



## CITY OF NORTH WILDWOOD

901 Atlantic Avenue  
North Wildwood, NJ 08260-5778  
(609) 522-2030

*Patrick T. Rosenello*  
*Mayor*

*Kevin Yecco*  
*City Administrator*

October 19, 2016

Friends of Hereford Inlet Lighthouse Executive Board,  
Phyllis Catanoso, President  
Stephen Murray, Chairman  
Ronald Mikulski, Treasurer  
Betty Mugnier, Secretary  
Samuel Black, Trustee  
Thomas Flud, Trustee  
Peter Harp, Trustee  
Gerald Zdenek, Trustee  
Les Kammerman, Trustee

Dear Executive Board Members:

Please be advised that the City is in receipt of a letter, dated September 20, 2016, from your Chairman, Steve Murray, which was in response to his review of the city-wide Community Forestry Management Plan that was developed by the Lomax Consulting Group. While Chairman Murray's comments did address certain elements of the plan that involved the grounds surrounding Hereford Inlet Lighthouse, and Mr. Lomax could certainly address those comments, it is most important at this juncture to have a "representative" number of your executive Board Members involved in the process to develop a lasting solution to the Community Forestry Management Plan as it affects the Hereford Inlet Lighthouse grounds. To that end, please be kind enough to review the submitted plan, which is currently in the possession of your Chairman, and advise the undersigned of your willingness to meet as a group with representatives of the City to commence discussions aimed at moving a final plan forward.

On behalf of the Administration, thank you for noting the above and for your anticipated cooperation and assistance in this matter of mutual interest.

Very truly yours,

Kevin M. Yecco, Administrator  
City of North Wildwood

cc: Mayor  
Council President  
Peter Lomax, Consultant  
William Kaufmann, Solicitor  
Doug Ford, Buildings & Grounds Supt.



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*Patrick T. Rosenello*  
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*City Administrator*

November 29, 2016

Friends of Hereford Inlet Lighthouse Executive Board,  
Phyllis Catanoso, President  
Stephen Murray, Chairman  
Ronald Mikulski, Treasurer  
Betty Mugnier, Secretary  
Samual Black, Trustee  
Thomas Flud, Trustee  
Peter Harp, Trustee  
Gerald Zdenek, Trustee  
Les Kammerman, Trustee

Dear Board Members:

As a follow-up to the October 19<sup>th</sup> letter the City Administrator sent each of you, and for which no formal response was provided in conjunction therewith, I respectfully request a meeting with a "quorum" of your full board for the purpose of discussing not only the issues of concern expressed in the letter from the City Administrator but also matters related to the prior federal grant closeout as well as the ongoing management of the Lighthouse.

It would be my strong desire to convene this meeting prior to the close of the current fiscal year and to that end, a meeting will be held on Wednesday, December 14, 2016 at 10am in the office of the Mayor. Please be kind enough to provide the courtesy of your response to this request for your attendance by contacting Ron Simone, Administrative Assistant for the City, at either (609)522-2030 ext. 1260 or [rsimone@northwildwood.com](mailto:rsimone@northwildwood.com) on or before Friday, December 9, 2016..

On behalf of the Administration, thank you for noting the above and for your anticipated cooperation and assistance in these matters of mutual interest and concern. I look forward to the courtesy of your response.

Sincerely yours,

Patrick T. Rosenello, Mayor  
City of North Wildwood



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Mayor*

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### **Meeting Agenda**

**December 14, 2016**

#### ***Friends of Hereford Inlet Lighthouse, Inc. Management Contract***

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- **Management Contract Roles & Responsibilities:**
  
- **Friends as Agent for the City:**
  
- **Specific Deficiencies Identified:**
  - *See Attached:*
  
- **Conclusions and Corrections:**

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## Meeting Agenda

December 14, 2016

### *Hereford Inlet Lighthouse Management Agreement*

- **Annual Report:** Under paragraph 5c of the Agreement, the Friends are required to submit to the City an annual operational report relative to the immediately preceding year that includes various required components that more particularly are set forth in the Agreement within the first 90 days of each year. The Friends did not submit annual operational reports in either 2015 or 2016. When the substance of the required components of the annual operational report are examined it is clear that a purpose of the report is to give the Mayor and Council a tool by which they can gauge whether the goals of the Annual Plan were met and by which they can evaluate the overall health of the Lighthouse and its programs. Without the 2015 and 2016 operational reports having been supplied, the Mayor and Council, as representatives of the City which is the lessee, have been deprived of indispensable evaluative material.
- **Annual Plan (including budget):** Under paragraph 5b of the Agreement, the Friends annually are required to submit to the City on or before January 1 an Annual Plan (including budget). The Annual Plan for 2016 was not submitted. One of the purposes of the Annual Plan is to provide the Mayor and Council with material by which they can judge whether or not the planned activities of the Friends are consistent with, and advance the terms of, the lease that the City has with the State. That function of the Mayor and Council on behalf of all of the residents of the City has been thwarted by the Friends in not providing the 2016 Annual Report.
- **Certificates of Insurance:** Under paragraph 10 of the Agreement, the Friends are required to supply the City with certificates of insurance evidencing workers' compensation coverage and commercial general liability coverage. No certificates have been supplied this year. As a result of failing to have supplied the required Certificates of Insurance, the City has no way of knowing whether or not it has been exposed by the Friends to any insurable risks for which there should have been insurance, but which may not have been in place.
- **Hereford Inlet Lighthouse Phase 4; Federal Project No. STP-A005 (921):** Paragraph 6(a)(i) of the Agreement requires the Friends to "Promptly comply with all laws, orders, rules and requirement of governmental authorities." The Federal Highway Administration declined the City's request (made through the New Jersey Department of Transportation) for final payment in the amount of \$17,028.13 on this project because the project end-date of September 29, 2015 expired and the Friends failed to comply with grant close-out procedures that are set forth in 2 CFR Paragraph 200. Thus, the federal project funding was withdrawn as a result of the Friends having failed to comply with federal regulations and the City had to shoulder the expense. Perhaps even worse is the damage that the Friends' actions and inactions relative to the subject grant have done to the City's prior impeccable record with federal and state funding sources. The competition for grant money is severe. One of the factors that funding sources use in evaluating which municipalities are to be awarded any given grant is the track records of the applicants in managing previous grants. Up until the mismanagement of the subject grant by the Friends, the City had a perfect track record. As a result of the Friends' failure to properly close out the subject grant, the City's ability to obtain future grants for any variety of infrastructure and capital improvement projects has been jeopardized.



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- **Improper Communications on Behalf of City:** By correspondence dated August 12, 2016 the Chairman of the Friends threatened “legal action” against a neighboring property owner because the neighbor allegedly trimmed or pruned trees that were hanging over a fence line. The Friends, in managing the property pursuant to the Agreement, are acting as the City’s agent. That being the case, it was completely unacceptable to threaten any resident of the City with legal action for anything that the neighboring property owner may have done. The appropriate steps to have taken would have been to alert the City Administrator, City Clerk or City Solicitor of the problem and the City would have dealt with it and if, in the end, legal action would be necessary then that would have been undertaken by the City and not the Friends.
- **Failure to Respond to City Request for Meeting:** By correspondence dated October 19, 2016 to the Executive Board of the Friends, the City Administrator requested the Friends to review the City’s Community Forestry Management Plan relative to the Lighthouse property. The Administrator further requested that the Friends “advise... of your willingness to meet as a group with representatives of the City to commence discussions aimed at moving a final plan forward.” Not one response was received by the City Administrator. That is unacceptable from an organization that is supposed to be managing a property on behalf of the City.
- **Unilateral Action Regarding City Event:** For years the City of North Wildwood has ushered in the Christmas season in the community via its annual tree lighting ceremony at the Lighthouse. This year, without any consultation with any City Officials, that event was cancelled by the Friends. Fortunately, the City has been able to pick up the pieces of that debacle and proceed as previously planned. Again, however, the complete and total lack of communication by the Friends with appropriate City Officials is entirely unacceptable from an organization that is charged with the duty of managing the property on behalf of the City.





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*Patrick T. Rosenello*  
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*Kevin Yecco*  
City Administrator

# MEMO

**TO:** Mayor and Administrator  
**FROM:** Ronald Simone  
**DATE:** 12/14/16  
**RE:** Meeting w/ Friends of Hereford Inlet Lighthouse

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**Message:**

- I. Mayor and Administration
  - a. Expressed that we are grateful for everything the 'Friends' have done for the City and the Lighthouse.
  - b. The Lighthouse is owned by the State of NJ, leased to the City of North Wildwood, and managed by the 'Friends' (an agent of the City); but ultimately, all responsibility/liability for the grounds and the building (according to the State lease agreement and management agreement) lie with the City of North Wildwood. That being said, we would like to make sure that we conduct this meeting on a factual basis, clearly establishing the legal relationship before we open the discussion.
  - c. Requested that all meeting attendees review the deficiency report that was provided during the meeting.
  - d. Mentioned objective failures to perform including – loss of \$ 17,028 in grant funding from NJDOT, threatening neighbors and city employees; and at one point, Chairperson, Steve Murray even referencing that the occupying adjacent property owners were his mortal enemies.
  - e. Significant invasive species are also present at the Lighthouse ground, not consistent with that of the local ecosystem. Some of the species present include – bamboo, poison ivy, Japanese black pines, etc., and the friends have failed to remedy those aspects of the garden.
- II. Friends of the Hereford Inlet Lighthouse
  - a. Steve Murray expressed rebuttals to one of the deficiencies noting that he in fact “did file the reports on time”, and also had rebuttals to the Japanese black pine, but none for the poison ivy or bamboo.
- III. Both Parties
  - a. In the end, the majority of both parties (Friends and the City) left the meeting in agreement work on an optimum agreement between the City and the Friends.