

**MINUTES  
REGULAR MEETING  
MUNICIPAL COUNCIL – BOROUGH OF RED BANK  
MARCH 23, 2009  
7:30 P.M.**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

PRESENT: Mayor Menna and Council Members Lewis, DuPont, Horgan, Lee and Murphy.

ALSO PRESENT: Administrator Sickels, Deputy Borough Clerk Borghi, Attorney Pringle, Assistant Attorney Hall, Engineers Ballard & Kosenski, Chief Financial Officer Mason and Auditor Kaplan.

ABSENT: Councilman Zipprich and Borough Clerk Vivona.

**SUNSHINE STATEMENT**

Mayor Menna requested the minutes reflect that, in compliance with Public Law 1975, Chapter 231 (Open Public Meetings Act), notice of this meeting has been provided by notifying the Asbury Park Press, the Courier, the Two River Times and the Star Ledger and by placing a notice on the bulletin board and filing same with the Borough Clerk on January 1, 2009.

**SUSPEND REGULAR ORDER OF BUSINESS**

Councilman DuPont offered a motion to suspend the regular order of business, seconded by Councilwoman Lee.

**ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the motion was declared approved.

Mayor Menna explained the resolutions being considered under the Suspended Order of Business and noted that introduction of the budget was the beginning phase of the Council's budget review and said it is not the final document but that it is the document that will be submitted to the State so they can proceed further. He introduced the Borough Auditor, David Kaplan, and said the he, in conjunction with Finance Committee Chairman DuPont, his committee, CFO Mason and Administrator Sickels had prepared these preliminary budget numbers for the statutory introduction.

Mr. Kaplan noted that budget does not include the \$350,000 in extraordinary aid that was received last year. He added that the fund for extraordinary aid has dwindled so he is not counting on getting \$350,000, however, if the Borough does receive it, it will help the taxpayers. He noted that the Governor had also seen fit to reduce COMPTRA/Energy Aid by \$65,000. He said that meant the Borough was looking at a \$415,000 loss in State Aid alone for the introduction of this budget. He added that he was happy to report that the budget as introduced was under both the statutory appropriation cap, as well as the levy cap. He also noted that the budget increase from 2008 to 2009 is less than one percent. He outlined some of the salient increases and decreases. He said debt service has decreased by \$162,000, and noted that there are appropriations in the budget to allow for an increase in salaries of approximately two percent. He said there are no layoffs for furloughs predicated in this budget as it stands now. He said the reserve for uncollected taxes has increased by \$143,000 although they took every step possible to limit that increase including utilization of a three year average method. He added that the 97.03 percent collection that the Borough achieved resulted in a \$143,000 increase in the reserve for uncollected taxes. He noted that pensions are up again this year, mainly PFRS now being fully funded. He said the combined PERS/PFRS pension liability has increased by \$130,000. He added that the Governor had signed legislation allowing pension deferral, but the Finance Committee, Mayor, CFO and Administrator all decided that was not the prudent course to take and there is no pension deferral in this budget.

Mayor Menna said the public and Governing Body will still want, prior to final adoption, statistical information as to what a deferral would mean this year and next year by adopting it or not adopting it. He added that, it is not included in this budget, he had specifically said they really needed to see that and do a comparison. Councilman DuPont said he thought the Mayor was right but that they had shared some concern over not standing up and paying for their responsibility to their pension payments and deferring it to the future. Mayor Menna said no one would be losing out on the pension, that it still was being paid. Councilman DuPont clarified that he thought they were all concerned that they do have to account for the money that they spend and that they do owe it and they need to stand up and look into payment instead of

deferment. Councilman DuPont also asked Auditor Kaplan to confirm that over 90 percent of the the .9 or less than one percent increase was from reserve for uncollected taxes, pensions and library. Mr. Kaplan said "Yes, clearly." Councilman DuPont also asked for confirmation that our revenue when down approximately \$610,000. Mr. Kaplan said that was accurate. Councilman DuPont asked if the average tax increase for the average home in the Borough, as the budget is proposed and before any cuts, would be about \$134 per year. Mr. Kaplan confirmed that it was and that it would come out to about \$11 per month.

Administrator Sickels again noted that this budget did not reflect any extraordinary aid, which last year amounted to \$350,000, and also that the Governor had cut state aid by approximately \$65,000 and said those two number represented a huge loss in revenue. He added that they were still able to bring the budget in for introduction under one percent.

Councilman DuPont said he believed all Departments had also brought their budget in at a five percent reduction. Mayor Menna confirmed that that was the case. Councilman DuPont said the Finance Committee had also recommended that the Borough start a four-day work week in the summertime. He said they had asked CFO Mason to provide them with a quantified number as to the savings. He noted that utilities have increased dramatically and they are hoping that the four-day work week together with the installation of solar panels may offset some of the increase in the utilities. He added that Administrator Sickels is considering, or may have already eliminated, some of the part time positions that may be affecting our budget.

Mayor Menna commended Mr. Kaplan, CFO Mason and Councilman DuPont and the Finance Committee and noted that this is a work in progress. He said there are a number of salient features that they are still working on. He noted that elected officials are once again not receiving an increase. He also said some of the entitlements that individuals have had for a number of years are being looked at and gave the example of the League of Municipalities Convention and said the Borough will no longer be paying for overnight accommodations. He said the Borough will pay for officials to attend seminars, but since Atlantic City is an hour away, and the Borough cannot afford that luxury. He repeated that every single Department has come in with a five percent reduction from last year. Meanwhile, he continued, the fixed costs are going up specifically the pension costs. He again noted that this was a working document and a budget that was prepared in extraordinarily difficult times which has to be addressed while still being responsible. He said they are looking at a number of different aspects of the budget including, as Council DuPont had noted, a four-day work week and added that furloughs are not out of the question. He said they are hopeful that layoffs will be avoided.

Councilman DuPont said he wanted to point out that our operating budget has gone down about a half a percent and that the Borough's debt service has gone down by over \$160,000. He said the Borough is running a pretty tight ship. He said they haven't gotten the number or legal issues cleared up regarding furloughs but the Finance Committee is still looking to trim the budget. He noted that the budget workshop where departments will present to the Finance Committee will be Tuesday, March 31 at 6:30 at Borough Hall and that the public hearing is scheduled for April 27. He added that, under the Mayor's leadership, they also looked the possibility of changing the health benefits plan over to the State but it looks like the current plan, which is the Central Jersey Health Insurance Fund, is better than the State Health Benefits and that they wouldn't save anything by moving to the State.

09-78            Mayor Menna read "A RESOLUTION TO CANCEL 2009 CURRENT FUND APPROPRIATION RESERVES."

Councilman DuPont offered a motion to approve the resolution, seconded by Councilwoman Lee.

ROLL CALL:

AYES:            Lewis, DuPont, Horgan, Lee, Murphy

NAYS:            None

There being five ayes and no nays, the motion was declared approved.

09-79            Mayor Menna read "A RESOLUTION AUTHORIZING INTRODUCTION OF THE 2009 MUNICIPAL BUDGET."

Councilman DuPont offered a motion to approve the resolution, seconded by Councilwoman Lee.

ROLL CALL:

AYES:            Lewis, DuPont, Horgan, Lee, Murphy

NAYS:            None

There being five ayes and no nays, the motion was declared approved.

Mayor Menna said he wanted the public to know that the Finance Committee, pursuant to a tradition they started some time ago, will be having a public budget workshop to allow the public to ask questions and review the budget forms, which are available in the CFO's office and the Clerk's Office, will be on March 31<sup>st</sup> at 6:30 pm in this building. He noted that the actual Public Hearing will be on April 27 at 7:30 pm. He welcomed everyone, prior to the Public Hearing, to offer input and suggestions to the Finance Committee prior at the March 31<sup>st</sup> Finance Committee meeting.

#### **Presentation by RiverCenter on the NJ Transit Rail Lines Advertising Campaign Kicking Off April 6<sup>th</sup>**

Mayor Menna introduced Nancy Adams of RiverCenter and Margaret Mass of the Red Bank Visitor's Center and noted that they had asked him to do a spot on Comcast to thank New Jersey Transit and RiverCenter for a wonderful promotional campaign.

Ms. Adams said they have been working on this campaign for about nine months to promoted Red Bank as a daytrip destination. She noted that they were successful in obtaining a grant from the Department of Tourism which allowed them to move forward with this campaign. She thanked the Count Basie Theatre for joining them in their matching obligation. She said a committee that included the Count Basie Theatre, Ansorge Unlimited, RiverCenter and the Visitor's Center along with several volunteers, had worked for several months to work to brand Red Bank in such a way to envelope everything Red Bank has to offer. She said there was so much that it was difficult to encapsulate it in one poster so they came up with the idea of listing all of the things that Red Bank is so fortunate to have such as the beautiful waterfront, the shops, the historic buildings, the galleries, two live theaters, the restaurants and nightclubs and all the things that are so unique to this town. She said they wanted to let the rest of the State know that. She said they came up with five different images and distributed copies to the Council. She said those are the five images that will be used in the campaign and, starting April 6, they will be going in between 30 and 45 platform locations along the commuter rail line. She said they had also secured the domain name for a website under oneredbank.com and are in the process of designing that landing page. She said they also bought onlyoneredbank.com just in case. She noted that anyone who goes to that page will be able to link to all of the sponsors including Count Basie Theatre, Red Bank Visitors Center and RiverCenter. She said they are very excited about the promotion and noted that it will also run for four weeks in September.

Mayor Menna thanked Ms. Adams for the presentation and said he had expressed appreciation to the Secretary of State for the grant on her behalf and also to New Jersey Transit. He said it was a great promotion and it would bring new faces and new people to Red Bank to not only shop but, ultimately, to live in town.

Ms. Adams said they hopes to get another grant to do it again next year. She noted that there was also a handout with a map and a "you are here" notation that will be available at the platform to welcome those who get off the train after following the campaign down here. She said there is another Department of Tourism grant through the Visitor's Center that will enable them to make 50,000 copies of the Red Bank Dining Guide which will give a listing of all of the restaurants and eateries along with a map. She said the piece was designed so people could keep it in their wallet for when they come to town.

Mayor Menna noted that there was a new restaurateur in the audience which was Ron Rico from Muscle Maker Grill that is going to be on Front Street. He thanked him for having faith in Red Bank and noted that he will be joining a lot of other new businesses that are coming into Red Bank. Mr. Rico thanked the Mayor for his comments, said he lived in Red Bank and gave the Council overview of the history of the restaurant franchise noting that he had purchased the 9<sup>th</sup> in the State.

Councilwoman Horgan thanked Ms. Adams and Ms. Mass for their hard work on the campaign.

#### **RESUME REGULAR ORDER OF BUSINESS**

Councilman DuPont offered a motion to resume the regular order of business, seconded by Councilwoman Horgan.

#### **ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the motion was declared approved.

#### **WORKSHOP**

##### **Solar Panels**

Councilman DuPont noted that the Council had discussed solar panels briefly last year. He said Borough's utilities had increased dramatically and so they were implementing the four-day work week

and looking into solar panels for budgetary reasons. He said Councilwoman Horgan had forwarded information about grants which he hopes will help kick start the program. He said he hoped that with the thoughts and ideas from the Environmental Commission that the solar panels become a reality. He also suggested the idea of co-oping with the Board of Education to put solar panels on our public schools. He said he hoped the Council would act quickly and noted that the green letter sent out in March of 2008 included this as one of its ideas.

Councilman Murphy asked Councilman DuPont if he had said we had gotten a grant for the solar panel research. Councilman DuPont said that there were grants available and that he thought we had received a grant for the engineering. Administrator Sickels clarified that they were applying for the grant.

Attorney Pringle noted that there is legislation coming out that will allow the utilities to invest in solar on municipal buildings and he would get information to the Council on that.

#### **Anti-Eminent Domain**

Councilman DuPont noted that since before he was on Council, the Mayor had said that the Borough has never designated an area in need of redevelopment and has no plans to. He added that, although this has been stated verbally, he thought the Council should enact an anti- eminent domain ordinance such as Belmar did. He said he thought it would reaffirm their belief that they won't do eminent domain or designate an area in need of redevelopment. He urged the Council to pass the ordinance.

#### **APPROVAL OF MINUTES – November 24, 2008**

Councilman DuPont offered a motion to approve the minutes as amended, seconded by Councilwoman Lee.

#### **ROLL CALL:**

AYES: DuPont, Horgan, Lee and Murphy

NAYS: None

ABSTAIN: Lewis

There being four ayes, no nays and one abstention, the minutes were declared approved.

#### **APPROVAL OF MINUTES – March 9, 2009**

Councilman DuPont offered a motion to approve the minutes as amended, seconded by Councilwoman Lee.

#### **ROLL CALL:**

AYES: DuPont, Horgan, Lee and Murphy

NAYS: None

ABSTAIN: Lewis

There being four ayes, no nays and one abstention, the minutes were declared approved.

#### **MAYORAL APPOINTMENTS**

#### **REPORTS OF MAYOR AND COUNCIL MEMBERS**

Councilman Murphy had no report.

Councilwoman Lee had no report.

Councilwoman Horgan noted that the Education and Technology Committee had met on Thursday and, in conjunction with the Parks and Recreation Committee and Cindy Burnham, they are going to have the school children participate in a contest to name the Maple Avenue property on the waterfront. She said they are hoping to unveil the winner on May 16 which is community day. She said Ms. Burnham would speak later on the program she had put together to speak to various schools about her research.

Councilman Lewis added that a press release had gone out. She noted that Ms. Burnham attended the meeting and that she had a lot of information she was going to be sharing with the children and the schools. She added that the project is moving forward and said it was a positive and productive meeting.

Councilwoman Horgan also reported that Earth Hour would take place with Saturday, March 28 at 8:30 pm. She said this took place last year as well and noted that people from all over the world are asked to turn off their lights for one hour. She said this year there are 2,140 cities in 82 countries that are

participating in this initiative. She encouraged everyone to turn off their lights between 8:30 and 9:30 to help reduce carbon emissions.

Councilwoman Lewis noted that the Parks and Recreation Committee met after the last Council meeting that the focus of their conversation was the Community Center. She said they discussed the fact that the Task Force had recommended the Boys and Girls Club and the Parks and Recreation Committee had also reviewed the RFPs and that was their recommendation as well. She said the next Parks and Recreation Advisory Committee meeting will be the 25<sup>th</sup>.

Councilman DuPont said he wanted to offer a note of praise for the Board of Education. He noted that the Mayor had always expressed confidence in the Board of Education and the kids of Red Bank, but he also wanted to praise the Board members because, as a result of their efforts, is was his understanding that there is going to be no increase in the Board of Education budget. He added that, having worked on the Finance Committee here, he knew the time spent trying to get a budget in is enormous and he just wanted to say thank you.

Mayor Menna told Councilman DuPont he was glad he mentioned that and noted that he, along with David Prown, had spent time at a number of Board of Education events with the kids. He said he really thinks these kids can teach the grown ups a lot about themselves and the community. He said the Board has done a Herculean job, working together and with the Charter School, in coming up with a plan that funds our educational system and goes above and beyond success as they have been able to show. He added that the Pre-K program is going to be a model for non-Abbot districts. He said he had spoken with the Curriculum Coordinator, well as the Superintendent, the Principal and the teachers and they are all very excited. He said he thought that, in the next couple of weeks, people will see a lot of press about Red Bank throughout the whole state. He noted that he was there today and that the enthusiasm of the parents and the kids was enormous. He spoke about a class project that would collect pennies for puppies that may be infirm. He said, on behalf of the council, he had said they would match all of the pennies that this class raised. He noted that the dedication of the playground was also phenomenal. He said he shared Councilman DuPont's feeling regarding the volunteers on the School Board saying that they had all been working so well together and that we owe them an enormous debt. He noted that we also have a first rate superintendent.

## **COMMUNICATIONS AND PETITIONS**

Mayor Menna read a request from the Department of Public Works and RedBankGreen.com to hold the annual town wide yard sale on Saturday, September 12, 2009 rain or shine, pending approval of the Special Events Committee.

Councilman DuPont offered a motion to approve the request, seconded by Councilwoman Lee.

### **ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from the Department of Public Works and RedBankGreen.com to place banners on Broad Street and Shrewsbury Avenue from August 24, 2009 to September 13, 2009 to advertise the town wide yard sale to be held September 12, 2009.

Councilman Murphy offered a motion to approve the request, seconded by Councilman DuPont.

### **ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from The Leukemia & Lymphoma Society for use of Riverside Gardens Park, the concession stand and the restroom on September 26, 2009 from 1:00 p.m. to 10:00 p.m. for the 2009 Walk, Light the Night, pending approval of the Special Events Committee.

Councilwoman Horgan said she believed that this event had been approved at the last meeting and that they were now asking for the festivities to start earlier in the day.

Mayor Menna said he didn't see any problem with them using the park for the staging. He also noted that it was a not-for-profit and a great charity and that they would be bringing a lot of people to town to participate. He also point out that it is pending Special Events Committee approval.

Councilman DuPont offered a motion to approve the request, seconded by Councilman Murphy.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to hold the Red Bank Farmers Market on Sundays from May 10, 2009 to November 22, 2009 from 9 a.m. to 2 p.m. in the Galleria Parking Lot, pending approval of the Special Events Committee.

Councilman DuPont offered a motion to approve the request, seconded by Councilwoman Horgan.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to hold the Spring into Pink Bank events which includes outside display of merchandise and live entertainment on the sidewalks on May 2, 2009, pending approval of the Special Events Committee.

Councilman DuPont offered a motion to approve the request, seconded by Councilwoman Horgan.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to hold the Streetlife program on Saturdays from June 6, 2009 to August 29, 2009 from 7 p.m. to 10 p.m., pending approval of the Special Events Committee and Chief Fitzgerald.

Councilman DuPont offered a motion to approve the request, seconded by Councilwoman Horgan.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to hold the Streetlife program on May 15-17, 2009 during the Tri-City Arts Tour, June 5-7, 2009 during the Jazz & Blues Festival and July 24-26, 2009 during the Sidewalk Sale, pending approval of the Special Events Committee and Chief Fitzgerald.

Councilman Murphy offered a motion to approve the request, seconded by Councilman DuPont.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to hold the Annual Sidewalk Sale on Friday and Saturday, July 24 & 25, 2009 from 9 a.m. to 8 p.m. and Sunday, July 26, 2009 from 10 a.m. to 6 p.m., pending approval of the Special Events Committee.

Councilwoman Horgan offered a motion to approve the request, seconded by Councilwoman Lewis.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to hold the Santa Express and parade down Monmouth Street to Broad Street to coordinate with the downtown tree lighting and concert on November 27, 2009, pending approval of the Special Events Committee.

Councilwoman Horgan offered a motion to approve the request, seconded by Councilman DuPont.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to have Holiday Horse & Carriage Rides through downtown on Saturdays from November 28, 2009 to December 19, 2009 from 1 p.m. to 5 p.m., pending approval of the Special Events Committee.

Councilman DuPont offered a motion to approve the request, seconded by Councilwoman Horgan.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from RiverCenter to hold Holiday Harmonies on Saturdays from November 28, 2009 to December 19, 2009 from 12 p.m. to 3 p.m., pending approval of the Special Events Committee.

Councilman DuPont offered a motion to approve the request, seconded by Councilwoman Lewis.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from the Community YMCA for raffle license.

Councilman Murphy offered a motion to approve the request, seconded by Councilwoman Horgan.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from Dana L. Gale to hold wedding ceremony in Riverside Gardens Park on May 22, 2010 at 5:00 p.m. for approximately 200 guests.

Councilwoman Lewis asked Mayor Menna if these requests had traditionally been denied. Mayor Menna noted that the Borough has had a problem with them in the past and that is why each request has to go before the Mayor and Council for action. He confirmed that generally they are not accepted. Both Councilman Dupont and Councilwoman Horgan noted that it has been the policy in the past to not allow them. Several comments were offered regarding the number of guests and the policy to deny these requests to keep the park accessible. Mayor Menna said that if a couple and their officiant wish to have a private wedding in the park, they can drive up, have the ceremony and leave and that normally does not interfere with access. He said there was an incident a few years ago when people set up a tent and more and that is why they have the policy in place so they have control over these. Councilmember agreed that it would not be appropriate to close a public park.

Councilman DuPont offered a motion to deny the request, seconded by Councilman Murphy.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared denied.

Councilwoman Horgan asked if this policy was in place and written down. Administrator Sickels said there was a policy in place and he wasn't sure why it had been put on the agenda.

Mayor Menna read a request from the Christian Science Reading Room to hang a banner on Broad Street from April 1, 2009 to April 19, 2009 to advertise an open house.

Councilwoman Lewis offered a motion to approve the request, seconded by Councilman DuPont.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from St. James Elementary School for use of Riverside Gardens Park, the concession stand and the restrooms on Thursday, May 28, 2009, with a rain date of Friday, May 29, 2009, from 11:00 a.m. to 1:00 p.m. to hold the school's end of year picnic, pending approval of the Special Events Committee.

Mayor Menna noted that this has also been done for the Charter School.

Councilman DuPont offered a motion to approve the request, seconded by Councilman Murphy.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from Keyport Ghost Tours to hold walking tours of Red Bank throughout the year starting in late summer of 2009, pending approval of the Special Events Committee.

Councilwoman Horgan said she thought the term "ghost" referred more to a more historical concept. She added that she thought it was great and that she knew this was something that Margaret Mass of the Red Bank Visitors Center has wanted to do for years. She said she was in favor of it and that she thought it would bring people to town.

Councilman DuPont offered a motion to approve the request, seconded by Councilman Murphy.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the request was declared approved.

Mayor Menna read a request from the Jersey Shore Thunder for use of Count Basie for its annual “Beach Blast” youth baseball tournament on July 3, 2009 from 8:00 a.m. to 6:00 p.m. and on July 4 and 5, 2009 from 8:00 a.m. to 9:00 p.m., pending approval of the Special Events Committee.

Mayor Menna noted that the Council was waiting for follow up on this. Administrator Sickels confirmed that the Council had tabled it and that he had checked with the Chief of Police. He said the original application had said 8am to 9pm on July 3<sup>rd</sup> and at the Special Events Committee that was held before the last Council meeting that was modified to 6pm. He said he checked again with the Police Chief and he was in agreement that this event could take place and not interfere with the other operations.

Mayor Menna asked if they were contributing to our costs. Mr. Sickels said there wasn’t any cost. Mayor Menna said there would be cost in the fact that that is our heaviest traffic day of the year and that we will have to have police officers on duty that day. Mr. Sickels said if the Police Chief wants the officers there, they have agreed to pay any cost. He noted that it was vetted at the Special Events Committee meeting, which he acknowledged he had not attended due to a doctor’s appointment, but that it was his understanding from Capt. McConnell and the Police Chief that they are okay with this event. He also noted that they have had this event on the July 4 weekend before. He said he understood there was concern from the Council regarding the 3<sup>rd</sup> and the fireworks but he had checked with the Police Chief and the Chief was okay with it.

Councilman Murphy asked for clarification saying he knows it was on the last meeting agenda, but wanted to confirm they had asked for 8am to 9pm. Mr. Sickels said in the letter from the last meeting it did say 8am to 9pm on the 3<sup>rd</sup>. He said that was not the case and that they will be clear from the park by 6pm. Councilman Murphy said he thought the Council had said that they wanted them to hire two police officers or a police officer and a special officer to be there. There was a discussion of which hours were requested on which days.

Mayor Menna said his concern was that we are scraping pennies and they are charging a rather substantial admission. He noted that that is our worst overtime day of the year and they are going to have to pay for police. Councilman Murphy noted that Mr. Sickels had said it that is what the Borough wanted, they would be willing to pay. Mr. Sickels confirmed that he had said if the Police Chief wants a police officer, they will pay for it. Councilman Murphy said he thought it should be what the Council wants. Mayor Menna noted that people leaving the event are going to have difficulty getting out because there are only two ways to exit—into town or out to 520. He said people can’t get into town at that time because we have our streets closed off. He said we are going to have to have police protect and that they are going to have to pay. He said it has to be a condition of the approval. Councilman Murphy said he agreed wholeheartedly and that if the Council agrees there should be two police officers there, then that is what is going to happen. Councilman DuPont suggested that they make it a condition of the approval.

Councilwoman Lee noted that it was a fairly large activity that would culminate on the 5<sup>th</sup> and that they should have some supervision there for themselves. Mr. Sickels estimated that this event has happened on the July 4 weekend for eight years with no incident and no problem. He noted that it is Little League Baseball players in tournament play. He noted that this year there was concern from the Council because of the July 3<sup>rd</sup> date. He said he had checked with Capt. McConnell, who had run the Special Events meeting and he was okay with the event as it was. He added that Council had expressed concern because on the original request it had said 9pm. He checked with the Police Chief and he had had no objections. He noted that the event organizer will come before the Borough again before the event to finalize the set up.

Mayor Menna said his suggestion was not about the weekend but about traffic in and out at 6pm on July 3<sup>rd</sup>. He said they are going to need at least two traffic officers there and they ought to pay for it. He said they don’t care about Saturday and Sunday. Mr. Sickels said, if the Council so desires, he will tell the Police Chief that they want two police officers which, by contract, would be a minimum of four hours each. He noted that the officers would have to be a headquarters at 6pm for roll call.

Councilman DuPont offered a motion to approve the request subject to the police being present July 3<sup>rd</sup> only and the entity paying for them, seconded by Councilman Murphy.

Councilwoman Lee asked about the fact that the police would have to be a headquarters at 6pm for roll call. Mr. Sickels said, routinely, that is the time that they arrive here but noted that some arrive earlier. Mayor Menna said this is our heaviest day of the year and we do not have to have our local police officers assigned to this because we have 30 or 40 police officers coming from all over and suggested two out of town officers be stationed there for two hours. Mr. Sickels said they would work out the logistics and confirmed that the Council wanted two police officers at the park for the event during the evening hours.

**ROLL CALL:**

**AYES:** Lewis, DuPont, Horgan, Lee, Murphy

**NAYS:** None

There being five ayes and no nays, the request was declared approved.

#### **PUBLIC COMMENT ON RESOLUTIONS ON THE AGENDA AND ORDINANCES ON THE AGENDA ON FIRST READING**

David Prown—44 Hillside Place—asked about the two alternates for the Parks and Recreation Committee or any other committee and how the process works. Mayor Menna noted that the ordinance has to be amended and normally recommendations are made by Parks and Recreation members, by the Director of Parks and Recreation or by Council members and then he would appoint them. Mr. Prown asked what would happen if there were six interested people. Mayor Menna said, under State statute, you can only add two additional members. He added that anyone can participate, but to be a voting member we are regulated and guided by State statute. Mr. Prown asked if six names were put forward to Parks and Recreation, would the committee pare it down to two and recommend those two to the Mayor or would they forward all six. Mayor Menna said all six and noted that they have been good about following the recommendation of the committee.

Sean Byrnes—321 Broad Street—said he was here to speak regarding 2009-10 and that he was here on behalf Fashion Nails on Broad Street. Mayor Menna said he had received Mr. Byrnes email and noted that he had raised a number of salient points regarding how they deal with parking for certain establishments. He said, in theory, he's read it, it makes a lot of sense and it is worthy of their discussion. He said he only suggestion was that they have been working on the overall comprehensive change that not only addresses his issue but addresses a lot of other small business owner issues. He said that is the document that the Planning Board has already reviewed and favorably recommended to Mayor and Council. He said it thought that it may make more sense for the Council to move forward, unless there is strong objection from the Council or from the public, in adopting the comprehensive review that they have been going through for a number of months. He said they could then consider Mr. Byrnes' or his client's suggestions as further discussions. In other words, he continued, they could move forward on the greater issue and continue to talk and maybe make an amendment if that is what the Council wanted. He noted that any amendment they made tonight, if it is material, would have to be referred back to the Planning Board and they would have to have a hearing and then send it back to the Council. He said that would take another two months or so and it would have to be readvertised. He again said he thought Mr. Byrnes' comments made sense and that he would forward them over to the Borough's Planner as well as the Engineer.

Mr. Byrnes said he understood that and he didn't want to stop the process. He said his only concern was that, for this particular seventeen year tenant, the time may pass and she may have to leave before that. Mayor Menna said even if the Council were to make the amendments tonight, it would still have to be referred back to the Planning Board and that would take almost as long as making those changes on their own initiative. He said he thought that would be even faster than changing the document and sending it back to the Planning Board. Mr. Byrnes said he was just trying to avoid her not being able to take the space she wants which right now would be extremely cost prohibitive because of the reading of the current ordinance. He added that if it is going to take that long, she may have to make other choices. Mayor Menna said, on behalf of the Council and the residents, that they want to keep as many of their merchants in town as possible adding that a full store is better than an empty store as far as he's concerned. He told Mr. Byrnes he could rest assured that he would sit down with him and our planners to take a look at the funding allocation formula in terms of certain types of businesses and what they require in terms of additional chairs or the parking formula for hair dressing salons and others. He noted that they weren't talking about anything that didn't already exist downtown. He said they could handle the issues with an amendment and asked Mr. Byrnes if his client had a problem with the rest of the changes. Mr. Byrnes said she did not and added that his client just has a short window and is having problems with the landlord that she wants to rent from because they have concerns about her getting approved. Mayor Menna again said they would be happy to sit down with the client to see what they can do.

Rev. Eunice Washington—11 Carmen Place—said she was speaking on behalf of the Boys and Girls Club and that she was happy to see that it was on the agenda. She said she was glad the Councilwoman Lewis, as well as Councilwoman Lee and Mayor Menna, had put it on the agenda and she is hoping that this will go forward for our children.

Stephen Hecht—135 Branch Avenue—asked, with respect to the Community Center, if, during negotiations, the Borough could be assured that they would retain ownership of that building. Mayor Menna said yes and added that they are not disposing of the building. He said, if the Council should move forward with any relationship with any party, they will not be devolving of their interest and it will continue to be owned by the Borough. He noted that the only talk with the particular proposal has been a lease-hold interest not a divesting of our interest.

Mr. Hecht also asked about Resolution 09-91 regarding a tax appeal settlement and noted that he has questions about both residential and business tax adjustments. He said this is a particularly big adjustment of \$350,000 for each of two years. He admitted that he didn't know anything about valuation of property, but added that he did know was that everyone went through an evaluation just as the table tilted and the downturn occurred in the value of properties. He noted that in each instance that he has

come up and questioned the Council about the adjustments, his concern has been how reliable the initial valuation was when the Borough Attorney or Council decides that litigating would not be a proper way to go. He said he had heard from Mr. Hall in the past that the cost of litigation would be more than the adjustment. He said the appearance is that the valuations are not reliable. He said he wanted to ask about this particular change and also wanted to share one citizen's perception that it calls into question the reliability of the initial assessments over and over.

Attorney Pringle said he would address the general issue and noted that when a revaluation is done by statute it is required to be done by a certain date and typically it is the first day of October of the year of the reval. He said it is often done in hindsight. He added values are almost never the same even as the revaluation company is finalizing their numbers, but it needs to be a set target, not a moving target. He said there is invariably some up and down which is why you have to show that the property value is more than 15 percent off of the fair market value.

Mr. Hecht said he was not here to appeal his property assessment and said presumably the variance is spread across the population.

Mr. Pringle said he understood that and want Mr. Hecht to know that there was a method to it, though it may be flawed, and it is the same method that applies to everyone across the State.

Attorney Hall noted that there were privilege issues that limited what could be said. Mr. Hecht asked if he was the Attorney for the property owner. Mr. Hall clarified that he represented the town. He then explained that when there is a commercial appeal, there are certain assumptions made as to the income producing ability of that property. He said in this case the tax payer came in with a lot of documentation that warranted the decrease. Overall, he continued, there are about 4,000 line items that has been assessed and out of the 4,000, they have only received appeals on about 100. He said, out of those, 20 to 40 percent actually withdraw their appeal. Mr. Hecht asked about the remaining 60 percent. Mr. Hall said they either settle or go to trial. Mr. Hecht he understood those were the options but asked what percentage of those are settled. Mr. Hall said about 90 percent. Mr. Hecht asked if that was 90 percent settled in favor of the complainant. Mr. Hall confirmed the figure. Mr. Hecht asked for clarification that the town decides not to litigate in 90 percent of the appeals. Attorney Pringle disagreed with the statement. Mr. Hecht said, if an appeal is withdrawn, then it doesn't exist. Mr. Pringle asked Mr. Hecht not to dismiss those who withdrew because those are people who thought about appealing and when they were shown the data by the Tax Assessor they realized they don't have any chance of succeeding. He added that you have to include those numbers into the number of appeals. He said he wasn't talking about every person who goes into Borough and get the tax appeal form and then decides not to send it in. He said he was talking about the ones that are processed and then the people decide there is no opportunity to win. Mr. Hecht said, of the population that remains, which is 60 percent... Mr. Pringle clarified that number was after 40 percent had already withdrawn because they have no chance. Mr. Hecht said his question was specific to that remaining population and that he was not interested in the ones the Borough had convinced to withdraw, he was interested in the ones the Borough thought might have to be litigated and then they wind up not being litigated. He said again that his concern was about the reliability, not the validity, of the initial assessment and the number of times that the Borough needs to spend the money to settle without recovering a penny. Administrator Sickels noted that even that was not a solid number because there were different variables with each property. He also noted that this wasn't a total reval, it was a reassessment. He said that out of the properties that come in, one may be damaged, one may be a parking lot, etc. He added that part of the settlement may involve other properties and again noted that there are a lot of variables with each case. Mr. Hecht said he understood that and wanted to address what Mr. Hall had said about the amount of money that was generated by a property. Mr. Hecht said the money generated by the property also has something to do with the way the business is run and it's the people that generate the income.

Mr. Hecht said he one other question regarding the Borough's part and asked about the fact that there were certain things that were not open to public scrutiny. Mr. Hall confirmed that that was the case due to the fact that they had to negotiate with people. Mr. Pringle explained that, if there is a reason that the case was weak or the case is weak, the attorney's have to have the ability to have that honest conversation with the Council so they can understand why you may choose to settle as opposed to trying the case.

William Poku—90 Bank Street—said he was also here to speak on the tax appeal resolution. He said today he picked up a copy of appeal forms and noted that the deadline is April 1. He said he was here to piggyback on the concerns that the previous speaker brought up. He said the law says that no matter what the assessment is, there is supposed to be a presumption that it is valid and, as long as everyone is being treated the same way, you have to come up with some comparable properties in order to prevail in your case. He said last year, he had appealed his and said it wasn't settled. He said he had raised up a new theory which was that property values in Red Bank have been inflated. He said people have come out and taken affordable housing stock, properties that cost \$40,000 to \$50,000, and paid up to \$300,000 for it because they had something in mind which was to turn them into illegal boarding houses. Today, he continued, the Mayor has addressed that issue and a lot of it has been abated but, the property values are still inflated. He said he had called Realty Appraisal Company, who had done the assessment, and spoke to one of the principles. Mr. Poku said the representative said that the assessment was basically driven by the Tax Assessor in Red Bank. Mr. Poku said he didn't understand how the Tax Assessor in Red Bank

could affect an independent person coming out to do the assessment and said it raised the question of a conflict of interest. He said this also brought up the issue of affordable housing in Red Bank and said the stock is depleted now. He said something needs to be done right now to bring things back to the status quo. He added that there are so many houses sitting on the market where people can't sell their houses for the assessed value. He said that means that someone has grabbed the equity of the property in Red Bank and taken it away. He said he believed one way to address the issue was if a property that used to cost \$50,000 was sold for \$300,000 because the person is using it as an income property, that person should be bearing the burden of the tax that is brought about by the assessment of the adjoining properties. He went on to say that if a fixed income person is living next door to such a house and that person bought for \$7,000 many years ago, they should not be made to pay taxes based on a house that somebody paid too much for. He said he had \$9,000 left on his property and it was originally assessed at \$109,000. He said after the last assessment it went to \$320,000. He said it jacked his mortgage up so much that is screwed up the premium that they used to pay on that mortgage. He noted that he did not go out and get a second mortgage on his property and spend the money, but the bank threatened to foreclose and then did foreclosed on his house. He said they were in Superior Court last Friday arguing about this and the motion was granted to foreclose on their house. He said that they now have to pay off their mortgage in order to keep their house. He said there are repercussions and he fought this town all the way through the process but, he added, the justice system is broken. He said especially if you are a pro se, you will not prevail. He said there is a serious problem with people who live here being impacted by inflated price of housing and something needs to be done instead of all of the parties involved pointing at each other.

Mayor Menna said he wanted to remind any members of the public that this portion was for any one who had any questions on ordinances or resolutions, not new matters.

### **ORDINANCES – First Reading**

2009-10        Mayor Menna read “AN ORDINANCE OF THE BOROUGH OF RED BANK, COUNTY OF MONMOUTH, NEW JERSEY AMENDING AND SUPPLEMENTING CHAPTER XXV, PLANNING AND DEVELOPMENT REGULATIONS, SECTION 25-2.3, “DEFINITIONS”; SECTION 25-10.11, “REGULATIONS CONTROLLING CENTRAL COMMERCIAL DISTRICT-1”; AND SECTION 25-10.12, “REGULATIONS CONTROLLING CENTRAL COMMERCIAL DISTRICT-2.”

Councilman DuPont offered a motion to adopt the ordinance on first reading, seconded by Councilman Murphy.

#### **ROLL CALL:**

AYES:        Lewis, DuPont, Horgan, Lee, Murphy

NAYS:        None

There being five ayes and no nays, the ordinance was declared adopted on first reading.

Public hearing and final adoption scheduled for April 13, 2009.

2009-11        Mayor Menna read “AN ORDINANCE OF THE BOROUGH OF RED BANK, COUNTY OF MONMOUTH, NEW JERSEY AMENDING AND SUPPLEMENTING CHAPTER II, PARKS AND RECREATION COMMITTEE, AMENDING SECTION 2-51.1 TO PROVIDE FOR THE APPOINTMENT OF TWO ALTERNATE COMMISSIONERS.”

Councilwoman Lewis offered a motion to adopt the ordinance on first reading, seconded by Councilman DuPont.

#### **ROLL CALL:**

AYES:        Lewis, DuPont, Horgan, Lee, Murphy

NAYS:        None

There being five ayes and no nays, the ordinance was declared adopted on first reading.

Public hearing and final adoption scheduled for April 13, 2009.

2009-12        Mayor Menna read “AN ORDINANCE OF THE BOROUGH OF RED BANK, COUNTY OF MONMOUTH, NEW JERSEY AMENDING AND SUPPLEMENTING CHAPTER II ADDING SECTION 77, “USE OF EMINENT DOMAIN.”

Councilman DuPont offered a motion to adopt the ordinance on first reading, seconded by Councilwoman Lee.

#### **ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the ordinance was declared adopted on first reading.

Public hearing and final adoption scheduled for April 13, 2009.

### **ORDINANCES – Public Hearing & Final Adoption**

#### **RESOLUTIONS**

09-88 Mayor Menna read “A RESOLUTION TO CREAT THE PLAN ENDORSEMENT CITIZENS’ ADVISORY COMMITTEE.”

Councilman DuPont offered a motion to approve the resolution, seconded by Councilwoman Lewis.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the resolution was declared approved.

09-89 Mayor Menna read “A RESOLUTION AWARDING A CONTRACT TO LANIGAN ASSOCIATES, INC. FOR POLICE UNIFORMS.”

Councilman Murphy offered a motion to approve the resolution, seconded by Councilman DuPont.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the resolution was declared approved.

09-90 Mayor Menna read “A RESOLUTION AUTHORIZING THE ADDITION OF CERTAIN BOROUGH OWNED PROPERTIES ACQUIRED WITH GREEN ACRES FUNDS TO THE BOROUGH’S RECREATION AND OPEN SPACE INVENTORY.”

Councilman DuPont offered a motion to approve the resolution, seconded by Councilman Murphy.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the resolution was declared approved.

09-91 Mayor Menna read “A RESOLUTION AUTHORIZING TAX APPEAL SETTLEMENT REGARDING BLOCK 30, LOT 4.01, RED BANK INVESTMENT CO., 79-85 WEST FRONT STREET, RED BANK, NEW JERSEY.”

Councilman DuPont offered a motion to approve the resolution, seconded by Councilwoman Horgan.

ROLL CALL:

AYES: DuPont, Horgan, Lee, Murphy

NAYS: Lewis

There being four ayes and one nay, the resolution was declared approved.

09-92 Mayor Menna read “A RESOLUTION ACCEPTING A PROPOSAL FROM THE BOYS AND GIRLS CLUB OF MONMOUTH COUNTY FOR THE PROVISION OF YOUTH PROGRAMS AT THE FORMER COUNT BASIE LEARNING CENTER AT 136 DRS. JAMES PARKER BOULEVARD, BLOCK 77, LOT 22.”

Councilwoman Lewis offered a motion to approve the resolution, seconded by Councilwoman Lee.

**ROLL CALL:**

AYES: Lewis, Horgan, Lee, Murphy

NAYS: None

ABSTAIN: DuPont

There being four ayes, no nays and one abstention, the resolution was declared approved.

09-93 Mayor Menna read “A RESOLUTION AUTHORIZING THE EXTENSION OF A CONTRACT WITH THE VISITING NURSE ASSOCIATION OF CENTRAL JERSEY TO PROVIDE PUBLIC HEALTH NURSING SERVICES ON A MONTH-TO-MONTH BASIS.”

Councilwoman Lewis offered a motion to approve the resolution, seconded by Councilwoman Horgan.

**ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the resolution was declared approved.

**PROCLAMATIONS**

**PAYMENT OF VOUCHERS**

09-94 Mayor Menna read “A RESOLUTION FOR PAYMENT OF BILLS AMOUNTING TO \$1,029,127.65.”

Councilman DuPont offered a motion to approve the resolution, seconded Councilwoman Lewis.

**ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the resolution was declared approved.

**OLD BUSINESS**

**NEW BUSINESS**

Mayor Menna said the Metropolitan apartment/condominium complex on Wallace Street is trying to sell their units but they have indicated that they are also endeavoring to lease the units for those that want to rent. As part of this process, he said, they have asked to hang a banner from the top of the building which would say “Now Leasing.” He noted that this would be a violation of the ordinance but that it would be a temporary banner not to be in place for more than 45 days and would not be in the public right of way. He said he thought the Council should grant the approval for 45 days.

Councilwoman Horgan asked when it would start. The Mayor said as soon as possible.

Councilman Murphy made a motion to approve the request, Councilman DuPont seconded.

**ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the resolution was declared approved.

**AUDIENCE**

Cindy Burnham made a request on behalf of Friends of Maple Avenue to hold River Sweep, the second annual clean up of the property at the foot of Maple Avenue on May 2 from 11 am to 2 pm to include a

tour of the shore by the American Littoral Society, the dedication of two benches donated by the Navesink Maritime Heritage Association and painting of wooden canoes.

Mayor Menna asked the Council to consider the request pending approval from the Special Events Committee.

Councilman DuPont made a motion to approve the request, Councilman Murphy seconded.

ROLL CALL:

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the resolution was declared approved.

Kim Senkeleski—49 John Street—said she was appearing to talk about the Red Bank Water and Sewer Utility, but said she wanted to start by saying she was not stating or recommending that the Water/Sewer Utility should be sold or outsourced. She said she didn't know the best course of action, but that she did have some concerns about the Utility that she wanted to address. She said her first concern was regarding billing and said that our Borough Engineers have confirmed that Red Bank residents are paying more for water and sewer than customers serviced by New Jersey American. She added that she has personally seen, from 2008 to the first quarter billing she just received, a six percent increase in her water rates and from 2007 to 2008 she saw a nine percent increase in her water rates. She said she wasn't sure if her calculation were correct, but based on what she sees, in the last two years, her water rates have increased by 15 percent.

Councilman DuPont asked if that was based on usage. She said no, because she was taking the number of units and dividing by the total amount charged. Councilman DuPont questioned her statement that the Engineer had said that we charge more than New Jersey American Water and added that they had had this inquiry last year and it was demonstrated that we paid less. He said he remembered a letter on point that the Council discussed. He asked Ms. Senkeleski who she had talked to at T&M that said that Red Bank pays more than New Jersey American Water. She said she did not speak to anyone directly. Mr. DuPont noted that she had made a comment that they had said we paid more implying that she had spoken to someone. She said she had in front of her a newsletter called the Eastside Community Newsletter. Mayor Menna point out that that was not the Borough Engineer. She noted that Administrator Sickels had replied to a couple of questions by a newsletter representative.

Engineer Ballard noted that there are other items that New Jersey American Water tacks on that Red Bank residents pay in their tax bill. She added that that water rate gallon per gallon may be different but there are other items such as a hydrant tariff which is a monthly tariff that Red Bank doesn't pay which actually adds up to make more of a difference. Mr. Sickels said he didn't remember ever telling anyone that Red Bank pays more than New Jersey American. Ms. Senkeleski read from the newsletter where Mr. Sickels was asked "Why do we pay more for water in Red Bank than in other towns that rely on supply from New Jersey American." She continued that the response was "Our water/sewer bills include billing for water and sewer services to cover costs for producing water and sewer treatment costs by the Two River Water Reclamation Center." Mayor Menna noted that that doesn't say that we are paying more, it just gives the component of the bill and said she was twisting things around. Ms. Senkeleski said she was reading verbatim and continued "New Jersey American Water bills do not include this charge. New Jersey American Water bills also do not include a charge for hydrant rental." She said it goes on to say that we own our own fire hydrants which is another cost. She said the document noted last comparison done by our engineer indicated that New Jersey American Water was slightly less as a result of our recent rate increase which she said she can see from her own bill. However, she noted, New Jersey American Water has requested a larger increase but she didn't know if it was for this year or next year. She said she didn't know when the statement was done. Councilman DuPont said he believed it would have been last year because there was an inquiry. Ms. Senkeleski responded that the article had been from less than a month ago. Mr. Sickels said he didn't think the quote factored in the current New Jersey American increase.

Councilman DuPont noted that there was a serious discussion about this last year and that the inquiry that T&M did questioned whether those accusations were accurate and it was proven that our Water Utility is a better run utility than what New Jersey American Water provides. He said that information can be obtained through T&M if there are any questions or to verify whatever she was looking at. She said it was an informal email and said the statement came as a direct response from Mr. Sickels. Councilman DuPont noted that she had originally said it came from T&M. She clarified that the statement referred to the fact that the comparison was done by the Engineers.

CFO Mason noted that Red Bank charges for water and sewer and if she was only comparing to the water rate, it would be less. She asked the Council to confirm that as of today our water rate are basically the same if not less than New Jersey American. They confirmed that that was the case.

Ms. Senkeleski noted that she still had concerns because she had personally seen her rates from 2007 to 2008 and from 2008 to 2009, equivalent to about 15 percent. She said she had a concern about the debt that accrued for the utility and noted that she had emailed CFO Mason. She said she didn't know if her numbers were right and said she was reading from ordinances that she pulled off of the website. She reviewed various ordinances that covered various costs associated with the utility and noted that by the end of this year the utility alone would have about \$11 million in debt. Councilman Murphy noted that some of that was covered by grants including the most recent water filtration project. Engineer Ballard elaborated on the \$3 million dollar project that is part of the stimulus funding through the New Jersey DEP and said if we are approved, which she anticipated we would be, we would only have to pay half and what we do have to pay will be at zero interest. She acknowledged that they have not received final approval but said that they have been told that our application should be favorable compared to others.

CFO Mason also reminded Ms. Senkeleski that the annual debt statement is posted on line. Councilman Murphy noted that the CFO had more accurate numbers than just pulling ordinances off line because, as he had mentioned, they are sometimes covered by grants. Administrator Sickels also noted that, with some of those ordinances, the Borough may not have spent all of the money. Ms. Senkeleski said she understood that but asked Mr. Mason to confirm if her numbers were accurate that the water/sewer utility will accrue \$11 million in debt by the end of the year. He confirmed that everything regarding the debt was posted on line but again noted that a lot of it was covered by grants.

Mr. Mason also noted that there has not been a rate increase in 2009. She said she wasn't sure what she was looking at and again explained that she took the number of units and divided it by the total cost she is being charged and for sewer it has come out to be the same rate year after year but for water it has fluctuated and shown an increase. Mr. Mason again assured her there has been no increase in 2009. Councilman Murphy asked when the last rate increase was and Mr. Mason responded that it was in 2008.

Councilman DuPont said there had been an inquiry into whether our rates were competitive with other utilities. Mr. Sickels noted that sometimes the bill is estimated and sometimes it is a direct read or it can be affected if there are a different number of days covered in the reading. She noted again that she is taking the total number of units and dividing it by what she is being charged and it comes up with a different rate per quarter. She said she understood there may be multiple elements and said she would email the information to Mr. Mason.

Ms. Senkeleski said she also wanted to talk about spending noting that the 2008 annual budget was in the amount of \$6.6 million which was approximately one third of the total budget for 2008. She said it was her understanding that some of the surplus from the water and sewer fund are used to pay for things within water and sewer, but then some of the money goes to the general fund. CFO Mason confirmed the information

Councilman DuPont said the Borough is fortunate to have the utility to offset our taxes noting that the utilities are revenue generating and help our tax payers. Ms. Senkeleski said her point was that they are taking money from through the water bills and not using all of the money for the water utility but are taking the surplus and putting it into the general fund. Mayor Menna noted that that ultimately helps her out noting that the Borough can't charge Riverview Hospital taxes but they can certainly pay for the water they use. Administrator Sickels noted that about 27 percent of the Borough's property is exempt but those properties pay water bills which means they are generating revenue that help offset the taxes the taxpayers pay. Attorney Pringle noted that the Water Utility is owned by the taxpayers of Red Bank. Councilman DuPont noted again that it is a revenue generating item. He added that there are many towns that have no revenue.

She said she understood what the Council was saying in that a lot of the revenue was being produced by non profits in the town. Mayor Menna stressed that is was a substantial amount adding that the largest payment accounts on the water/sewer bills are the not for profits who generally pay not a penny in property taxes such as schools, churches, social service agencies.

Ms. Senkeleski said she also wanted to mention future costs and again noted the figure of the water utility's \$11 million in debt. She said we all know we have issues with water pressure and with the development going on in town, we may need upgrades to the infrastructure. Both Councilman DuPont and Mayor Menna said that that has nothing to do with new development. Mayor Menna noted that the town has had water pressure problems since Andrew Johnson was president. He noted that the infrastructure is aging and we are going to keep on having those problems. He noted Engineer Ballard's comments about the stimulus funding and said the whole purpose of the funding was to provide funding so we could put money into the upgrade of that infrastructure problem that affects her water pressure and everyone else's whether or not anything else is built. He said once those projects are built and connect into the system, their connection fees are established by statutory authority and they have to pay a substantial amount of money and noted that that is substantially more than when her house was built when there were no connection fees or they were very little. He added that someone coming into town now that wants to connect for an apartment or condominium has to pay a substantial amount that he estimated to be about \$9,000. He said that money is then deposited into the general fund to help with those improvements and upgrades. He said it really was not fair to say that development was generating the

pressure problems when it's been an ongoing problem that a lot of administrations over the past sixty years just haven't addressed because it costs money.

Ms. Senkeleski said she wasn't saying it was causing the pressure problems, but that it would force the towns to spend more money than the \$11 million. Mayor Menna said he didn't see that as a logical hypothesis. Engineer Ballard said one of the big misconceptions about water pressure was that by putting in a new water main in the street, you are going to have better pressure. She said there are 100 year old homes in town that have 100 year old water services to their property line and into their house. She said until they replace the water services from the street and the pipes inside the house you are never going to have good water pressure. Ms. Senkeleski said her point wasn't about the water press, but about the fact that we are going to have spend more money on our water/sewer utility. Mayor Menna said that would not be as a result of new people noting that they are going to have to spend that money even if they don't change anything because we have an old deteriorating system. He added that if they didn't put a penny into it she would come back in five years and want to know why her system is failing. He said even if no one moves in, we have to change our system. He added that even if we didn't want to, DEP tells us we have to and gave the example of the filtration system. He said they have said that the system we have does not meet current environmental standards. He again noted that even if no one moves in, we have to spend the money for the people who are here.

Ms. Senkeleski said that brings her to her final point and noted that she had asked for some sort of written document that showed a cost analysis between outsourcing versus having our own. She said she is seeing a lot of debt being accrued because of this utility and asked when does the revenue source become not as beneficial as the debt. She said it is not beneficial anymore to just charge Riverview because we are incurring so much debt because of this utility. She asked who had done the study on this and asked if there was a plan.

Councilman DuPont said it was his understanding that, before he was on Council, Mayor Menna had gone through the analysis and also noted that the debt had not increased that dramatically since he had been on Council. He added that a lot of the water utility debt has been increased because of DEP requirements but it is still a surplus and revenue generator.

Mayor Menna noted that they had spent a lot of money on the Tower Hill plant a number of years ago. He said they had the choice of closing it down but people rely on it for water. He said it was an archaic system that was probably building in the 1940s or 1950s. He said they have to be responsible. He said years ago they did look into outsourcing the water and sewer, and, at that time, the available options were not that good based upon the debt that the utility had. He said at the end of the day the residents of the Borough would have divested themselves of a rather liquid source of funds. He said they would have been able to recoup a one shot payment but then every single tax payer in Red Bank would be subject to a for profit company that would have taken a look at its books after paying Red Bank and would have looked to build up its profits with a captive audience. He said the analysis revealed that it would not have been beneficial for the Borough to divest itself of the water utility because then they would be beholden to a company that is mandated to make a profit on its investment and there would be very little they could do. He said at least here we have control over how much we spend or if we don't want to spend anything on upgrades and just let the system deteriorate.

Mr. Sickels noted that it is cyclical and said we used to have an open air reservoir on Tower Hill that he used to go swimming in, but the State required them to have a larger reservoir so they hollowed out the hill, built a dome and the current reservoir. He said there was a big debt service for that and it got paid off. He added that the things we are paying for now were installed in the late 1800s or early 1900s.

Engineer Kosenki said the comments about the system aging were a little misleading. He said some of the changes were due to changing regulations. He added that after 9-11, all of the utilities, including Red Bank and New Jersey American, were ordered to upgrade their security and a lot of things were mandated because of that event. New Jersey American had to do an extensive retrofit and all of their customers are paying for it. He said the bottom line is, dollar for dollar and gallon for gallon, our water is less. He added that when they go over their road program they look at the sewer system and our water system to see if there is a need for repairs. If there is a need, he continued, we do it—if there isn't, we don't.

Ms. Senkeleski said she agreed and her point was that they have millions of people they can spread the cost over. She said Red Bank is incurring more debt and she wanted to know if there was anything on paper that shows a plan. She wondered if they would decide at some point that it was not worth it, even with the revenues that come in, for the town to continue its own utility. Administrator Sickels said there was no written plan but that discussions were held and in those discussions there were some parameters by which water companies are bought and sold. He said based on those parameters, you get a flat rate per customer and you have to pay off debt service and then we lose the source of revenue. He again noted that we charge the non profits and we are reaping the benefit of that. He said it may be a one time hit and we could get rid of our debt, but now you lose that recurring revenue for the future. It was felt that that was not in the best interest of the taxpayers of Red Bank.

Ms. Senkeleski asked for confirmation that we have no intention to outsource at this point and there is no written plan stating that. Mr. Sickels noted that to do that you would have to hire a consulting firm that

specializes in that. He said he had pulled some noted from 2005 that showed you would hire a consultant to do an analysis that would take about a year or two and in looking at all of the variables the bottom line is we would lose this revenue generating utility that is a benefit to the taxpayers of Red Bank.

She suggested the Borough consider charging separate rates for residential versus business and non profit. Mayor Menna told her that was illegal. He also noted that they can't just decide what the new rate is going to be, the statute covers the fact that the rate increases have to be based on the bond outstanding amount. He said it is a very complicated area of the law and, as Mr. Sickels said, if they were to even consider outsourcing they would have to retain the services of very competent professionals including bond counsel other than the regular bond counsel and it would be rather expensive.

Mark Halloran—25 Mori Place—said his question was regarding Parks and Recreation and if there was a master plan for how to handle proposed improvement to town parks and recreational facilities. He noted that he lives across the street from Eastside Park. He said he had questions about both Eastside Park and Count Basie Parks adding that if they could make them all look like Riverside Garden Park. Mayor Menna noted that that is a passive park. Mr. Halloran noted that there was a regarding done on the ball field and soccer field in Eastside Park and asked what type of fill was used for that grading. He said he had a neighbor who took his kids over their to play and, in a five minute sweep of the fill area, pulled out some oversized rocks, pieces of glass, sea shells and china. He said it appeared to have come from the fill dirt that was used when it was reseeded.

Mayor Menna asked Administrator Sickels to address those issues. Mr. Halloran said his questions were what type of fill was used, about getting the tennis courts and about whether or not an expensive Astroturf field was being considered for Count Basie Park. Mr. Sickels said there were two grant applications filed to try to obtain funding for Count Basie Park, and said one was not successful but the second one was. He said they were partnering with Red Bank Catholic to help finance this project and were going to meet with the Parks and Recreation Committee. He said they had also had some other discussions with Monmouth County about other grant opportunities and the Parks and Recreation and Public Works Committees will be discussing where to go from here with regard to the turf.

Mr. Sickels said in regard to the topsoil, we had ordered it from a vendor and we had asked for topsoil top regrade and infill some of the low areas. He said they put the topsoil down and seeded, but apparently, with the rains and over the winter some of the soil settled and it was revealed that the topsoil was not the best. He said there was a lot of discussion about raking out those things before the seed germinated including waiting until the germination process happened and then raking it out. He said they met last week with a turf consultant who specializes in these things and he's come up with some recommendations in how to restore all of these fields using a different type of grass and a certain way of furrowing, planting and aerating. He added that Public Works is in the process of doing that now and purchase orders have been issued for the material. He said improvements should be seen soon.

Mr. Halloran asked if the Borough was looking to get some recompense from the soil vendor. Mr. Sickels said they were looking into it, but unfortunately, he thinks it was all processed and the vendor was paid prior to the Borough knowing there was a problem with it. Mr. Halloran said, from a quick perusal, the area is probably not safe for kids to play on in its current condition.

Mr. Halloran also asked about fixing the nets and fencing in the tennis courts. Mr. Sickels said he was not aware of those, but if Mr. Halloran would email him or speak to Mr. Watson who was in attendance they would look into it. Mr. Watson noted that last year the issue came up to replace one net last year and one this year and to put the bottom rail on the fence. He said he is talking to Recreation Director Evans about funding.

Councilman DuPont said he was concerned about the fact that what this vendor did borders on criminal and said it was a deceptive practice and asked what recourse the Borough had. He noted that he used to live in that neighborhood and what this contractor did shouldn't be handled with just a civil complaint, but some other avenue because it sounds like he duped the Borough of Red Bank by putting trash in there. He questioned why they wouldn't refer this to the Prosecutor's Office.

Engineer Ballard noted that this was actually a two year contract and the Borough could opt not to renew. Councilman DuPont noted that we are going to have to pay a contractor to replace all of it. Mr. Sickels said he doesn't think it was a contractor that did this and that he thought it was a separate initiative by Public Works to fill those holes. Mr. Sickels said they would get the paperwork and discuss it with the Borough Attorney.

Mayor Menna said it was brought to his attention by one of Mr. Halloran's neighbors this afternoon and he asked Mr. Sickels to get all of the information. Councilman Murphy said it was possible that they just added dirt without raking. Mayor Menna said they needed to get more information. Councilman DuPont said it was fortunate that someone brought it to their attention and thanked Mr. Halloran for sitting through the meeting. Mayor Menna said they would follow up. Mr. Sickels asked Mr. Halloran to give the soil sample to Mr. Watson.

William Poku—90 Bank Street—said he thought the bottom line to the issues raised by Ms. Senkeleski was that basing the budget on no furloughs and no layoffs was basically no change.

Councilman DuPont noted that this is just a proposed budget and the finance committee has made recommendation or asked for information regarding the savings with furloughs, layoffs or a four day work week. He said he wanted the public to know that this is just what has been proposed.

Mr Poku said that was not his point. He said he didn't care if we outsourced or not but if you can't count it, you can't manage it. He said all Ms. Senkeleski is asking is that if you haven't got a cost analysis of it sooner or later, you are going to have to do it. He noted that technology changes and they are going to continuously need to reassess and find out if you are spending too much money to produce the revenue you are getting. He asked the Council to reconsider if outsourcing is the right thing to do.

#### **EXECUTIVE SESSION**

No Executive Session was required.

#### **ADJOURNMENT**

Councilman DuPont offered a motion, seconded by Councilwoman Horgan to adjourn the meeting.

#### **ROLL CALL:**

AYES: Lewis, DuPont, Horgan, Lee, Murphy

NAYS: None

There being five ayes and no nays, the motion was declared approved.

Respectfully submitted,

Pamela Borghi