

**Fort Monmouth Economic Revitalization Authority  
Special Board Meeting  
August 24, 2017  
FMERA Offices, 502 Brewer Avenue, Oceanport, NJ**

**MINUTES OF THE MEETING**

**Members of the Authority present:**

- James V. Gorman – Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) – V
- Dr. Robert Lucky – Public Member – V
- Gerry Turning – Mayor of Tinton Falls – V
- Jay Coffey – Mayor of Oceanport - V
- Dennis Connelly – Mayor of Eatontown – V (via phone)
- Tom Huth – Assistant Counsel, Authorities Unit, Office of the Governor – V
- Tim Lizura – President & Chief Operating Officer, NJ Economic Development Authority – V (via phone)
- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (via phone)
- Gina Fischetti, Chief Counsel, Local Planning Services, NJ Department of Community Affairs (via phone)
- John Raue, Senior Policy Advisor to the Commissioner, NJ Department of Labor & Workforce Development
- William Riviere, Principal Planner, NJ Department of Transportation (via phone)

V – Denotes Voting Member

**Members not present:**

- Lillian Burry – Monmouth County Freeholder – V

**Also present:**

- Bruce Steadman, FMERA Executive Director
- Gabriel Chacon, Deputy Attorney General (DAG)
- FMERA staff

The meeting was called to order by Chairman James V. Gorman at 2:33p.m. who led the meeting in the Pledge of Allegiance to the flag of the United States of America.

In accordance with the Open Public Meetings Act, FMERA Secretary Bruce Steadman announced that the notice of the special meeting was sent to the Asbury Park Press and the Star Ledger at least 48 hours prior to the meeting, and that the meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA and NJEDA websites.

**WELCOME**

Chairman James V. Gorman welcomed attendees to the special meeting. Mr. Gorman stated that the Board would consider two board actions: 1) Consideration of Approval of a Purchase and Sale Agreement and Ground Lease Agreement for the Bowling Center in Eatontown; and 2) Consideration of Approval of an Agreement with New Jersey American Water for a new Main Post water main. The Chairman noted that the need for the Special Board meeting was occasioned by scheduling issues associated with the installation of the new water line on the Main Post, and by the necessity to close on the bowling center sale as soon as possible.

The Chairman went on to state that there will be two public comment periods at the meeting based on the Authority's public meetings protocol, 3 minutes per speaker for the first, and 5 minutes per speaker for the second. The Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible. The Chairman continued by stating that in his role as Chairman he is required to conduct an orderly meeting and complete the meeting agenda in a reasonable time period. The Chairman concluded by stating that FMERA continues to welcome the public's constructive comments and ideas.

**PUBLIC COMMENT REGARDING BOARD AGENDA ITEMS (3 minutes re: Agenda Items)**

There was no public comment.

**BOARD ACTIONS**

A) The first item before the Board was the consideration of approval of a Purchase and Sale Agreement and Ground Lease Agreement for the Bowling Center in Eatontown.

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked Exhibit 1.

A motion was made by Robert Lucky and was seconded by Jay Coffey.

Motion to Approve: ROBERT LUCKY      Second: JAY COFFEY  
AYes: 7

B) The second item before the Board was the consideration of approval of an Agreement with New Jersey American Water (NJAW) for a new Main Post water main.

Candice Valente read a summary of the Board memo.

The resolution is attached hereto and marked as Exhibit 2.

A motion was made by Robert Lucky and was seconded by Jay Coffey.

Motion to Approve: ROBERT LUCKY      Second: JAY COFFEY  
AYes: 7

**OTHER ITEMS**

There were no other items before the Board.

**PUBLIC COMMENT REGARDING ANY FMERA BUSINESS (5 minutes re: any FMERA business)**

Amy Eklof of Little Silver asked questions pertaining to what active sites remain in the environmental cleanup, the ongoing sampling for surface and ground water, the presence of any hazardous waste on landfill sites, the definition of the term "minimal contamination", the monthly flushing schedule, whether there will be any additional sampling of the property, and when was the last full site investigation performed.

Mr. Steadman suggested that the best way to answer all of Ms. Eklof's questions was to invite her to schedule a meeting at the FMERA offices to discuss the redevelopment of the Fort and address all of her environmental questions or concerns.

There being no further business, on a motion by Jay Coffey seconded by Robert Lucky and unanimously approved by all voting members present, the meeting was adjourned at 2:50p.m.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the Fort Monmouth Economic Revitalization Authority at its Board meeting.



---

Bruce Steadman - Secretary

**ADOPTED**  
**August 24, 2017**

Resolution Regarding  
**Purchase and Sale Agreement and Ground Lease with Fort Monmouth B.E.C., LLC for  
the Bowling Center Parcel in Eatontown**

**WHEREAS**, on June 7, 2017, FMERA issued and publicly advertised a Request for Sealed Bids (RFB) for the Bowling Center Parcel, a 2.7± acre tract of land in Eatontown containing Building 689, an approximately 17,599 sf bowling alley and Building 682, a 4,720-sf structure targeted for demolition; and

**WHEREAS**, the RFB gave bidders the option of proposing to purchase the Bowling Center and ground lease the 2.7 acres of land, rather than purchasing both the land and the building as ground leasing the land from FMERA would make the lessee potentially eligible to obtain a special concessionaire permit from the State of New Jersey, Division of Alcoholic Beverage Control to serve alcohol on the premises; and

**WHEREAS**, FMERA received one proposal for the property on July 10, 2017, and an evaluation committee evaluated and deemed the proposal from Fort Monmouth B.E.C., LLC (FMBEC) compliant; and

**WHEREAS**, FMBEC will be obligated to demolish Building 682 and install necessary site improvements at its sole cost and expense and intends to finance the project through its own funds and a leasehold mortgage; and

**WHEREAS**, negotiations with FMBEC have resulted in the attached Purchase and Sale Agreement (PSA) and Ground Lease; and

**WHEREAS**, the terms of the proposed PSA include FMBEC's payment of \$1,300,000 for the improvements and a ground lease for the land for ninety-nine (99) years for \$1 per year and initial closing will occur upon the earlier of (i) thirty (30) days of satisfaction of the conditions precedent, which include FMBEC completing due diligence and receipt of a final remediation document, or (ii) December 1, 2017; and

**WHEREAS**, additional terms of the PSA include: the renovation of the existing structure as a bowling entertainment center, the installation of site improvements, and the demolition of Building 682, and where FMBEC will be obligated to obtain a Certification of Occupancy within twelve months of closing, and FMBEC will invest approximately \$3,700,000 to complete the project; and the Purchaser also covenants to create eight (8) permanent full-time equivalent jobs and fifty-two (52) part-time jobs within eighteen (18) months of completing the initial renovation and receipt of certificate of occupancy.

**THEREFORE, BE IT RESOLVED THAT:**

1. The Authority approves the selection of Fort Monmouth B.E.C., LLC as the purchaser of the Bowling Center and associated property in Eatontown pursuant to the June 7, 2017 Request for Sealed Bids (RFB), on terms substantially consistent to those set forth in the attached memorandum and the attached Purchase and Sale Agreement and Ground Lease and on final terms acceptable to the Executive Director and the Attorney General's Office, and authorizes the Executive Director to execute the PSA and Ground Lease and take any necessary actions to effectuate the selection of Fort Monmouth B.E.C., LLC as the purchaser.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

Dated: August 24, 2017

**EXHIBIT 1**

**ADOPTED**  
**August 24, 2017**

Resolution Regarding  
**Approval of an Agreement with New Jersey American Water (NJAW) to install a new water main on the Main Post**

**WHEREAS**, FMERA is currently the owner and operator of the former Army water system that serves the Main Post, including the RPM Development's (RPM) project, Tetherview's facility at Russel Hall, the FMERA offices at Building 502, Triumphant Life Church at the Main Post Chapel, Building 501, the Fitness Center, the Main Post Firehouse, Squier Hall and future development. The Purchase and Sale Agreements that have been approved to date for the above properties require FMERA provide water service at or near the property borders; and

**WHEREAS**, in December 2015 the Board approved a Memorandum of Understanding (MOU) with the borough of Oceanport to fund the design and engineering by the borough engineer of a water main application to be submitted to NJAW for the construction of a new water main in the Oceanport area of the Main Post; and

**WHEREAS**, FMERA submitted the application to NJAW with a \$25,000 deposit on June 16, 2017 and NJAW put the proposed new water main construction out to bid and selected J.F. Kiely as the contractor; and

**WHEREAS**, the estimated cost for the project is \$2,358,532.45 which will be divided between FMERA and RPM, with RPM required to pay for the replacement of pipes within their property. The estimated amount to be paid by FMERA is \$846,874.70, and an amount of \$440,000 is available from the RPM off-site contribution. NJAW has agreed to an initial payment of \$440,000 from FMERA with the remainder to be paid by December 1, 2017, and the estimated RPM portion of \$1,511,657.70 was submitted to NJAW; and

**WHEREAS**, staff recommends that the Board approve the use of delegated authority to make additional payments of up to 10% of the total estimate should the project over-run the estimate; and

**WHEREAS**, the project will eliminate FMERA's flushing program, reduce the expense of repairing water main breaks, eliminate the need to pay a licensed operator, reduce FMERA's water bills and ensure safe quality water for our tenants and purchasers; and

**WHEREAS**, the final terms of the amendment necessary to NJAW's standard form of agreement is subject to the approval of FMERA's Executive Director and the Attorney General's Office.

**THEREFORE, BE IT RESOLVED THAT:**

1. For the reasons expressed in the attached agreement, the Board authorizes the Agreement and Amendment with New Jersey American Water (NJAW) to install new water mains on the Main Post for an estimated total cost to FMERA of \$871,874.70. In addition to the \$25,000 deposit, payment will be made in two (2) installments, with the first payment of \$440,000 funded by the RPM off-site contribution when this resolution becomes final and the remaining \$406,874 by December 1, 2017.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

Dated: August 24, 2017

**EXHIBIT 2**