

**REORGANIZATION/WORKSESSION/REGULAR MEETING  
OF CITY COUNCIL OF THE CITY OF CAPE MAY, NJ  
Tuesday, January 1, 2013, 12:00 P.M.**

The Reorganization/worksession/regular meeting of City Council of the City of Cape May was called to order by Mayor Mahaney at 12:00 P.M. Tuesday, January 1, 2013 in the Cape May City Hall Auditorium. The Clerk called the roll and the Pledge of Allegiance was recited.

Present: Councilmember Deanna Fiocca  
Mayor Edward J. Mahaney, Jr.  
Councilmember William H. Murray  
Councilmember Terri L. Swain  
Deputy Mayor Jack Wichterman

Also Present: City Attorney Anthony Monzo  
City Manager Bruce MacLeod  
City Clerk Louise Cummiskey

Mayor Mahaney announced that under the Open Public Meetings Law, notice of this meeting was sent to the Cape May Star and Wave and The Press and a copy of the agenda was delivered to each Member of Council and was posted on the City Hall Bulletin Board.

Minutes do not reflect the actual order in which the events occurred.

Invocation by Reverend Francis Danella, OSFS, Pastor, Our Lady Star of the Sea Church

Oath of Office Administered by Honorable Louis J. Belasco, Jr.  
Mayor Mahaney  
Councilmember Swain

Nominations for Deputy Mayor for 2013

Councilmember Wichterman nominates William H. Murray. Councilmember Fiocca seconds the nomination.

Motion: Wichterman  
Second: Fiocca  
Roll Call:  
Fiocca Yes  
Swain Yes  
Wichterman Yes  
Murray Yes  
Mahaney Yes

Resolution 01-01-2013 – Election of Deputy Mayor

Motion: Mahaney  
Second: Fiocca  
Roll Call:  
Fiocca Yes  
Swain Yes  
Wichterman Yes  
Murray Yes  
Mahaney Yes

Oath of Office Administered by Honorable Louis J. Belasco, Jr.

Resolution 02-01-2013 – Appointment of Class III Planning Board Member

Motion: Mahaney  
Second: Wichterman  
Roll Call:  
Fiocca Yes  
Swain Yes  
Wichterman Yes  
Murray Yes  
Mahaney Yes

Resolution 03-01-2013 – Appointment of Business Improvement District Board Member for 2013

Motion: Mahaney  
Second: Murray  
Roll Call:  
Fiocca Yes  
Swain Yes  
Wichterman Yes  
Murray Yes  
Mahaney Yes

Oath of Office Administered by Honorable Louis J. Belasco, Jr.

State of the City Address by Mayor Edward J. Mahaney, Jr.  
See copy attached hereto.

**COUNCIL COMMENTS**

Mayor Mahaney invites everyone to lunch at the Convention Hall after the reorganization meeting. The Mayor thanks Mr. Wichterman for his service as Deputy Mayor during the past two years.

Deputy Mayor Murray thanks Mayor and Council for having the confidence in electing him as Deputy Mayor for the year 2013 and advises that it has been a pleasure working with his fellow Councilmembers. Deputy Mayor Murray thanks Councilmember Wichterman for all the hard work he did on the Convention Hall Project and he asks Councilmember Wichterman if he will continue to work on the School Funding Project.

Councilmember Fiocca wishes everyone a Happy, Healthy and Prosperous New Year and would like to thank the community for all their support during the past year.

Councilmember Wichterman comments that it has been a pleasure serving as Deputy Mayor during the past two years and notes how well Mayor and Council work together. Councilmember Wichterman agrees to continue working on the School Funding Project as he is determined to save the residents of the City of Cape May tax money in the future.

Councilmember Swain thanks her family and her supporters and feels blessed to live and work in the City of Cape May. Ms. Swain enjoys serving on Council and will continue to give back to the community. Councilmember Swain wishes everyone a Happy Holiday!

**ORDINANCES FOR INTRODUCTION**

260-2013 An Ordinance of the City of Cape May Updating List of Historic Structures

Motion: Wichterman  
Second: Murray  
Roll Call:  
Fiocca Yes  
Swain Yes  
Wichterman Yes  
Murray Yes  
Mahaney Yes

The following Resolutions will be approved by Consent. Mayor Mahaney offers an explanation as to the purpose of the Resolutions for the benefit of the public.

**RESOLUTIONS:**

- 04-01-2013 Appointment of the City Solicitor and Authorizing the Execution of Professional Services Contract for same
- 05-01-2013 Appointment of the Municipal Auditor and Authorizing the Execution of Professional Services Contract for same
- 06-01-2013 Appointment of McManimon & Scotland, LLC and Authorizing the Execution of Professional Services Contract for same
- 07-01-2013 Appointment of Municipal Public Defender and Authorizing the Execution of Professional Services Contract for same

- 08-01-2013 Resolution appointing Municipal Engineer and Approving Professional Services Agreement
- 09-01-2013 Resolution Appointing Engineer for inspection of projects approved by Cape May City Planning and/or Zoning Board of Adjustment
- 10-01-2013 Appointment of the City Prosecutor and Authorizing the Execution of Professional Services Contract for same
- 11-01-2013 Resolution Establishing Business Hours for City Hall in the City of Cape May
- 12-01-2013 Resolution Designating Meeting Day and Place for Council Meetings of the City of Cape May
- 13-01-2013 Designation of Bank Depositories for the City of Cape May
- 14-01-2013 Resolution Approving List of Peddlers' Designated Locations
- 15-01-2013 Designation of Public Agency Compliance Officer
- 16-01-2013 Resolution Appointing Fund Commissioner
- 17-01-2013 Resolution Appointing Alternate Fund Commissioner
- 18-01-2013 Resolution Designating Official City of Cape May Physicians for the year 2013
- 19-01-2013 Resolution Authorizing the City Clerk to Issue Bingo and Raffle Licenses throughout the Year to Qualified Organizations
- 20-01-2013 Resolution Concerning Deferred School Tax Levy – City of Cape May – Lower Cape May Regional School District
- 21-01-2013 Resolution Concerning Deferred School Tax Levy – City of Cape May School District
- 22-01-2013 Resolution Approving Employment Agreement by and between the City of Cape May and Clarence Lear
- 23-01-2013 Resolution Approving Employment Agreement by and between the City of Cape May and Robert Sheehan
- 24-01-2013 Payment of Bills
- 25-01-2013 Resolution Approving Professional Services Agreement with Dixon Associates Engineering, LLC
- 26-01-2013 Resolution of the City of Cape May Appointing Members of the Boards and Commissions of the City of Cape May
- 27-01-2013 2013 Debt Service Budget
- 28-01-2013 2013 Temporary Budget
- 29-01-2013 Approving the 2013 Cash Management Plan

Motion: Mahaney  
 Second: Murray

Roll Call:  
Fiocca Yes  
Swain Yes  
Wichterman Yes  
Murray Yes  
Mahaney Yes

### **Mayoral Appointments**

#### **Mayor's Advisory Committee**

Mark Lomanno  
Susan Mullins  
Curtis Bashaw  
Scott Thomas  
Hilary Pritchard  
Eliza Lotozo

#### **Cape May Library Advisory Committee**

Eileen Cassidy  
Ed Hutchinson  
Anita DeSatnick  
Janice Davis  
George Catanese

#### **Emergency Management Council**

Dr. Edward J. Mahaney, Jr., Mayor  
Terri L. Swain, Councilmember/Businessperson  
Bruce MacLeod, City Manager  
Diane Sorantino, Chief of Police  
Clarence Lear, Lt., Cape May Police Department  
Jerry Inderwies, Jr., Fire Chief  
Richard Lundholm, Deputy Fire Chief  
Daniel Shustack, Communications Officer  
Victoria Zelenak, Administrative School Principal  
Skip Loughlin, Lt., Fire Police

**PUBLIC PORTION:** Those wishing to publicly comment shall come forward, give their name and address and speak into the microphone. Each speaker will be limited to five (5) minutes.

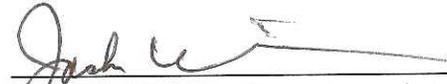
#### **BENEDICTION**

Reverend Francis Danella, OSFS, Wishes everyone a Blessed and Happy New Year!  
Pastor, Our Lady Star of the Sea Church, Cape May

**ADJOURNMENT**

Motion made by Councilmember Wichterman to adjourn. The meeting adjourned at approximately 1:05 P.M.

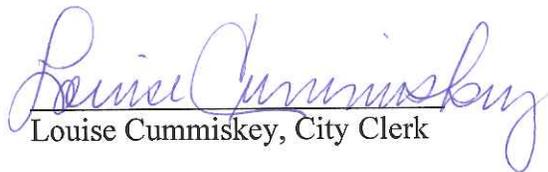
  
Edward J. Mahaney, Jr., Mayor

  
Jack Wichterman, Councilmember

  
Deanna Fiocca, Councilmember

  
Terri L. Swain, Councilmember

  
William H. Murray, Deputy Mayor

  
Louise Cumiskey, City Clerk

DR. EDWARD J. MAHANEY, JR.

*Mayor*

JACK WICHTERMAN

*Deputy Mayor*

DEANNA FIOCCA

*Councilmember*

WILLIAM H. MURRAY

*Councilmember*

TERRI L. SWAIN

*Councilmember*

## *City of Cape May*

**National Historic Landmark**

City Hall - 643 Washington Street  
Cape May, New Jersey 08204-2397  
(609) 884-9525 \* Fax: (609) 884-8589  
[www.capemaycity.org](http://www.capemaycity.org)



BRUCE A. MACLEOD

*City Manager*

LOUISE CUMMISKEY

*City Clerk*

### **CITY OF CAPE MAY**

### **STATE OF THE CITY ADDRESS**

**BY**

**DR. EDWARD J. MAHANEY, JR.**

**MAYOR**

**JANUARY 1, 2013**

Good afternoon to our residents, business persons, and visitors!

Since the City of Cape May has successfully completed the gradual transition to synchronize its concurrent calendar and fiscal year in 2012, today's State of the City Address represents a brief review of progress achieved and challenges encountered by the City Council during the past 12 months, as well as a succinct overview of the City Council's initiatives for the 2013 year.

### **COMMITMENT TO SUSTAINABILITY**

As Councilwoman Swain and I pledged when we assumed our governing body positions on July 1, 2008, our City Council has, over the past four and one-half years, successfully integrated its long-range planning agenda with our long-term financial and capital planning programs to create a comprehensive and systematic sustainability approach for our City over the next two decades. In the case of Cape May, sustainability must be defined in the broadest sense of the term: Our strategies will allow us to sustain economic growth, sustain the City's infrastructure to assist in providing the programs and services that our residents expect and demand; sustain exemplary environmental stewardship, and sustain the affordability of the City for our residents, businesses, and visitors. The final element in this coordinated planning initiative was the State Planning Commission's award of certification for Cape May's Plan Endorsement program on October 17, 2012. This particular achievement represents the timely culmination of a four and one-half year systematic strategy to complete the State-mandated City Master Plan Reexamination Report by March 2009, the FEMA-required City Floodplain Management Plan in 2009, and the substantially-certified City COAH Plan in 2010. All pertinent City planning documents are now current, valid, and working documents which chart the future direction of Cape May and also qualify our City for priority status in obtaining federal and state grants and low-interest loans for our future community projects. As an example, during just the past two years, Cape May has attained over

\$6.6 million in grants and rebates for City initiatives involving public improvements, environmental and energy conservation projects.

As further evidence of Cape May's commitment and accomplishments concerning sustainability, our City, for the second consecutive year, received the highly-regarded Silver Certification and was declared Small Municipality Champion by the statewide Sustainable Jersey program in November 2012. Cape May is one of only four communities in 2012 to have achieved Silver Certification status. These awards will be presented to our City at a state-level ceremony on January 28, 2013. In a related manner, City Manager Bruce MacLeod and I will continue our cooperative efforts with Captain Bill Kelly and Commander Owen Gibbons at USCG TRACEN to achieve federal certification for Cape May as a "Coast Guard City" in recognition of the longstanding productive partnership between TRACEN and our Cape May community.

### **OPEN SPACE AND PARKS SYSTEM**

During the past two fiscal years, the City has been awarded almost \$1.6 million in Green Acres and Blue Acres grant funding from the New Jersey Department of Environmental Protection (NJDEP) for property acquisition at the Lafayette Street Open Space Recreation Area that is located along the main entranceway to Cape May near the downtown historic area. The City's project was one of the highest rated applications reviewed by NJDEP, and was one of only three Blue Acres applications to be funded in the State. Through a variety of public-private partnerships, the objective is to unite, for programming purposes, the 38 acres of open space into a year round, comprehensive active and passive recreation complex with educational and environmental amenities. This project has been conceptually planned by our community members of all ages during open public meetings as part of the City's partnership agreement with the Temple University School of Environmental Design during the 2009 through 2011 academic years.

Through the long-range planning process and coordinated capital planning, the City has now coordinated funding through a grant and the City's capital fund for phased upgrades and improvements to Rotary Park, which is adjacent to our three-block long Washington Street Pedestrian Mall in the downtown historic district. The focus is on transforming Rotary Park into an even more attractive, diversified, and accommodating venue to host a wider array of community-oriented cultural, artistic, historical, recreational, and social events. It is projected that the City will commence the construction on the first two phases of this three phase project in the Fall of 2014 in conjunction with the reconstruction of our Washington Street Mall service streets (which I will explain later in this address).

The City collectively strives to implement our long-range strategies to achieve our community-based vision and goals that are emphasized in the City's Master Plan and Vision Statement phase of the Plan Endorsement process. The City is in the process of acquiring and preserving 78 acres of pristine environmental wetlands in East Cape May as a wildlife sanctuary. Therefore, the City continues to participate in the ongoing planning and negotiation meetings with the principals of East Cape May Associates, the United States Army Corps of Engineers, the New Jersey Department of Environmental Protection, and the American Littoral Society to finalize the permitting process. These negotiations

represent the final step of implementing the settlement agreement signed by all the parties at the Cape May City Council reorganization meeting on July 1, 2009. Under this settlement agreement, the City of Cape May will become an owner and managing partner of the 78-acre wildlife sanctuary at a cost of \$4.4 million that will be covered totally by grants. This purchase will have no financial cost to the Cape May taxpayers.

### **WATER SUPPLY AND CONSERVATION**

During the period from 1995 to 1998, City Council planned and financed the installation of a reverse osmosis, two million gallons per day, water desalination plant accompanied by two new wells drilled into the brackish 800 foot Atlantic City sands aquifer. This capital project was financed totally by grants and low interest loans. As the only desalination plant in New Jersey, our facility provides 2.0 million gallons of our maximum 3.4 million gallon daily capacity, and currently produces 66% of the potable water used daily on a year round basis in Cape May City, the Boroughs of Cape May Point and West Cape May, and the U.S. Coast Guard Base. This facility has moved Cape May's status from a water dependent utility to an independent, regional water supplier. During the 2013 calendar year and fiscal year, the City Council will be assessing the desalination plant's physical and operational conditions to ascertain specific long-term improvements which must be planned, financed, and implemented to sustain the efficiency and cost effectiveness of this facility.

During the 2012 year, City Council has overseen the performance of a feasibility study to determine the comprehensive status of the 78 year old, 700,000 gallon Madison Avenue Water Tank as well as the 18 year old, 1 million gallon Standpipe at our Public Works/Water and Sewer Utility Complex on Canning House Lane. After a thorough review and analysis as well as discussions with the United States Department of Agriculture (USDA), our Council has moved forward with an efficient and cost effective plan to restore the Madison Avenue Water Tank and repair and paint the Canning House Lane Standpipe. The City has already achieved a \$2.1 million grant and low-interest loan agreement with USDA which is projected to cover the cost of the vast majority of this dual project. Service work started in 2012, and both the Water Tank and Standpipe should be serviceable for at least another 50 years with periodic maintenance performed.

Over the past two years, Cape May has been installing water meters with encoded registers and radio frequency automatic meter reading and leak detection for all 3,889 accounts. Currently, the completion rate has surpassed 94%, with only the large volume commercial users with larger sized pipes needing to be upgraded. This initiative reduces labor costs since City employees are no longer being reassigned for one week on a quarterly basis to conduct on-site manual readings of individual meters. Also, the leak detection feature should ensure more timely identification of unknown leaks and thus conserve water, especially in seasonally occupied homes.

### **INFRASTRUCTURE IMPROVEMENTS**

Over a four-year cycle, Cape May has successfully attained \$2.1 million in N.J. Small Cities CDBG grant funds to ensure compliance with ADA requirements. Primary focus has been on providing full access and related amenities on our Promenade, beaches, Washington Street Mall service streets, and the Franklin Street Civic Center for our local and visiting disabled and elderly citizens.

I am pleased to inform you today that Governor Christie and the New Jersey Department of Community Affairs have just notified me that Cape May City has been officially awarded an additional \$400,000 grant from the Small Cities CDBG competitive program. This award will enable Cape May to install ADA-compliant ramps at eight intersections in Village Greene and also reconstruct the 400 block of Carpenters Lane, complete with compliant ramps and parking structures during the coming year.

During the past three years and continuing in the 2013 year, the City has made substantial progress on necessary USDA-funded sanitary sewer improvements and street reconstruction on 18 separate roadways. By utilizing USDA grants and low-interest loan funds, and then coupling these monies with dollars from the City's general capital as well as water and sewer utility capital programs, the City has been able to replace aging infrastructure and roadways with state-of-the-art technology and materials in the most cost-effective manner with significantly lesser impact on our taxpayers and ratepayers.

#### **NEW CAPE MAY CONVENTION HALL**

Of course, our brand new Cape May Convention Hall has been our most visible public improvement during the past year. This state-of-the-art, multi-purpose facility opened as scheduled and within budget on Memorial Day weekend in 2012. Designed to the Silver LEEDS level, this structure represents a vital economic development initiative that will expand Cape May's economy to a 10.5 month season and secure Cape May's niche as a premier tourist destination. While Convention Hall is primarily a community center, this \$10.5 million edifice offers the opportunity for conferences, small conventions, and performing arts events. The array of events conducted in our new Hall during the inaugural 2012 season demonstrated the capability and flexibility of this multi-purpose venue to meet the goals established in the Business Plan for our fledgling Tourism Utility. In fact, the initial functioning of the new Tourism Utility in 2012 showed the gradual, but steady, movement toward a more comprehensive, planned approach and strategies by the cooperating public and private sectors to promote and market Cape May more effectively and efficiently as a premier tourist destination for all four seasons. Councilmember Wichterman and I have been coordinating with City Manager MacLeod on the development of a customized approach for the approval of City Council which should strengthen the sales and marketing capability and productivity of the multi-purpose Convention Hall facility. The approach will be presented to City Council during January 2013 for review and approval with implementation projected to occur in February 2013. Of interest to children of all ages, the new skate barrier fencing or dashboards are scheduled to be delivered to Convention Hall on or about January 7<sup>th</sup>. After approximately one week for installation and testing of these safeguards, Convention Hall will be available for roller skating on a scheduled basis.

#### **MUNICIPAL BUDGET**

In 2013, City Council's goal is to formulate and adopt an overall municipal budget (including the current fund, water and sewer utility, beach utility, and tourism utility) which provides the requisite programs and services expected by the public while maintaining the affordability for all of us to continue to live, work, and visit here. In addition, this 2013 Budget should continue the gradual, but steady, process (which was started in the 2012 budget) of shifting the cost burden of tourism activities from the residential and commercial taxpayers to the actual participants in tourism-related activities. The City of Cape May is currently being challenged by the following significant factors: 1) The ongoing downturn in the regional, national, and global economies; 2) The State of New Jersey's 2% tax levy cap imposed on municipal budgets; 3) The projected impacts of new FEMA regulations affecting flood insurance availability and significant premium increases in the aftermath of Superstorm Sandy; and 4) The negative effects of proposed State legislation to ban beach tag sales.

As a direct effect of the devastation of Superstorm Sandy, FEMA has commenced a two-year procedure for the immediate updating of the agency's flood maps and regulations which will have multiple and diversified impacts on coastal communities in New Jersey. The City of Cape May views this process as a major issue. Therefore, Cape May is already participating in data gathering and planning meetings with FEMA and NJDEP officials to ensure that the best interests and needs of our City property owners are met. Emphasis will be addressed to providing City-sponsored educational seminars to disseminate accurately and timely the critical information regarding the updated flood maps, regulations, guidelines, and procedures. These seminars will be focused on our Cape May property owners and residents as well as real estate professionals, banking personnel, mortgage personnel, contractors, and other relevant parties. Such seminars will probably be held in the early Spring 2013 as the definitive documentation and information is made available to us by FEMA and NJDEP.

The City of Cape May stands united with the New Jersey coastal communities in steadfastly opposing the recently introduced bill sponsored by State Senator Michael Doherty and Senate President Stephen Sweeney which, if enacted, would require any New Jersey municipality that accepts state or federal aid for rebuilding its beaches to provide beach and restroom access for free. I will continue to serve on a small committee of selected North and South Jersey coastal town Mayors committed to organizing and implementing a well-rounded educational and lobbying plan to defeat this legislation. Our committee of Mayors is scheduled in early January to meet personally with Governor Christie who has already gone on record as opposing this legislation. I urge all Cape May property owners and residents to support our stance of this issue loudly and clearly. The City will be contacting our property owners and residents by email in the near future with a request that you contact your State legislators and express your opposition to this particular legislative bill.

Our City has been an ardent practitioner of a long-range budgetary process with capital improvement budgets which address the ongoing development/evolution of Cape May in a systematic and cost effective manner. Consequently, the Cape May government has gradually attained an excellent bond rating which ensures that the City taxpayers and ratepayers benefit from the lowest possible interest rates when Cape May finances capital improvement projects.

Within the parameters of long-range planning, prudent fiscal management, and operational effectiveness, the City of Cape May has strategically positioned itself in Fiscal Year 2013 with a rare, yet daunting, opportunity to continue the restructuring of the Table of Organization and related service delivery systems to ensure the sustainability of the necessary array of programs and services that are expected and demanded by our taxpaying public over future years. This window of opportunity occurs very infrequently and must be embraced if City Council truly desires to solidify and gradually expand the economic foundation of our City so that we can maintain and improve the quality and quantity of governmental, social, arts, history, environmental, educational, recreational, and tourism functions and activities which make Cape May a desired destination in which to live, work, and visit.

As you have observed during this State of the City Address, Cape May's dedication to sustainability is a comprehensive commitment encompassing all interrelated operations and aspects of City government, including the municipal budget, new Convention Hall, infrastructure improvements, water supply and conservation, and open space and parks system. In an effort to increase communication, maintain public participation, and ensure coordination and cooperation among the public and private sectors regarding the implementation of this sustainability plan, I am reorganizing the Mayor's Advisory Committee to focus on this vital endeavor. Specific initiatives or goals will be assigned with completion deadlines for the Committee to report its findings and conclusions to City Council in a public meeting setting. As an initial assignment, this Committee will be tasked with completing an overview of the City's aesthetic appearance and provide recommendations to City Council by March 5, 2013 regarding improvements and upgrades to improve the appearance and functionality of Cape May that can affordably be achieved by City government prior to the commencement of the 2013 Summer season. Subsequently, the Mayor's Advisory Committee will concentrate more longitudinal topics concerning proactive and progressive economic development-oriented initiatives which will facilitate the attainment of goals within our City's sustainability plan. Such concentration will require to interface with both public boards/commissions and private organizations within the City to develop feasible strategies which again will be reported to City Council in a public meeting setting. Concurrently and in a coordinated fashion, Cape May will continue an ongoing cooperative effort which I have initiated with Cape May County Freeholder Will Morey to establish a regional economic development program which will benefit all of our County's residents. Composed of a representative and diversified cross-section of the Cape May community, the Mayor's Advisory Committee will consist of the following six members: Mark Lomanno, Susan Mullins, Curtis Bashaw, Scott Thomas, Hilary Pritchard, and Eliza Lotozo.

At this time, I want to thank Councilmember Jack Wichterman for agreeing to spearhead the statewide effort to address and rectify the school funding formula that continues to affect negatively Cape May City taxpayers in the operation of the Lower Cape May Regional School District.

## **CONCLUSION**

In concluding this State of the City Address, it is imperative to emphasize that the accomplishments achieved and the challenges that have been overcome are possible only by the cooperation, dedication, commitment, and hard work of the residents and business people who comprise our Cape May community. Your involvement, input, direction, and work ethic are the key ingredients that give Cape

May the quality of life that motivates all of us to live and/or work in this National Historic Landmark City and encourages visitors to seek Cape May as a premier tourist destination. Thank you for all you continue to do for our community, and we look forward to working with you in the coming year. On behalf of my colleagues on City Council, I wish a happy, healthy, prosperous, and enjoyable 2013 Year for all our residents and business people.

Dr. Edward J. Mahaney, Jr.

Mayor

City of Cape May

