

November 17, 2015



# Agenda

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- Post Sandy Assessment
- Current State of Affairs
- Critical Issues
- Borough Hall Project
  - Outline of proposed Next Steps (Chris)
  - Work Completed to Date (Beth)
  - Existing Allocations / FEMA Reimbursement (Stacy)
  - Projected Spend/Sources/Financial Implications (Matt & Phoenix Advisors)
- Conclusion and Q&A



# Post-Sandy Assessment

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- Residential Progress:
  - CO's/TCO's issued since 2013: Nearly 100
  - Total Permits issued: 1850
  - Herculean effort by both Homeowners and Building Department
- State / Municipal Infrastructure:
  - Route 35
  - Pump Station
  - Local Roads
- Maximization of FEMA /State and County Aid



# Post Sandy Assessment

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- Progress Steady, but Slow:
  - Critical Projects Addressed:
    - Rock Wall / Revetment
    - Replenishment- USACE / State Engagement
    - FEMA Flood Zones
    - New Borough Hall
    - New Police Structure and plans for Accreditation
- All of this achieved with a small number of extremely dedicated employees and a volunteer Mayor, Council and Committee Members



# Current State of Affairs

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- Perceived Influx of Politics and Individualized Agendas
- Perceived Lack of Executive and Council Transparency
- Sense of Community Diminished



# Representative Action

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- Action being formulated at Party Level and by individual groups
- 2015 Election – Lance White (Councilman Elect)
  - Unprecedented Write-In Candidacy
  - A signal that status quo needs to change
- Councilman McIntyre's term ending
  - Dedicated volunteer
  - OEM Coordinator and Firefighter



# Change is Welcomed and Embraced

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- More than enough work to go around
- Council will evolve. In the short term we pledge to consider:
  - Council Office Hours:
    - Twice a month: “Office Hours” at Boro Hall
    - Promised response within 48 hours
  - Greater web presence/e-mail updates (Need help w/ this)
  - Reporting of Issues at Monthly Council Meetings
  - Seasonal Resident’s Council Representation:
    - Logistics / Mechanism TBD
  - Revised Council Meeting format – Q/A

**TAKE AWAY THE SILOS: NEED TO GO BACK TO ADDRESSING ISSUES AS A COMMUNITY**



# Pending Critical Issues

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- Beach Replenishment:
  - Continued Stakeholder Engagement
  - “Encourage” other coastal communities
  - Continue to advocate for fair and equitable state legal action against holdouts
- Construction Code: Coastal A to V Zone
  - Engage DCA and Gov’s Office
  - Borough Resolution
  - Ramp up Borough Construction resources if needed
- Re-build Borough Hall



# Borough Hall





# Decisions regarding Borough Hall

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- Decisions need to be made soon
- Council will vote December 15th on the proposed Bond Ordinance
- Some Parties express a different point of view and want to be heard
- A Petition for Referendum is being discussed



# Petition and Referendum

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- Bond issues are one of only a few municipal legislative acts that are subject to **initiative and referendum** in New Jersey.
  - Residents have 20 days from publication of a bond ordinance to petition for a referendum on the ordinance.
  - If 15% of voters that voted for the last general assembly agree to file a petition, Council must then hold a public referendum on the issue.



# What does Council Propose?

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- Concerned Residents work from now until the 15th to put a detailed plan together with associated recommendations
- The plan/recommendations can be presented to the public and Council at the December 15<sup>th</sup> Meeting



# Dec. 15 Meeting

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- December 15:
  - Concerned residents present plan and recommendations
  - Council and public Q&A of proposed plan/recommendations
  - Council to consider plan/recommendations at January Council Meeting
  - Council will hold public hearing and consider final adoption of Bond Ordinance (And adopt resolution not to award bid until Council has roll call vote on whether to further explore the concerned residents' plans/recommendations)



# Alternative Plan: What needs to be considered?

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- Amount of work done to date
- Cost of Construction
- Existing Allocation of Funds
- FEMA Reimbursement
- The Projected Spend and Sources of Funds
- Interest Rate Certainty
- Ultimate Cost to Taxpayer
- The Impact of a Project Delay on Our Community



# Amount of Work done to date

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<b>BLDG Architecture</b>	Preliminary Design	\$62,000
	Construction Drawings	\$102,500
	Cost Estimates	\$18,000
	Contract Administration	\$24,000
<b>Sabilia Construction Services</b>	Construction Supervision	\$5,923
<b>Melick-Tully Associates</b>	Soil Boring	\$5,500
<b>Ocean County</b>	Demolition of Original Building	\$79,980
<b>Hatch Mott MacDonald</b>	Specifications & Related Services	\$30,299



# Cost of Construction

**BIDS SUBMITTED OCTOBER 15 RANGE FROM \$4,923,790 TO \$6,114,299.**

<b>COMPANY</b>	<b>BASE BID</b>	<b>Alternate 1</b>	<b>Alternate 2</b>	<b>TOTAL</b>
Arch Concept Construction, Haledon NJ	\$4,938,190	(\$9,000)	(\$5,400)	\$4,923,970
Wallace Contracting, Brick, NJ	\$4,986,000	\$36,000	\$17,000	\$5,039,000
Santorini Construction, Neptune, NJ	\$5,223,000	\$50,000	\$18,000	\$5,291,000
G & P Parlamas, Neptune, NJ	\$5,272,107	\$73,000	\$19,000	\$5,364,107
McCauley Construction Co. Inc., Long Branch,	\$5,394,000	\$65,000	\$12,000	\$5,471,000
Structural Concepts Inc., Ocean, NJ	\$5,543,000	\$58,000	\$24,312	\$5,625,312
Rampart Construction Co., Summit, NJ	\$5,732,000	\$67,000	\$5,000	\$5,804,000
Bismark Corporation, North Newark, NJ	\$5,907,500	(\$36,700)	(\$5,700)	\$5,865,100
H & S Construction, Elizabeth, NJ	\$5,895,000	\$26,000	\$25,000	\$5,946,000
Kelso Construction Co., Manasquan, NJ	\$5,881,000	\$50,000	\$20,000	\$5,951,000
MM Construction, Union, NJ	\$5,895,000	\$75,000	(\$5,000)	\$5,965,000
Coastal General Contracting, Inc., Brick, NJ	\$6,070,966	\$24,000	\$19,333	\$6,114,299



# Existing Allocation of Funds

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## Cost of Temporary Facilities:

- Temporary Borough Hall \$3466.66 Per Month
- Temporary Police Station \$875.00 Per Month
- Records Storage \$603.00 Per Month

All existing structures are non-compliant for active municipal facilities



# FEMA Reimbursement

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## FEMA Grant for Reconstruction:

- Estimated amount: \$1,100,000.00
- Reimbursable work must be completed by Oct. 31 2016
- Extension granted 2 times- currently seeking a third
- Further extensions / modifications in question



# Projected Sources of Funds

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<b>Amount Appropriated for Municipal Building</b>	<b>\$5,500,000</b>
<b>Less: Reserve for Beach Replenishment</b>	
<b>(Now a state and federal project)</b>	<b>\$1,085,352</b>
<b>Less: Grant from Federal Emergency Management Assn</b>	
<b>(Expires October 31, 2016)</b>	<b>\$1,100,000</b>
<b>Less: Funds from Mantoloking School District</b>	
<b>(Dissolved by state in 2009)</b>	<b>\$395,985</b>
<b>Less: Funds re-appropriated from completed capital projects</b>	<b>\$139,299</b>
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	<b>\$2,779,364</b>
<b>FINAL AMOUNT OF BOND ISSUE</b>	<b>\$2,779,000</b>



# Interest Rate Certainty

- An increase to 4% over 3.2% will increase the cost of the project by more than a quarter million dollars over 20 years.

Fiscal Year Ending 12/31	Gross Debt Service		
	Principal	Interest	3.2%
2016		40,094	40,094
2017	80,000	79,388	159,388
2018	115,000	77,438	192,438
2019	120,000	75,088	195,088
2020	125,000	72,606	197,606
2021	130,000	69,993	199,993
2022	135,000	67,243	202,243
2023	140,000	64,250	204,250
2024	140,000	60,925	200,925
2025	145,000	57,000	202,000
2026	145,000	52,650	197,650
2027	150,000	48,225	198,225
2028	150,000	43,538	193,538
2029	150,000	38,663	188,663
2030	150,000	33,788	183,788
2031	150,000	28,913	178,913
2032	150,000	24,000	174,000
2033	150,000	18,975	168,975
2034	150,000	13,800	163,800
2035	150,000	8,475	158,475
2036	154,000	2,888	156,888
<b>TOTAL</b>	<b>\$2,779,000</b>	<b>\$977,913</b>	<b>\$3,756,935</b>

Fiscal Year Ending 12/31	Gross Debt Service		
	Principal	Interest	4.0%
2016		55,580	55,580
2017	80,000	109,560	189,560
2018	115,000	105,660	220,660
2019	120,000	100,960	220,960
2020	125,000	96,060	221,060
2021	130,000	90,960	220,960
2022	135,000	85,660	220,660
2023	140,000	80,160	220,160
2024	140,000	74,560	214,560
2025	145,000	68,860	213,860
2026	145,000	63,060	208,060
2027	150,000	57,160	207,160
2028	150,000	51,160	201,160
2029	150,000	45,160	195,160
2030	150,000	39,160	189,160
2031	150,000	33,160	183,160
2032	150,000	27,160	177,160
2033	150,000	21,160	171,160
2034	150,000	15,160	165,160
2035	150,000	9,160	159,160
2036	154,000	3,080	157,080
<b>TOTAL</b>	<b>\$2,779,000</b>	<b>\$1,232,000</b>	<b>\$4,011,600</b>



# Taxpayer- Budget Impact

**Higher bond interest rates = higher annual municipal budgets for debt service**

**NOW:**

\$2,779,000/20 years/3.2%

Total Net Municipal Debt Service: \$3,756,935

Average Annual Debt Service:

**\$178,902**

**COMPARED TO:**

\$2,779,000/20 years/4.0%

Total Net Municipal Debt Service: \$4,011,600

Average Annual Debt Service:

**\$191,029**



# Taxpayer- Property Tax Impact

**Higher bond interest rates = higher property tax bills.**

**NOW:** \$2,779,000/20 years/3.2%

Per \$100 Assessed Value: \$0.014

Per \$100,000 of Assessed Value: \$13.68

Per \$1,000,000 of Assessed Value: \$136.80

Average Assessment \$2,313,816 :

**\$316.55**

**Compared to:**

\$2,779,000/20 years/4.0%

Per \$100 Assessed Value: \$0.015

Per \$100,000 of Assessed Value: \$14.65

Per \$1,000,000 of Assessed Value: \$146.50

Average Assessment \$2,313,816 :

**\$338.93**



## Taxpayer- Increased Interest Rates & FEMA funds not Available

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### Loss of FEMA funds + increased interest rates = higher property tax bill

\$2,779,000/20 years/3.2%

Per \$100 Assessed Value: \$0.014

Per \$100,000 of Assessed Value: \$13.68

Per \$1,000,000 of Assessed Value: \$136.80

Average Assessment \$2,313,816 :

**\$316.55**

\$3,879,000/20 years/4.0%

Per \$100 Assessed Value: \$0.020

Per \$100,000 of Assessed Value: \$20.44

Per \$1,000,000 of Assessed Value: \$204.40

Average Assessment \$2,313,816 :

**\$472.94**



# Summary

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- Progress being made and will continue to be made
- Evolving Council with homework to do
- Critical issues need to continue to be tackled:  
Replenishment, Coastal A/V Zone, Borough Hall



# Summary

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## Borough Hall:

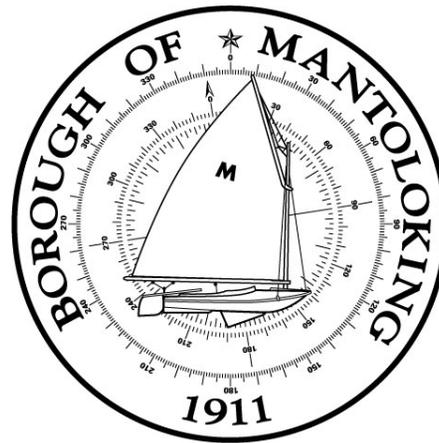
- Bond Ordinance public hearing and vote will be held on December 15
- All interested parties propose plan/recommendations at Dec. 15 Meeting with Council and public Q&A
- Council to consider Plans/Recommendations
- Council to agree to further explore Plans/Recommendations OR votes to award bid in New Year



# Summary

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- **The silos, the personal attacks, the individual agendas, as well as the lack of transparency on all sides, needs to stop.**
- **Regardless of outcomes of critical issues, there will be no winners in a divisive community.**
- **This is not the Mantoloking that we all signed up for. We have the chance to fix it. Let's do it and only look forward**



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