Senate and Assembly on this measure. Effectively the Atlantic County JIF is asking its membership’s governing bodies to consider passing a resolution supporting these bills which would make it clear that JIFs throughout the State have the ability to invest in debts from municipalities around the State.

This is a practice that is unclear in current state statute and JIFs around the state are asking for a language clarification in the statute to specifically allow this type of investment.

This would provide the JIF to make these type of investments and provide a good return financially for the JIF. Currently our JIF has approximately $50 million cash on hand for which to make investments. Currently the practice for the JIF is to have its executive board meet with the treasurer to decide which investments to make. The executive board then reports to the general membership of the JIF monthly on the investments that were made and the return on the investments. If the Senate and Assembly bills are approved this would simply be added to the investments that are considered on a monthly basis by the JIF.

If the bills do pass, the guidelines for which the JIF must follow will be provided by the Department of Community Affairs and the potential practice of investing in debt incurred by government entities would be established by our JIF in conformance with the DCA guidelines. There is a high level of transparency in the JIF investment process. I have been nominated to serve on the executive board for the 2017 year and will be able to monitor this for the Borough’s behalf as closely as anyone, shall the legislation be approved.

Councilman Burns inquired if there will be any restrictions on the ratings of the bonds offered, as many municipalities do not have the same ability to repay.

Scott Wahl noted that topic will be discussed with the Executive Board and the Treasurer when reviewing investments and security.

Council President Hudanich spoke in support of having a template or rubric in place to avoid risky investments.

Scott Wahl advocated the responsibility and diligence the JIF has over its finances currently and noted during JIF Safety Committee meetings every participant’s performance is evaluated for risks.

Council agreed to proceed with a Resolution to be prepared for the December 14, 2016 Regular Meeting.

Public Comments:

Elaine Scattergood, 75 30th Street, referenced a Planning Board meeting held yesterday and expressed unrest at scheduling public meetings on Election Day. She spoke in opposition of items brought to the table by Councilman Burns at that meeting.

Councilman Burns informed Ms. Scattergood that the public portion of a Council Meeting is not the correct forum to discuss Planning Board matters.

Elaine Scattergood inquired if the Small Cities program administered through the Community Development Block Grant is still an active program within the Borough.

Jim Craft noted there is still funding available through the program, however that program would need to be revived to use those funds.

Elaine Scattergood spoke in opposition of trees being removed from the maritime forest on the dunes.

Motion made by Councilman Burns, seconded by Council Vice President McCorristin to adjourn the Work Session.

ROLL CALL VOTE: Councilman Burns Aye

 Councilman Covington Aye

 Councilman Dean Aye Council Vice President McCorristin Aye

 Council President Hudanich Aye

Work Session adjourned at 4:52 p.m.

 Respectfully submitted,

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 Marie J. Hood, Borough Clerk

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 John M. McCorristin, Council Vice President