

METUCHEN PARKING AUTHORITY
JULY 21, 2015 MINUTES

PRESENT:

Commissioners: Leonard Roseman, John DeFoe, Richard Dyas, Anthony Campisi and Sean Massey
Borough Council Liaison: Jay Muldoon
Chamber Liaison:
Legal Counsel: James Graziano
Executive Director: Thomas Crownover

GUESTS:

A motion to suspend the regular order of business was made by Mr. Dyas, seconded by Mr. Campisi and approved unanimously. A member of the public attended this meeting seeking information about the future of the Authority property at 52 Inn Place. Mr. Roseman assured this neighbor to the property that improving the property with a parking lot was being planned and that water drainage and screening would certainly be addressed. The guest said her garage was right on the property line and was concerned that snow might be pushed against her wall. Mr. Roseman briefly discussed engineering estimates for building a parking lot and seeking cooperation from Globe Insurance which has a parking lot adjacent to 52 Inn Place. The commissioners supported the effort to work with Global. Mr. Herits expects actual work to take about 60 days. A motion to return to the usual order of business was made by Mr. Dyas, seconded by Mr. Campisi and approved unanimously.

MINUTES:

The Minutes of the June 16, 2015 meeting were moved for approval by Mr. DeFoe, seconded by Mr. Campisi and approved unanimously.

BILL LIST:

Mr. Graziano was present for a discussion of his bill in which he pointed out that \$3,949.50 would be paid on this bill list and the additional billing would be handled directly with Woodmont as part of Pearl Street project, upon approval of the Commissioners. The Bill list was moved by Mr. Massey as amended with this change and seconded by Mr. Dyas and approved unanimously.

A separate motion was made by Mr. Massey to approve Mr. Graziano's bill of \$11,170 related to Woodmont work at Halsey. This was seconded by Mr. DeFoe and approved unanimously.

CORRESPONDENCE:

Mr. Roseman moved through correspondence, noting each item.

FINANCIAL REPORTS (Subject to Audit):

Mr. Crownover observed that meter and daily revenue figures are not included in the financial reports as Durham figures are unavailable. Pearl Street revenue continues to show all permits as if they were still parked at Pearl lot. Mr. Roseman expressed concern for reduced permit revenue. Mr. Ciesielka reported 120 dailies at Durham. Mr. Roseman noted that new Metuchen residents should be provided Halsey or Lake permits. Revenue and expense will be determined to calculate lease payments.

JUNE INCOME: \$93,175.53; YEAR TO DATE INCOME: \$588,527.47

EXECUTIVE DIRECTOR'S REPORT:

Mr. Crownover asked for a closed session to discuss personnel matters. Mr. Dyas moved to enter closed session, was seconded by Mr. Campisi and approved unanimously. Following that discussion, Mr. Dyas moved to return to open session, was seconded by Mr. Campisi and approved unanimously.

OLD BUSINESS:

Mr. Graziano discussed the signage bid problems with insurance, bonding and full sized mock up (metal sign). The original bid was withdrawn and it will be modified and reissued. Local sign vendors should be sent the new bid in addition to the ones previously identified.

NEW BUSINESS:

Mr. Campisi asked that the old weekend free parking sign be modified to indicate Center Street East and Senior lots as free weekend parking.

Mr. DeFoe asked if the Authority had paid any funds toward the Borough contribution. Mr. Roseman noted the Authority budget showed \$383,000 as the intended contribution. Mr. Roseman anticipates that \$1,000,000 will be the contribution for 2015. We might provide \$200,000 now and the rest when available.

Mr. Graziano advised the commissioners that he is tendering his resignation effective August 17, 2015. The commissioners offered their thanks for his 15 years of service to the Authority. Mr. Roseman suggested that Daria Venezia, attorney for the Middlesex County Improvement could be asked for a proposal to provide counsel. Mr. Massey urged rapid hiring of replacement counsel.

A meeting to determine prerequisites for getting the New Jersey DOT grant of \$750,000 would be attended by Mr. Roseman and Mr. Graziano.

Mr. Roseman discussed investment opportunities and the need for research. Mr. Dyas recommended a commercial bank for higher returns.

The Maser report had been reviewed by commissioners. Mr. Graziano said 5 tanks would be removed on July 28th.

Mr. Miciak asked for written confirmation of parking availability for tenants of his forthcoming Center Street building. Mr. Roseman proposed confirmation of Authority policy in support of the Borough ordinance – that appropriate parking will be provided.

A resolution authorizing conveyance of piazza property to the Borough for \$1,095,000.00 moved by Mr. Dyas, seconded by Mr. Campisi and approved unanimously.

Mr. Graziano then reviewed a proposal of Woodmont to accept \$800,000 from the Authority as a substitute for the existing agreement of \$600,000 plus 50% up to \$1.2 million which is a maximum exposure of \$900,000 to the Authority. The consensus of the commissioners was to reject this offer.

Woodmont and Nexus have entered a parking agreement with Nexus to provide up to 375 spaces for residents and retail. Woodmont guarantees purchase of 200 spaces. Lenders asked Woodmont for an Authority guarantee in the event of default by Nexus. The lenders have asked for three 20 year extensions to be part of this guarantee. Mr. Massey questioned what compensation was to be provided for this additional promise by the Authority - fair market value for a guarantee of space in the deck was due. Mr. Massey asked for a legal opinion on conveying this right. The closing scheduled for the following day would be delayed without this agreement from the Authority. Whether the Authority is required to receive consideration for providing this agreement is an issue Mr. Graziano will consider and offer a written opinion on. Mr. Roseman sought a consensus of the commissioners. Mr. Muldoon thought Mr. Massey had a point. Mr. Roseman said that the existence of a viable deck 40 years out was the only issue.

Mr. Roseman then took up the Borough contribution agreement. Mr. Dyas emphasized the fiduciary responsibility of the Authority commissioners in the handling of real estate sale proceeds. Mr. Muldoon noted that it will be a joint responsibility of Borough council and the Authority. Mr. DeFoe moved to not spend any of the sale proceeds or grant funds until a contribution agreement was finalized. This was seconded by Mr. Dyas and approved unanimously. Mr. DeFoe then moved to authorize Mr. Roseman to execute the Borough contribution agreement with a \$50,000 capital expense limitation.

Mr. Campisi revisited the real estate closing scheduled for the following day and asked what could be done to minimize the time needed to sort out the issues. Mr. Defoe moved to adjourn the meeting to 7:30 PM the following day, was seconded by Mr. Campisi and approved unanimously.

Mr. Graziano reviewed the financial details of the real estate sale. Mr. Crownover responded to Mr. Muldoon's inquiry whether there was free Saturday parking at Halsey in the affirmative.

REPORT OF COUNCIL LIASION

CHAMBER OF COMMERCE:
ADJOURNMENT:

The meeting recommenced at 7:30 PM on July 22, 2015 after appropriate notice on the bulletin board at Borough Hall and on the Borough Website.

Mr. Graziano offered his opinion that based upon the agreements, Woodmont's request regarding three 20 year extensions was reasonable. Mr. Massey observed that deck space will become more and more precious as infill development continues and resident commuters increase. He argued that 375 spaces guaranteed for Woodmont was too high. Mr. Massey found it disconcerting that Woodmont had presented this issue at this late date. Mr. Graziano noted that the Authority and Nexus had the same interest on this issue. Mr. Massey asked why special counsel was not engaged. Mr. Roseman responded that the commissioners did not believe special counsel was needed.

Resolution 2015-20 authorizing execution of a parking agreement was moved by Mr. Dyas, seconded by Mr. DeFoe, followed by lengthy discussion. Mr. Dyas called the question.

A roll call vote was had: Chairman Roseman – Yes; Mr. DeFoe – Yes; Mr. Dyas – Yes; Mr. Campisi – Yes; Mr. Massey – No. The Resolution was approved.

Mr. Graziano raised the need for approval of the chairman to agree to the covenants. Mr. DeFoe moved to authorize the chairman to execute the agreements. This was seconded by Mr. Dyas and approved with Mr. Massey voting nay and all others voting for approval.

Respectfully submitted,
/s/ Thomas Crownover