

**MINUTES OF THE WORK SESSION OF MAYOR AND COUNCIL OF
THE BOROUGH OF STONE HARBOR HELD IN THE MUNICIPAL BUILDING**

April 4, 2023

The meeting was called to order by Mayor Davies-Dunhour at 4:30 p.m.

ROLL CALL

Judith M. Davies-Dunhour, Mayor
Kim Stevenson, Borough Clerk
Manny Parada, Interim Borough Administrator
Marcus Karavan, Solicitor
Tiffany Haungs

PRESENT

Councilmembers
Frank Dallahan
Victor Foschini
Bunny Parzych
Robin Casper
Jennifer Gensemer
Reese Moore

Mayor Davies-Dunhour announced that the meeting was now open. Adequate notice of the meeting was provided by posting a copy of the time and place on the Municipal Clerk's bulletin board and mailing a copy of same to the Press and the Cape May County Herald on January 4, 2023.

FOR THE RECORD, THIS WORK SESSION WAS HELD VIA VIDEO/TELEPHONE
CONFERENCE IN A ZOOM FORMAT AS WELL AS IN PERSON

SALUTE TO THE FLAG

Commendation: John Gift & Charles "Dan" Place

Mayor Davies-Dunhour recognized two Public Works Employees for their actions assisting a motorist on Friday, March 24, 2023. While these two employees were traveling on Route 55 they came across a motorist who had driven off the roadway. They found a woman alone in the car and visibly upset. The two employees stayed with the woman until help arrived. The woman sent a letter to Mayor and Council acknowledging their compassion and was truly grateful.

Mayor Davies-Dunhour & Manny Parada provided the two employees with a Commendation acknowledging appreciation for their exemplary behavior.

Presentation 2023 Budget: Jim Craft, Chief Financial Officer

Mr. Craft provided an overview of the 2023 Budget to Mayor and Council.

The following schedule has been established.

March 21, 2023 – Introduced the Budget
April 4, 2023 – Budget Presentation to the Public
April 18, 2023 – Public Hearing & Adoption

The 2023 Municipal Budget is available for review online and at the Borough Clerks Office.

The Current Fund Budget is up \$1,714,883 over the prior year. Tax Levy has increased \$575,000 which equates to 1cent tax rate increase from 29.2 to 30.2. Rateables Base increased \$14,501,500.

Current Fund Revenues include the following:

Surplus: Balance \$4,161,971 as of 12/31/22 - To Balance the budget for 2023 the Borough will be using \$2,709,463 leaving a balance in surplus in the amount of \$1,452,500

Local Revenues: Increase expected for 2023 is \$262,000 (related to beach tag revenues)

Additional Current Fund Revenue Includes State Aid, Uniform Construction Code, Grants, Other Special Items, Delinquent Taxes, Local Taxes

Salary & Wages have increased 2.72% or \$187,081.00.

Other Expenses: Have increased \$397,118 or 8.27%

Employee Group Insurance Up \$177,000; Engineering expenses + \$45,000 (CRS Program);

General Liability Insurance + \$38,500; Public Works OE + \$42,990; Utilities + \$28,000.

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Capital & Debt: Increase of \$886,064.63 or 14.45%
Statutory Expenses: Increased \$244,620 or 15.72%;

Capital Projects include a new Ladder Truck, Beach Fill Project, Reconstruction of 122nd Street, Reconstruction of 89th Street, Borough Hall and Firehouse Repairs, 97th & 82nd Street Playgrounds, 81st Street Basketball Court Repairs

Current Fund Debt: Beginning of 2023 - almost \$50 million.
Expected debt service payment of \$3 million dollars in scheduled; \$610,000 BAN Principal Payment; \$298,031.63 Funding of prior Capital Projects. Expected Current Fund Debt at the end of 2023 is expected to be \$49,837,230.

Councilmember Moore confirmed that the overall budget is up 3.4%.

Water/Sewer Fund has increased 9.9% over the prior year to \$494,332. Salary & Wages have increased \$40,000; debt service and prior year ordinances increased \$312,262. Operating costs increased \$143,070.

Capital Projects Slated Include: 122nd Street Improvements, 89th Street Improvements; Water Infrastructure Improvements.

Water/Sewer Debt: \$31 million – includes debt authorized but not issued. Debt service payments will reduce the debt by \$754,000; BAN Principal Payment of \$630,000. Expected debt at the end of 2023 - \$37 million.

Councilmember Parzych noted that the cost to replace the water pipes in Stone Harbor is costly however benefiting the health and safety of all. Removal of Lead within the water infrastructure is a requirement by the State of NJ.

Councilmember Dallahan noted that the total budget for 2023 is up by 8.6% and the Borough Tax levy is only up 3.9% according to his calculations.

A&F Committee Report – Councilmember Jennifer Gensemer

Councilmember Gensemer reviewed the Community Rating System (CRS). Mr. Poudrier provided an update to the Flood Prevention Ordinance. Mayor and Council were provided with adjustments to the Flood Prevention Ordinance for their review. The A&F Committee has met and determined a fee for the Flood Prevention Permit be adjusted to \$200 when the cost of estimated work exceeds \$10,000. No Flood Prevention permit is required for new construction. Fees collected for this permit can be used to offset costs associated with hiring a consultant or other related flood mitigation.

CRS Points: Adopting the Flood Prevention ordinance is very important to regaining CRS Points that were lost. In addition, a modification visit with FEMA Representatives was recommended and then later in the year or early 2024 a cycle visit could be scheduled to go over the entire Ordinance. It is hopeful that this year will provide an opportunity to return to Class 5 and in 2024 again request modification and improve our rating to a Class 4. All class levels are subject to the Flood Prevention Ordinance that the Borough Adopts and CRS activities that are completed.

All work completed on properties requires the Flood Prevention Permit – if under \$10,000 no fee. All improvements are logged and once a property reaches 40% of the value of the home it will require adherence to guidelines within Substantial Improvements.

Mr. DeBlasio has completed all the pertinent mapping and is finalizing the Flood Response Plan which will add points within the CRS Program for Stone Harbor. Additionally, the Repetitive Loss Analysis is ongoing.

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Emergency Repair can be completed and a permit application applied for afterwards – within 3 business days.

Jim Craft - CFO

Salary Ordinance – Ranges were increased in anticipation of 2023 & 2024 Increases. This salary Ordinance will remain in effect until there is a change needed. The Assistant Administrator position was removed, and a Regulatory Compliance Specialist position was added. Zoning Board Secretary position was changed from being salary to a stipend. Mayor Davies-Dunhour asked if there was going to be a review of the new position added. Councilmember Gensemer stated yes but not at this time.

Jim Craft CFO presented the Tax Collector Quarterly Report

1st quarter of 2023:

Taxes Collected: \$8,301,918.10

Interest collected: \$13,992.67.

6% Year End Penalty: \$2,025.49

NSF Fees \$40

Total Revenue: \$8,317,976.26 Total Revenue for 2022 1st quarter: \$8,035,531.02

Next Tax Bill Due Date is May 1st, 2023.

Utilities Quarterly Report:

1st quarter of 2023: \$1,029,918.68

Interest: \$2,123.28

Misc. Revenue \$40,834.00

Fire Fees: 3,179.78

Total Revenue: \$1,076,055.74 Total Revenue for 2022 1st Quarter: \$978,369.65

Next due date for Water/Sewer is June 1st and will include the new rates.

Margaret Slavin – Tax Assessor

1st quarter sales:

2022 – 25 usable sales

2023 – 9 usable sales

Margaret noted that she is seeing a big decrease in sales.

In addition, Margaret was asked to determine if there were any properties which existed on First, Second or Third Avenue as being listed as 1st, 2nd or 3rd Avenue. She confirmed that they are all listed alphabetically not numerically.

MLS report: Currently 20 active listing; 4 condos, 1 retail unit on 96th St; 1 vacant land and 14 single family dwellings. Under Contract: 16 total properties. 3 condos, 1 townhouse, 6 vacant land and 6 single family.

Construction Official Report - Ray Poudrier

Construction and Zoning Activities are consistent with pre-covid activities for the month of March. The construction office has obtained a Level 3 in the Building Code Effectiveness Schedule. Level 3 is excellent and can assist with points within CRS.

Mr. Poudrier reviewed the recent Zoning Board meeting: There was an appeal before the Zoning Board on two interpretations within the Zoning Ordinance. Determination when a lot is in two districts – how does the board determine which code to enforce. The Board voted unanimously that the most restrictive code should be used. The second interpretation: was how the requirement of two stories is interpreted – challenge was that the definition within our ordinance. Definition of habitable space and story were reviewed. The conclusion was that if it is not a habitable space it does not qualify as a story.

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Parking and storage would be allowed on the grade level and would not affect the height. The definition of a story would have no bearing. Mr. Poudrier has requested a Planning Board review of this matter.

Borough Engineer- Marc DeBlasio

122nd Street Construction: The Contractor has completed all the utility work and the concrete work is scheduled to start next week. There is also a change order within this project which would allow for the installation of Tide Valves at the end of 94th Street. If the change order is approved this will be moved into construction as soon as possible.

2021 Utility and Road Program: contract has successfully installed the disinfection pipe at the 80th Street well and there is also another change order for this project to complete the tide valve installation at 93rd and 95th Street.

There was a Pre-Construction Meeting in regard to the repair to the Beach Access Restoration: Contractor will begin work next week. The deadline to complete is April 30th – per DEP Permit guidelines.

Stone Harbor Point Survey: DeBlasio and Associates has started surveying this week and should have data available for analysis within the next three weeks.

Legal Report- Marcus Karavan

Mr. Karavan reviewed the details regarding the borough being named in a lawsuit between two landowners. He explained that each party has a different view in which the role that Stone Harbor should be regarding enforcing a restriction that was placed on a sub-division plan that was approved by the Stone Harbor Planning Board. All parties have filed motions before the court. A confidential memorandum has been circulated to Mayor and Council from Mr. Karavan regarding his opinion on the matter. Mr. Karavan indicated that he has received notification from the court which states that the Judge intends to hear all dispositive motions concerning this matter on April 19th, 2023.

Human Resources Discussion:

Councilmember Gensemer advised council that the A&F Committee has retained the services of Nicole Curio, Labor Counsel to provide short, in person training sessions to ensure compliance with the Jersey Insurance Fund or the JIF.

Presentation: Nicole Curio – Human Resource Update / JIF Requirements

Ms. Curio introduced herself to Mayor and Council and advised that she has been asked by the Administration and Finance Committee to speak with providing training to borough employees that would emphasize the importance of having a respectful and inclusive workplace culture. The Borough has an obligation to provide employees with a safe workplace. The purpose of the training would be to review the policies in place and remind employees of appropriate and inappropriate behavior in the workplace and provide employees with avenues to assist them. Ms. Curio advised that the JIF does provide policies and videos to assist. Ms. Curio offered her services and training.

Chapter 67 – Borough Clerk: Upon the advice of Labor Council this Ordinance update will align the job description with State Statute.

Change to the Borough Administrator Duties: A&F Committee recommends voting no on the final approval on the Ordinance which provides for description of the Borough Administrator job duties. The recommendation is to remove the requirements that the Borough Administrator is the head of human resources.

Adding Regulatory Compliance Specialist: Councilmember Gensemer explained that there are obligations legally that the Borough must comply with which require a specialist. This position would work under the Borough Administrator. Mr. Karavan advised if there is a job description it should be included in the Borough Code.

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Councilmember Casper asked if this position could be a shared service with Avalon. Councilmember Moore added that this position also includes additional administrative duties. Mr. Parada noted that the driver of this position was the MS4 permit. This position would work closely with the engineers.

Beach & Pavilion Use: Chapter 365 General Code: A&F Committee recommends the following changes: \$100 fee (reduced from \$150); 3 hour time limit for use of the beach and 2 hour time limit to pavilion and insurance required by the Jersey Insurance Fund.

Senate Bill S-1368 – Licensing to Include Insurance Requirements: Requires all business owners to provide insurance certificates to the Borough. The collection of insurance certificates would be held in the borough clerks office.

First Amendment Ordinance -. Councilmember Gensemer indicated that the A&F Committee is ready to move forward with an ordinance which will restrict areas in buildings where municipal operations are conducted. This Ordinance will be introduced at the April 18th Council meeting.

Public Works Committee – Councilmember Reese Moore **Public Works Monthly Report – Manny Parada**

Beach Streets & Marina: Bubbler system is being run weekly, repairs are being made to the docks at the marina, Bubbler system will soon be removed as weather improves. Steps to the main dock at the marina have been repaired; pavers have been blown off. Parking APP will be active on May 1st. On May 2nd there will be a presentation on the use of the APP. Park Mobile APP signage is being worked on and will be installed. Curbs are being painted, debris is removed along the beachfront, split rail is being repaired, Pavilions at 88th Street and 101st Street have been completed, street sweeping is being completed 3x's weekly.

Buildings: The Marina Boathouse has received some much-needed improvements; Beach Concession stands maintenance is ongoing; walls in the finance office have been repaired; assisted with the Shiver Event

Grounds: Second Avenue Islands have been de-thatched, debris removed, mulching beds, aerating in the next couple weeks, and mowing is being completed. Irrigation systems are being checked for leaks. 80th Street ballfield will be aerated and fertilized.

Solid Waste: Bulk Pick up was completed – next bulk pickup is May 8th. 39 tons of solid waste; 20 tons recycling; 15 tons of bulk; 16 tons brush; branches & limbs. Approximately one third of the Borough is complying with the new trash can size requirement; 6 of the 8 trash trucks have been retrofitted with the tippers. The 8th truck will not be retrofitted. The Convenience Center is being completed and will be operational mid-May and available 7 days a week 7am to 3:30pm.

Automotive: Continue to complete maintenance on borough vehicles. Advanced Clean truck registration has been completed.

Councilmember Moore noted that there will be a mailer sent to all property owners regarding the new trash ordinance. Councilmember Moore thanked Jenny Olson and Robert Brewer for their assistance with completing the mailer. Councilmember Dallahan thanked the Public Works Department for the quality of the monthly reports.

Mr. DeBlasio added that the roadway conditions on 93rd Street from Sunset to the bulkhead will be upgraded in conjunction with the installation of the 93rd Street tide valve. The roadway will be raised to assist with flood mitigation.

Utilities Committee – Councilmember Parzych

Manny Parada:

Contact time pipe at 80th Street Well has been installed and working well, monitored for chlorine. The new system is safer to use for both employees and for users.

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SCADA System update: This system will collect data from the operating system which gages the pressure that is monitored electronically. Encryption technology has improved. In addition, the technology assists with reporting to the NJDEP.

Continuation of replacement of services that may contain lead are being completed, storm drains are being cleaned on a rotating basis, inspections are being completed on wells.

The Forman position was advertised, and one successful candidate was obtained. Leon Woodruff will be filling the vacancy. There are two vacancies currently in the water/sewer department.

Pilot Study for the tide valves should be starting shortly if the two change orders presented for approval tonight are authorized.

The ARPA grant for the County was submitted on time. This grant offers funding 50% to water/sewer and 50% to stormwater improvements.

The MS4 Grant application was submitted to the DEP – the borough is waiting for a determination.

A Cross connection permit for backflow preventors was submitted to the DEP on March 17th – there is no update at this time on this permit.

Update on the beaches: GP2 permit is now considered administratively complete by the NJDEP. The easements within the Municipal Public Access Plan have been properly recorded, which was a condition for approval of the GP2 permit.

The Individual Permit was submitted on March 31st and has been properly advertised. The approval may take 8-9 months before a determination will be complete.

Emergency Authorization: Bird Study Report is complete: There were American Oyster Catchers found at Stone Harbor Point however no Red Knots or Piping Plovers were found.

Councilmember Parzych advised that a review of the sewer pipe from 99th to 94th along Third Avenue did find that three of the five sections of that sewer pipe are tuberculated and will need additional cleaning before a slipline can be put in place, however this process will result in a significant cost savings for the borough.

114th Street Sanitary Sewer Pump Station Update: The prefab pump station and pumps will be delivered next month however the installation will not begin until the fall.

IBank Application Update: Mr. DeBlasio noted that the upload of final plans and specifications should be uploaded within the next couple weeks. There is a resolution to authorize the Mayor to sign the necessary NJDEP permit required. Mr. DeBlasio will be updating as the process moves forward with approval and bid process.

Water Diversion Update:

March 2023 consumption reports is up slightly from 2022 – up slightly 100,000

Discussion:

Jenny Olson – Tourism Director: Stone Harbor Chamber of Commerce Spring Into Summer Market, Saturday April 29, 2023 from 10am – 4pm. Jenny reviewed the application details and needs and has brought this application forward this evening for review. Approval will be required at the next council meeting since the event is scheduled for April 29th.

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Shannon MacPherson – Recreation Director – Regarding an increase in summer camp fees. The Recreation Committee has reviewed the sport clinic fees and agrees with raising the sport clinic fees: \$30 weekly/\$15 daily. These fees should be in place prior to May 1st. If the increase is acceptable a resolution authorizing the increase will be presented at the April 18th Council meeting.

Shannon would like to add in an athlete of the week this year encouraging team comradery. The additional fee will be used to assist with the end of the year celebration.

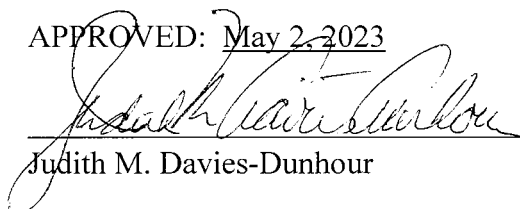
No Further Discussion

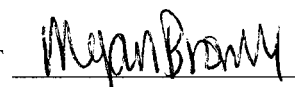
Upon Motion by: Councilmember Frank Dallahan
Seconded by: Councilmember Robin Casper

That the Work Session Meeting of Mayor and Council be adjourned at 6:15p.m.

Vote 6 Councilmembers AYE

APPROVED: May 2, 2023

 _____, Mayor
Judith M. Davies-Dunhour

ATTEST  _____, Borough Clerk
Kim Stevenson