

**MEETING AT MUNICIPAL BUILDING, 9508 SECOND AVENUE**  
**PRELIMINARY AGENDA FOR COUNCILMEMBERS**

**WORK SESSION**

**TUESDAY**

**May 3, 2016**

**4:30 p.m.**

**ITEMS FOR DISCUSSION & POSSIBLE ACTION**

**Resolution – Settlement Agreement & Mutual Release Paramount, Karavan (1) Lane**

**Resolution – Shared Services – Avalon – CFO (2) Mastrangelo**

**Resolution – Return Deposit – Use of Recreation Building (3) Gallagher**

**Resolution – Purchase Fencing Recreation – COOP Sterling High School (4) Gallagher**

**Motion – Out to Bid – Reval (5) Mastrangelo**

**Telephone Update (6) Mastrangelo**

**ITEMS FOR DISCUSSION ONLY**

**Ordinance Fee for Tents (7) Lane**

**American Legion Bench (8) Kramar**

**Middle Township High School Senior Picnic (9) Gallagher**

**ENGINEER UPDATE -**

# BOROUGH OF STONE HARBOR

CAPE MAY COUNTY, NEW JERSEY

## RESOLUTION

### SETTLEMENT AGREEMENT AND MUTUAL RELEASE

**WHEREAS**, the Borough of Stone Harbor entered into a construction agreement with Paramount Enterprises, Inc., a building contractor, pursuant to a public bid for the resurfacing of approximately six blocks of municipal roadway together with storm drainage and other miscellaneous items; and

**WHEREAS**, the total award under the bid was Two Million Ten Thousand Three Hundred Fifty Six (\$2,010,356.54) Dollars and fifty four cents; and

**WHEREAS**, Paramount Enterprises, Inc. acknowledged receipt of all sums due under said agreement less a retainage in the amount of Thirty Eight Thousand Four Hundred and Ninety Four (\$ 38,494.94) Dollars and ninety four cents; and

**WHEREAS**, said contractor defaulted on said agreement by failing to properly complete all items required under its contractual agreement with the Borough of Stone Harbor; and

**WHEREAS**, said Paramount Enterprises, Inc. was insured under Performance/Payment Bond No B10 011 326 issued by Aegis Security Insurance Company; and

**WHEREAS**, Aegis Security Insurance Company and the Borough of Stone Harbor jointly participated in a voluntary mediation before the Honorable Michael Fisher, J.S.C. (retired) which mediation resulted in an agreeable resolution to the matters in dispute;

**WHEREAS**, Aegis Security Insurance Company and the Borough of Stone Harbor have now reached an agreement amicably adjusting said issues and claims and have agreed to execute this settlement agreement and mutual release memorializing same;

NOW, THEREFORE the parties hereby agree as follows:

1. The contract sum was Two Million Ten Thousand Three Hundred Fifty Six (\$2,010,356.54) Dollars and fifty four cents as more clearly set forth on the agreement annexed hereto as Exhibit "A".
2. The contractor, Paramount Enterprises, Inc was paid in full for all work performed with the exception of certain retainage currently held by the Borough in the amount of Thirty Eight Thousand Four Hundred Ninety four (\$ 38,494.94) Dollars and ninety four cents.
3. The work, as performed was unsatisfactory and the parties have agreed that, as compensation for same, pursuant to Performance / Payment Bond No. B10 011 326, Aegis Security Insurance Company will pay the Borough of Stone Harbor funds sufficient to accomplish a milling of the areas on 1<sup>st</sup> Avenue, 107<sup>th</sup> Street and 105<sup>th</sup> Street Bayside. The parties and their experts have jointly agreed on the following values for the aforementioned work:
  - A. \$11,000.00 for 107<sup>th</sup> Street (30ft width)
  - B. \$35,000.00 for 105<sup>th</sup> Street (30ft width)
  - C. \$53,000.00 for the area on 1<sup>st</sup> from 101-107<sup>th</sup> Streets (20 ft width)
  - D. \$11,000.00 for compaction/ excavation of specific patchwork fill in the area described in item C above.

**BOROUGH OF STONE HARBOR**

CAPE MAY COUNTY, NEW JERSEY

**RESOLUTION**

- 4. These amounts total One Hundred Ten Thousand (\$ 110,000.00) Dollars.
- 5. Aegis Security Insurance Company shall receive a credit for the aforementioned retainage in the amount of Thirty Eight Thousand Four Hundred and Ninety Four (\$ 38,494.94) Dollars and ninety four cents, which monies shall be released to the Borough upon the full execution of this document.
- 6. Accordingly, Aegis Security Insurance Company shall issue a net check to the Borough of Stone Harbor, over and above the retainage described in #5 above in the amount Seventy One Thousand Five Hundred and Five (\$71,505.06) Dollars and six cents for a total of One Hundred Ten Thousand (\$ 110,000.00) Dollars.
- 7. The parties further acknowledge that they jointly bore (50%/50%) the expense of a video examine a pipeline installed by Paramount Enterprises, Inc. along First Avenue in order to check for defects in the line. Those expenses have been paid in full. Furthermore, the inspection revealed that the pipe was functioning and draining properly. Accordingly, the issues relative to that component are resolved.
- 8. Upon payment of the monies described above the parties herein shall exchange formal releases that are, in form, acceptable to their respective counsel releasing any all claims relative to this matter.
- 9. Aegis Security Insurance Company and the Borough of Stone Harbor hereby release and give up any all claims which each may have against the other relative to this transaction. Upon payment of the funds herein this document shall function as a general release between the parties with regard to any claims that each could have brought against the other with regard to this transaction.
- 10. Each party was represented by counsel in this matter, with Michael F. J. Romano, Esquire of the Law Offices of Romano, Garubo and Argentieri representing Aegis Security Insurance Company and Marcus H. Karavan, Esquire of the Law offices of Blaney and Karavan, P.C. representing the Borough of Stone Harbor. Each party has properly authorized the execution of this Agreement and further authorized its counsel to sign same.
- 11. This Agreement contains the entire understanding of the parties and may not be altered absent a separate writing signed by the Parties.
- 12. This Agreement is binding on the parties, their successors and assigns. Either party may enforce the terms of this Agreement. The venue for such enforcement shall be the Superior Court of the County of Cape May, New Jersey.

Aegis Security Insurance Company

Borough of Stone Harbor

Offered by .....  
By: Michael F.J. Romano, Esquire

.....  
By: Marcus H. Karavan, Esquire  
Seconded by.....

The above resolution was duly adopted by the Borough Council of the Borough of Stone Harbor, New Jersey, at a meeting of said Council duly held on the .....day of ....., 2016

.....  
Borough Clerk

The above resolution approved this ..... day of....., 2016

.....  
Mayor

**BOROUGH OF STONE HARBOR**

CAPE MAY COUNTY, NEW JERSEY

(2)

**RESOLUTION**

A RESOLUTION AUTHORIZING AN AGREEMENT FOR SHARED SERVICES FOR CHIEF FINANCIAL OFFICER SERVICES FOR THE MUNICIPALITIES OF THE BOROUGH OF STONE HARBOR AND THE BOROUGH OF AVALON

WHEREAS, NJSA 40A:65-1 provides in part that two or more municipalities may enter into an agreement to provide or receive any service that each local unit participating in the agreement is empowered to provide or receive in its own jurisdiction; and

WHEREAS, the Borough of Stone Harbor and the Borough of Avalon have negotiated and agreed upon the terms and conditions of such an agreement; and

WHEREAS, a written agreement, specifying those terms and conditions, has been prepared and has been reviewed, which agreement is entitled "Shared Services Agreement for Chief Financial Officer Services; and

WHEREAS, the Borough Council of the Borough of Stone Harbor is desirous of ratifying this agreement and authorizing its execution.

NOW, THEREFORE, BE IT RESOLVED, by the Borough Council of the Borough of Stone Harbor that the Agreement entitled "Shared Services Agreement for Chief Financial Officer Services" by and hereby is ratified.

BE IT FURTHER RESOLVED on this 3<sup>rd</sup> day of May, 2016, that the Mayor and Borough Clerk be and are hereby duly authorized, empowered and directed to execute this Agreement with the Borough of Avalon for the shared Chief Financial Officer services.

Offered by ..... Seconded by.....

The above resolution was duly adopted by the Borough Council of the Borough of Stone Harbor, New Jersey, at a meeting of said Council duly held on the .....day of ....., 2016

.....

Borough Clerk

The above resolution approved this ..... day of....., 2016

.....  
Mayor

**BOROUGH OF STONE HARBOR**

CAPE MAY COUNTY, NEW JERSEY

(3)

**RESOLUTION**

**Refund of Security Deposit Recreation Building**

**WHEREAS**, Council on April 19, 2016 approved the use of the 82<sup>nd</sup> Street Recreation Building for the Oceanview at Avalon Condo Association meeting on April 23, 2016; and

**WHEREAS**, the Women's Civic Club of Stone Harbor paid a refundable security deposit of \$500.00 on their behalf; and

**WHEREAS**, the Director of Recreation has advised there were no damages and requests the deposit be returned.

**NOW THEREFORE, BE IT RESOLVED** on this 3<sup>rd</sup> day of May, 2016 by the Mayor and Council of the Borough of Stone Harbor in the County of Cape May and State of New Jersey that the security deposit of \$500.00 be returned to Woman's Civic Club of Stone Harbor; and.

**BE IT FURTHER RESOLVED** that the Chief Financial make the proper adjustment in his records.

Offered by ..... Seconded by.....

The above resolution was duly adopted by the Borough Council of the Borough of Stone Harbor, New Jersey, at a meeting of said Council duly held on the .....day of ....., 2016

.....

Borough Clerk

The above resolution approved this ..... day of....., 2016

.....  
Mayor

**BOROUGH OF STONE HARBOR**

CAPE MAY COUNTY, NEW JERSEY

**RESOLUTION**

(4)

WHEREAS, the Borough of Stone Harbor entered into the Shared Services Agreement with Sterling High School "DBA " South Jersey Technology Partnership, 801 W. Preston Avenue, Somerdale, N.J. 08083 by Resolution 2016-S-74 on April 5, 2016 for the purpose of purchasing equipment; and

WHEREAS, the Recreation Department will be using this System to purchase a fencing for the 82<sup>nd</sup> Street Tennis Courts in the amount of \$234,604.50.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Stone Harbor, County of Cape May, State of New Jersey on this 3<sup>rd</sup> day of May, 2016 that the purchase of fencing for the 82<sup>nd</sup> Street Tennis Courts for a total price of \$234,604.50 be approved.

Offered by ..... Seconded by.....

The above resolution was duly adopted by the Borough Council of the Borough of Stone Harbor, New Jersey, at a meeting of said Council duly held on the .....day of ....., 2016

.....

Borough Clerk

The above resolution approved this ..... day of....., 2016

.....  
Mayor

(7)

BOROUGH OF STONE HARBOR  
COUNTY OF CAPE MAY, NEW JERSEY

ORDINANCE

**AN ORDINANCE AMENDING CHAPTER 560 ZONING ARTICLE V. GENERAL PROVISIONS AND EXCEPTIONS OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF STONE HARBOR, 2005**  
(Creating a general Provisions and Exceptions)

**Whereas**, Borough Council deems it to be in the best interest of the Citizens of Stone Harbor to amend the within ordinance; now, therefore be it ordained by the Borough Council, the governing body of the Borough of Stone Harbor, New Jersey as follows:

**Section 1:** Section § 560-46. (Tents) "C" is hereby stricken and the following section shall be substituted in its place:

It shall be unlawful to erect a tent exceeding 120 square feet prior to obtaining a zoning permit. Permits for a tent or tents shall be granted no more than twice in any calendar year for a property; provided that any nonprofit charitable organization, as hereinafter defined, shall be permitted to erect tents on any property in the Business District or Waterfront Business district, without limit, in any calendar year. A "nonprofit charitable organization" is defined as an organization determined by the Internal Revenue Service to be a tax-exempt organization pursuant to Section 501 (c) (3) or (4) of the Internal Revenue Code of 1986, 26 U.S.C. § 501 (c) (3) or (4); further provided that if the property of any such organization is used for the placement of a tent by the Borough in connection with official Borough functions, such tents shall not be included in calculating the number of occasions tents were erected on such property.

**Section 2.** Additionally, the following section shall be added as Section C1 (Tent Fees):

There shall be a Tent permit fee charge in the amount of \_\_\_\_\_ Hundred (\$ \_\_\_\_\_ .00) dollars per permit.

**Section 3.** If any portion of this ordinance is determined to be invalid by a Court of competent jurisdiction, that determination shall have no effect upon the remainder of this Ordinance, which shall remain valid and operable.

**Section 4.** All Ordinances or parts of Ordinances inconsistent with this Ordinance, to the extent of such inconsistencies only, are hereby repealed.

**Section 5.** This Ordinance shall take effect immediately upon final passage and publication as provided by law.

APPROVED:

\_\_\_\_\_  
Suzanne M. Walters, Mayor

ATTEST:

\_\_\_\_\_  
Suzanne C. Stanford, Borough Clerk

(8)



# THE AMERICAN LEGION

Stephen C. Ludlam Post 331  
P.O. Box 232  
Stone Harbor, New Jersey 08247

March 13, 2016  
Honorable Suzanne M. Walters  
9502 2<sup>nd</sup> Avenue  
Stone Harbor, NJ 08247

Dear Mayor Walters and Borough Council,

I am the chair of Post 331 Landscaping Committee and we have embarked on a project to beautify our Post. We have three master gardeners from Avalon and Stone Harbor Garden Clubs and four members from the Post on the committee. In our first meeting we discussed parameters for landscaping, as we need open space for our events and we want to preserve the historic nature of the Post. The Post Executive Committee has approved the cost for the replacement of the front steps and porch and we are in the process of getting bids. The steps will extend out further, so entering the Post will be safer. This will require the movement of some pavers. All of these changes are being considered in our planning.

I am writing you because in this first meeting we decided some benches would be a nice addition to the property, especially for our WWII vets, as well as community members who want to sit and contemplate in the garden or sit for our events. We would like to get these benches donated in either "In honor of... or In memory of..." We are planning on a total of 6 benches and a bicycle rack, since with the planting people leaning their bicycles against the fence would no longer be good for the plants. Upon checking on costs of benches, we have found the cost will range from \$975-1058 plus shipping of \$175. We are asking Stone Harbor Council to consider what donation they are willing to make to this project. We believe the community will respond by buying benches, but we wanted the Borough Council to have the first opportunity to purchase a bench, which will help us to publicize the opportunity. Perhaps, it could be in Memory of Albert Carusi or some other veteran who has contributed significantly to the community.

Sincerely,

Vicki D. Lachman  
Chair of Post 331 Landscaping Committee and Post Adjutant

(9)

Middle Township High School  
300 East Atlantic Avenue  
Cape May Court House, NJ 08210

April 18, 2016

Dear Mrs. Stanford,

The Middle Township High School Class of 2016 would like to have its senior picnic at the 96<sup>th</sup> St. beach in Stone Harbor on Wednesday, June 15, 2016 after school until approximately 5PM.

If you have any questions please contact either Maria Brault (465-1852 ext. 5609) or Rita Willis (465-1852 ext. 5548).

Thank you,

Maria Brault  
Rita Willis  
Class of 2016 advisors