

Committee Meeting

of

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

"The Committee will receive testimony from invited guests, including mayors and emergency management officials, on the damages and immediate needs of residents and local government entities in the aftermath of Hurricane Sandy.

This is the first in a series of Committee meetings that will focus on the needs of New Jersey residents in the aftermath of Hurricane Sandy"

LOCATION: Toms River Municipal Complex
33 Washington Street
Toms River, New Jersey

DATE: November 26, 2012
11:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Senator Paul A. Sarlo, Chair
Senator Brian P. Stack, Vice Chair
Senator Sandra B. Cunningham
Senator Robert M. Gordon
Senator Linda R. Greenstein
Senator Donald Norcross
Senator M. Teresa Ruiz
Senator Jeff Van Drew
Senator Jennifer Beck
Senator Christopher J. Connors
Senator James W. Holzapfel
Senator Kevin J. O'Toole
Senator Robert W. Singer



ALSO PRESENT:

Catherine Z. Brennan
Office of Legislative Services
Committee Aide

George J. LeBlanc
Senate Majority
Committee Aide

Christopher Emigholz
Senate Republican
Committee Aide

***Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
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TABLE OF CONTENTS

	<u>Page</u>
Maria Maruca Councilwoman Ward 1 Township of Toms River	7
Michael Mastronardy Chief Toms River Police Department	10
Paul J. Shives Administrator Township of Toms River	15
Colonel Joseph R. Fuentes Superintendent New Jersey State Police	31
Stephen C. Acropolis Mayor Township of Brick	66
Matt Doherty Mayor Borough of Belmar	77
W. Greg Kierce Director Office of Emergency Management and Homeland Security City of Jersey City	89
John C. Bartlett Jr. Deputy Director Freeholder Board of Chosen Freeholders Ocean County	100
Carl W. Block County Administrator Ocean County	105

TABLE OF CONTENTS (continued)

	<u>Page</u>
Matthew S. Clark Tax Administrator Board of Taxation County of Monmouth	118
Michael Harriott Coordinator Emergency Management Borough of Union Beach	124
pnf: 1-88 rs: 89-133	

SENATOR PAUL A. SARLO (Chair): Good morning, everybody. Welcome to the Senate Budget and Appropriations Committee -- to our first in a series of hearings, first being held here in Toms River Municipal Complex in the Hirshblond Room.

May we have a roll call before we begin, please.

MS. BRENNAN (Committee Aide): Senator Beck.

SENATOR BECK: Here.

MS. BRENNAN: Senator Singer.

SENATOR SINGER: Here.

MS. BRENNAN: Senator Connors.

SENATOR CONNORS: Here.

MS. BRENNAN: Senator O'Toole.

SENATOR O'TOOLE: Here.

MS. BRENNAN: Senator Holzapfel.

SENATOR HOLZAPFEL: Here.

MS. BRENNAN: Senator Sarlo.

SENATOR SARLO: Here.

MS. BRENNAN: Senator Stack.

SENATOR STACK (Vice Chair): Here.

MS. BRENNAN: Senator Greenstein.

SENATOR GREENSTEIN: Here.

MS. BRENNAN: Senator Cunningham. (no response)

Senator Ruiz. (no response)

SENATOR SARLO: Both are here.

MS. BRENNAN: Senator Van Drew. (no response)

SENATOR SARLO: Not here yet.

MS. BRENNAN: And Senator Norcross.

SENATOR NORCROSS: Here.

SENATOR SARLO: I want to thank those Senators who are sitting in for other members, especially those Senators from some of the home districts that were impacted by the storm. We also have with us our Chairman of Law and Public Safety Committee, Senator Norcross.

Let me just begin by thanking our Senate President, Stephen Sweeney, and our Minority Leader, Senator Tom Kean, for putting this together and having the foresight and the vision to do this in a bipartisan manner; and their leadership in convening this Committee to, sort of, shepherd the hearings and all the legislation that may be needed, going forward.

I also want to -- before I begin, I want to personally thank the Governor -- Governor Christie -- for his leadership throughout this storm, both leading up to it, during, and in the aftermath of the storm; and his support of this Committee taking the lead here in the Senate, convening these hearings in a bipartisan manner and allowing some of his top Cabinet officials to be with us throughout the process. We can learn more about what has occurred and what we need to do to bring New Jersey back in a quick manner. So I want to thank the Governor for his support of this Committee.

Let me begin just by also thanking all of you who are here with us and those who we've invited to testify. We have a long list of folks who would love to be here today to testify with us -- to share their stories, the impacts to their communities, the impacts to their associations, impacts to

their groups, their associations, their not-for-profit groups -- but there's just so much time that we have allotted for this.

I know there are many residents out there who are feeling the pain day in and day out and would like to be heard as well. Unfortunately, due to time constraints, our first priority in these hearings is today we will hear from local officials, mayors, police chiefs, our Colonel -- folks who were on the ground, both before, during, and after the storm, and what the immediate needs of the State is in these communities. As we move forward through the process, we will be hearing from the Department of Environmental Protection to learn more about the rebuild, the beach erosion, the dunes; the DOT Commissioner, New Jersey Transit on the impact to the transit system and the damage that it sustained. We'll be hearing from the Commissioner of Education on the impact to the schools, especially two school districts up north -- Moonachie and Little Ferry -- that have been severely impacted, and other school districts in Sayreville and the like. So we'll be hearing from the Commissioner of Education.

And as we come towards the end of these hearings were going to be learning a lot more about the rebuild process -- hearing from folks who have gone through this in other states, builders, residents and the like -- of what is the best way to rebuild our Jersey Shoreline and other communities that were severely impacted. And, of course, the financial implications that go along with this.

This is a Budget Committee; today we're not going to have any discussions about impacts on revenues. There will be no-- We will not have any-- As I'm talking to the members towards this, we're not going to entertain any questions with regards to where the current budget is and

revenues. We can talk about the impact of the storm and will have-- But this Budget Committee is going to have ample time at the beginning of the next year to talk about the impact for this storm on the revenues and how we balance the next year's budget -- the Fiscal Year '14 budget.

So with that being said, I call on Senator O'Toole.

SENATOR O'TOOLE: Thank you, Chair Sarlo.

And first of all, Chairman, I want to thank you for helping put this together. And I took very seriously your comments at the last Budget Committee meeting about having a very serious dialogue, three public meetings or hearings or so, and then having a very bipartisan approach, Republicans and Democrats working together on all bills going forward.

Let me just echo a couple of comments and then -- our ranking member Senator Bucco couldn't be here. In his place, I do want to say a couple of things. I want to echo what Chairman Sarlo said in congratulating our Governor. It's the most remarkable time that we've all experienced in our lives, both in politics and out of politics. And it was remarkable to see what our Governor did in preparation during the hurricane, in a crisis, and every moment since. It's one of the few times that a state is going to come together; you saw it in New York, you saw it in New Jersey before. This is not about politics; this is about really putting the pieces of New Jersey back together again. And to see Senate President Sweeney is here and Minority Leader Tom Kean -- working together, taking tours together -- it's one of the times that we as Senators and Legislators -- we don't have to talk about being a Democrat or Republican. And I hope that continues.

I was hoping, maybe, the Assembly could have been a part of this; I'm a little bit disappointed that when you see the Chair of the Assembly Budget Committee -- the transportation -- is talking about some of the negative about the transit, and about whether we warehouse locomotives or not -- this, as Chairman Sarlo talked about, is about the rebuild. And we're going to be critical in areas where we should be critical, but it's talking about putting the pieces back together again. And we have a Governor who's done an extraordinary job, his cabinet has done an extraordinary job, the people of New Jersey have seen his leadership; you're going to see what now the Legislature is going to do working hand-in-hand with that. And hopefully you're going to see the dissolving of the partisan things that we have seen for far too long. Because there are people who are hurting -- people have literally died -- their livelihoods are on the line. We have to think about infrastructure -- why it was done, how it was done, how we can do it better, more efficiently, more intelligently. The rebuilding of the beach, the shoreline, the boardwalks, the contractors, the homes -- where we have to do a faster permitting process with the work with the Federal government. This is such an enormous undertaking. You talk about a \$29 billion or \$30 billion devastation. It's not going to happen overnight where we can wave a magic wand and be cured in six months or a year. This is going to be several years in the making of a rebuild. And we're going to have to have a sustained effort by this Legislature, working in concert in leadership with our Governor to make sure that this comes down properly, efficiently -- without the politics.

So Chairman, I want to thank you for allowing this forum to take place. Take your commitment, which you stated at the last public

hearing about how we're going to do this working together. And I'm just asking the public to be patient; work with us. We're going to solicit opinions from everybody, every walk of life. Nobody-- If you can build a better mousetrap, let's do it; let's get it done. Nobody has ownership on this rebuild. It's all about making New Jersey come back together. And I look forward to working with you, Chairman.

SENATOR SARLO: Thank you, Senator O'Toole.

To the folks who are out there, who are listening: This hearing is being carried live on the Toms River website -- a very informative website. So anybody who is out there, they can follow along here live on the website. We're also carrying this live on the Office of Legislative Services website. That can be found at www.njleg.state.nj.us. You can dial in there and also hear all the speakers live throughout the day and all the questions and answers.

Folks, this is going to take some time and it's going to take real dollars -- both Federal dollars and State dollars -- to get us back to where we were. And, hopefully, it will also begin an economic boom on the tail end of this. But there are a lot of people currently who are suffering and struggling. Those are the immediate needs. And today we're going to focus in on the immediate needs of those residents who are feeling the pain today.

Our first panel that we're going to hear from is from Toms River. We're going to call up our Police Chief, Michael Mastronardy, Toms River Police Chief; our Councilwoman for the barrier island, Maria Maruca; and the Borough Administrator is also with us. So the three of you-- The Mayor had a family emergency; he's okay, I've spoken with him. He will

be, hopefully, getting here this afternoon. I have spoken with him numerous times and he's doing an incredible job.

A couple days after the storm, I had the opportunity to tour the barrier island and parts of Toms River with the Police Chief here. And let me tell you something: Toms River is very fortunate; you have a tremendous Police Chief here. We stopped in a community and at that point in time the -- don't get mad at me, Chief -- but his window was not working in his car. He had, probably, two feet of sand in his car. He had no time to get his window fixed, so he kept opening his door to talk to people. And there was a woman there and a gentleman on a side street on the mainland, actually, who had just lost their home. And that's where they were going to move their mom -- it was a family home. And there was not much he could say other than to get out of his car and give them a hug. And I think that hug meant a lot.

That's what public service is all about. (applause) Yes, you can clap for that. That's what public service is all about.

I went on a tour again today -- it's the third time I've been to the barrier island -- with our Senate President and Tom Kean. And every day -- to those who are listening at home -- every day it's getting better. More and more sand is going back to the beach, more and more debris is being removed, more and more utilities are coming back. Every day it's getting better. So please, those who are listening, be patient.

Councilwoman.

C O U N C I L W O M A N M A R I A M A R U C A: Thank you, Senator.

I want to thank you all for coming to Toms River Township today for this hearing.

The people of Toms River are suffering -- specifically the people of Ward 1. I know you toured the barrier island this morning, but also the loss on our mainland has been great also. We have many families that are out of their homes because what we love in the Atlantic Ocean and what we love in Barnegat Bay has really come to destroy our area. And we're going to need a lot of help here.

But a lot of great has come out of this. There has been the generosity of people, neighbor helping neighbor, community helping community. Also the diligence of the work of our volunteer services, our police department, our fire department, our EMS who were out here rescuing people as their own homes were being destroyed.

But we have great need here. We have need to get our people back into their homes; specifically, the earliest would be on the mainland as we can rebuild those houses. The governing body here in Toms River is taking extraordinary measures so we can help them with building permits, waiting processes, expediting processes so that we can get our residents back into their homes.

We had an outpouring of effort from the Toms River School District, who opened their shelters when we had barrier island residents who were being evacuated in front end loaders and every type of vehicle they could get. We had approximately 3,000 people come through our shelters. And the main ones were High School North and High School East, and also Beachwood Elementary. We are a regional school system.

But those efforts by our school district really show how this community has come together.

But we have issues, and I know the three of us are going to talk about different things. I would just like to talk about our beaches. Our beaches are, really, no longer there anymore. Our dune line is gone. The governing body has taken steps to appropriate funds so that we can start building the dune line in Ortley Beach, and that will be starting this week.

But we have a lot of private beaches there, along with our public beaches, and I know that's going to be a challenge -- how we can work together to rebuild our shoreline.

We have been very fortunate with the DEP expediting permits for debris removal and things of that nature, and that has worked well for us. Our public works department has been out there valiantly doing a great job. I think the only day these guys might have taken off was Thanksgiving, so everybody has really been working hard in that respect.

But we also have issues when we're going to be rebuilding those dune lines. And also where homes have to be rebuilt or can they be rebuilt -- that's a big issue that residents along the barrier island are asking me. And we don't have answers to these questions, and I know it's going to take a while before we do get the answers to those questions.

And along the mainland where the bay came in and destroyed a lot of these homes, we have a series of lagoons along our bay front -- along the mainland here in Toms River Township. There's a lot of debris there, and I know that's things that we're going to need out of there because our waterways are kind of like the lifeblood here in our community. So we'll need help with DEP through that, in that process of how we can clear those

waterways for the residents. Because a lot of them or some of them are just packed with sand right now -- you can't even move through that.

And also, DOT has come and rebuilt Route 35 for us, removed debris. They have done a great job. But now we have utility lines that have to come in and be reinstalled, and things of that nature. And we're still going to need the help of DOT. A lot of the roads have been restored; the main ones have been restored. But we have all our side roads that we have challenges with sinkholes and things of that nature -- I'm sure you saw along your tour today. So those are some of the things we're dealing with.

And also, I'd like to put on my tourism hat, because my family does own a business over on the barrier island in Seaside Park. And tourism is a \$38 billion industry for this State. That is the economic engine of this area. So as soon as we can get the process going-- I know it's going to take time; I know it's going to be little by little to get our barrier island up and running and our tourism industry back. But the two key things would be getting our residents back into their homes and getting our tourism industry rebuilt.

And I thank you for your time today.

SENATOR SARLO: Thank you, Councilwoman.

Chief -- Chief Mastronardy.

C H I E F M I C H A E L M A S T R O N A R D Y: Thank you, Senator. And thank you to the rest of the Committee for coming here.

Just to let you know that, yes, our community is hurting; we have many victims and we'll have many victims for a long time. Our department-- I'm very proud of all the members of our department and how they handled this situation. I was probably one of the first ones, in

retrospect, to say I didn't think the storm was going be as bad as it was. And I told some people that, that maybe this is generating some ads for the Weather Channel or something along that nature -- until that afternoon when I was on the barrier island and I saw the waves start coming down Harding Avenue in the Ortley Beach section, and I knew that we were in for some devastation on the beach area. However, I wasn't prepared personally for the devastation that we had on our mainland area, from Silverton down to Bayshore. The whole eastern section of our community was devastated by flood waters that we never envisioned in my lifetime. I've been a police officer here for 39 years and I never witnessed this and I certainly never anticipated that it would be so much all over our community.

We had people in Bayshore where a woman and her husband -- she recently told me she just had a stroke -- and her husband got up to go to the men's room when he stepped into water. They didn't even (indiscernible), it came so quick. And they went up and they spent -- at 2 o'clock in the morning they asked for the police department to rescue them. And it's very frustrating, because our mission is to help people, save lives, etc. And we simply didn't have the equipment, the tools, to get to them. And that was frustrating. I know Captain Henry, who did an outstanding job in our search and rescue and coordination of initial emergency response, came to me at one point and said, "We think we lost some people in Ortley Beach." So on that evening and into the next day, we thought we were going to have victims.

So I think it's a credit to all of our residents and all of our EMS, all of our fire, and our public responders, that we had no -- on the barrier island, we had no fatalities, we had no major injuries. A lot of that

had to do with the fact that people did evacuate. I know I checked personally that afternoon, the barrier island, and I would say in the Toms River sections of the barrier island there we were about 90 percent or better evacuated. But we didn't have mandatory evacuations on the mainland, and that's what got us really caught up, with over 400 water rescues on the mainland between 1 a.m. and the next day -- 1:00 in the morning and the next day. Those calls flooded us at dispatch, and I was so proud --each dispatcher handled each call professionally, one at a time. As people were saying, they're caught up. As I said, the one woman on Bayshore said she stayed in her attic, which is only about three feet -- that she had, her and her husband; the only thing she had was her cell phone. She had her cell phone -- that was the only light she had -- and she heard things banging into her house, things collapsing, her refrigerator overturning. Not knowing, it was like a horror movie, she said. And she still has dreams, and she's going to have dreams like many other of our residents throughout.

So it's not just our barrier island that got destroyed; many permanent homes, many people who woke up, their children were trapped. One gentleman on Fisher Boulevard was travelling in a car. He called dispatch and said, "Listen, I need to be rescued." And they said, "Where are you?" And he said, "I don't know; I'm on Fisher Boulevard." "Well, what's the number of your house?" And he said, "I'm not in a house. I'm in a boat." And they said, "Well, what's the name of your boat?" "It's not my boat," he said, "I was in my car, I was trying to evacuate. And my car started to float, so I took my two children and my wife and we climbed in a boat that was going by. I don't know the name of the boat." And these are

the horror stories, which is not just one dramatic -- it was one after another. So we had numerous situations.

Following the storm, we had to get up and running, and we continued for phase one of search and rescue where we had to search every house. And that took a couple of days, actually. So we did that and following that we had-- And working with the New Jersey State Police, who were a phenomenal asset to us, the DOT. We had to set up shelters, as she said before -- Councilwoman -- at the Toms River schools -- were extraordinary once again, as they always have been. And, again, remember: One-third of our town didn't have electricity. If you were in the western side of our town, in Pleasant Plains, you were saying, "What's the big deal? There's nothing going on." And you didn't have any clue that we had people who were cold, hungry, and had lost all their possessions in the east end of town -- until you saw it firsthand did you know the devastation that had taken place in the east side of our community and on the barrier island.

Some of the things that, again, we could use is, we weren't prepared as far the jet skis, the boats -- we had to rely on other things, the National Guard to come in. And we did that. I think one of the extraordinary things that we did, as there are seven communities along the barrier island that were impacted and we have the two bridges -- the one bridge going over and the one bridge coming back-- And the control of that bridge actually lies with the Toms River Police Department. I think there has been extraordinary cooperation between the police chiefs in our community. We met every day and shared information of what was happening in our community. And I think that went a long way in getting things coordinated. I think, in self criticism, one of the things that we could

do better is communication with the community. I hear that out there. We certainly, when it comes time to review what transpired, we'll take a look at the communication aspects. You know, reverse 9-1-1 is good if you have a phone and you're in your house, but if you no longer have electricity or your cell phone is out of battery strength, those are issues that we're going to have to look at -- better communication with the people. So we will look at that.

Other things -- assets that we need. Probably I never realized how many-- You know, we had our Marine Unit out there. We used the assets of the State Police, and we used the assets-- Because the first phase was search and rescue, then we moved into security where we had to have police boats out there patrolling and keeping people out. I will say that the looting was kept to a minimum. We had rumors of people being killed, which was not true. We had rumors of looting, which was not true. We had one or two thefts in Lavallette reported by Chief Grant. We had one theft during the storm, and we had one theft that was reported now after the storm. That is it. And we're doing everything we can. We have security cameras over there with battery-generated-- We're monitoring the traffic.

People want to get back on. We understand their frustrations; but we only have so much roadway, we have so many people who want to get on. We're regulating, we're keeping people-- If we just opened it up, I'm afraid we'd have many more victims. They would come down, their copper pipes would be gone, any items they have in their house. So we need some more time here where people have to be reasonable. Our big issue right now is to get the trash out of there. We need a little bit of time

to get the trash out of there. So we have a conflict between our security role, is what we're in now. We've done the search and rescue, we've done the reentry. Captain Bergquist and detectives did an excellent job registering-- I think it would be a model for the State, some of the things that they did. And what they did is borrow from everybody else. We had to go by the seat of our pants, basically, and make decisions on how they registered people, how they bused. I think my detective bureau could all get jobs at Disney World or Great Adventure after this. They did a fantastic job; I'm so proud of them.

But basically what we need is -- as a police department, as a community, as a State -- we need to communicate to our residents more, and that's where we have to come back on the review. And I just think it's going to be a while. But I know the residents are resilient; we're going to build it bigger and better, with your help. Thank you.

SENATOR SARLO: Chief, just two quick questions. One is, in your estimation, how many folks in Toms River are still out of their permanent homes -- a rough idea, a rough number?

CHIEF MASTRONARDY: I know just the one community -- Holiday on the Bay -- there's, what, 200 and some families just there. We have a couple of thousand.

MS. MARUCA: In Bayshore there's--

P A U L J. S H I V E S: I can tell you, for example, Ortley Beach right now, the entire community -- and that's about 3,000 people. We also have about 1,500 residences, as the Chief mentioned, on the mainland that people can't occupy.

SENATOR SARLO: So we're talking almost 5,000 residents.

MR. SHIVES: Exactly.

COUNCILWOMAN MARUCA: Easy.

MR. SHIVES: And that's probably low, Senator.

SENATOR SARLO: And then the other question, Chief, is -- and I think you touched upon it, and I think it's important that we continue to share people, from the security standpoint. And I know we have Senator Norcross with us, who is our Chairman of Law and Public Safety, working with so many different agencies. The security checkpoints, as much as they are frustrating, they are a necessity. And if you could just let the residents know it's not that we like to see people sit in their cars for two hours. That's not the goal here of anybody in the Toms River Police Department. You are the gatekeeper of that bridge, unfortunately. That's the goal here, but it is to make sure that nobody gets hurt over there or there's no unscrupulous behavior.

CHIEF MASTRONARDY: We evaluate every day how we can speed up. Our goal is not to keep people from their house; our goal is to get them-- They're victims. Our goal as a police department is to help victims. So we want to help these people get in there, do the mold remediation, get their construction, get rebuilding. We want to make them whole as soon as possible. The conflict comes with having 300, 400 truckloads of sand. We have to go to beach re-nourishment, trash trucks we have to get over there. So I know people are frustrated by what we put together as a game plan for reentry and checkpoints, registering contractors. If you didn't register contractors it would certainly be a lot worse than what we have right now. Right now it's a controlled situation. I think that we had a recipe for disaster. I think the response by saving all these people-- Remember, let's

keep focused that no one on the barrier island and no one in the east section of our community died or had serious injury. That is amazing when you look at the destruction that is over here and in our community. We want to keep it that way. When we go over and we have reentry we have EMS on board, we have counselors. We do everything we can to treat these people as the victims they are and we want to get them whole as soon as possible.

SENATOR SARLO: Senator Singer, you had raised--

SENATOR SINGER: Yes, just one comment. Thank you, Mr. Chairman.

I just want to talk about best practice a little bit -- something we should take some knowledge of. I had an emergency where I was called by an owner of a nursing home in Toms River during the storm. He had 170 residents there; they had lost total power. And if they didn't restore power he was going to have to start moving those residents directly to the hospital. I reached out to the Chief, and I said, "Chief, this is a serious situation. We certainly want to take care of these seniors who have no power and some of them are frightened. How do we deal with this?" Right away he sent his mechanics over there to look at the generator. They found out they had bad gasoline in it. They emptied it out, they cleaned it -- boom -- working right away. And that's the type of cooperation we're seeing in that kind police force that generates that emergency services, takes initiative to send someone out. Let's see what's wrong with the generator, let's see if we can get it back and running. Helping people out. And, in this case, prevented the fact we'd have to move 170 residents to the hospital. I

just want to tell you that's something to look at, and someone to emulate and things.

Thank you, Mr. Chair,

SENATOR SARLO: Senator Greenstein.

SENATOR GREENSTEIN: Thank you.

I just wanted to find out, in terms of the permanent residents in particular who are out of their homes: Where are they staying right now? Do you have opportunities for temporary housing for them, and has that been a problem?

CHIEF MASTRONARDY: Well, a lot have gone with families; we have quite a few who are staying in local hotels here and getting access as we have it. As far as a total tally, I don't have that answer for you.

SENATOR SARLO: The Colonel of the State Police will be next and he actually has a tally, statewide -- a rough tally statewide. So he can also shed some light statewide on people who are in temporary shelters.

SENATOR GREENSTEIN: Okay, thank you.

SENATOR SARLO: Any other questions for this panel?

Senator Beck.

SENATOR BECK: Just a quick question, Chief, which is: The issue of evacuation. I represent Monmouth County; and, of course, Sea Bright and Union Beach, Highlands, Port Monmouth, Belford were destroyed and we had some of the same issues you did in terms of getting people to evacuate. And I'm wondering if there's more we can do. Because for many, because they do live along that coastline, they have seen flooding before and I think there was a sense that they'd ride it out again. And I don't know if you have some thoughts about how can we do a better job of

getting those residents to leave when there is a serious storm coming in the way that Sandy devastated us.

CHIEF MASTRONARDY: Actually, Senator, the fact that the barrier island wasn't really an issue as much as the mainland, which was a non-mandatory evacuation-- In fact, there was one resident who I talked to who last year, after Irene, met with their insurance agent and their flood insurance got reduced because they didn't have a claim. And this year they're totally wiped out. This storm surge came up so quick; I mean, I was coming across Pelican Island. I was pushing water with a Ford Expedition and, quite frankly, didn't think I was going make it out. We were going over to rescue in a deuce-and-a-half -- two of our officer who were stranded over with Lavallette police, with Chief Grant. And I have never seen water raise-- When they say a *surge*, it was a *surge*. I have never seen anything like that in my lifetime. It was basically a tsunami, is what we got hit with. And people who all of a sudden-- The water just rose so quick, and then it was too late. And in areas where there was no mandatory evacuation is where our community got hit the worst.

SENATOR SARLO: Senators Ruiz and Norcross; and then I want to hear from the Administrator, because he's going to share some real dollars. And we do have some mayors from other communities -- Brick Township is here and others -- who were also severely impacted.

So Senator Ruiz, Senator Norcross.

SENATOR RUIZ: Thank you, Chairman.

Chief, in your opening remarks-- Well, thank you for the work that your department and all of you have been doing, and for the courageous acts. You mentioned that you didn't have the equipment

necessary to engage in some of what would have been emergent circumstances -- to take people out of their homes. As part of this process, it will give us an opportunity throughout the State of New Jersey to be more prepared. We keep hearing that these storms are coming once every 100 years; the truth of the matter is that the history that we've engaged here in this state, from one corner to the other, we're seeing storms more and more impacting us in different ways. So there has to be severe investment, as well, as we recover and rebuild to ensure that our preparedness factor allows us to purchase the necessary equipment to ensure that your department is truly at capacity for safety.

CHIEF MASTRONARDY: Quite frankly, we just didn't have either. When the deuce-and-a-halves can't make it down the street you're in trouble, okay? And that's when-- I needed a whole navy that night to rescue everybody that we needed to get rescued. We used canoes, kayaks; residents came out, EMS, fire, jet skis. There was everything possible that we could use to get to people. And it just happened so quick in so vast of an area, we didn't have it. I mean, what we used quite a bit was the front-end loaders of Public Works to go in with an officer and rescue people, because they are the only thing high enough because the water table is so high. Again, I hope this is the 100-year flood and I don't have to face another one. It would be nice.

SENATOR SARLO: Senator Norcross.

SENATOR NORCROSS: Chief, real quickly: Phase one was search and recovery. So assuming everybody had evacuated and those who got out, your second phase was security. And each community has a certain set of criteria for letting somebody back on the island, but there's no

standard. Could you touch base on what you were requiring people to show you, or your officers, as they came back in? Is there a difference between a full-time or part-time or renter? Because that seems to be an issue.

CHIEF MASTRONARDY: It was different in areas even within our own community. We treated Ortley Beach differently than we did the northern Barrier island communities -- Tri-Beach and Ocean Beach and Chadwick Beach. Because of the devastation there we need to secure it more. There were people with broken windows that had open access. Whereas if you went up, for example, into Lavallette, they had a couple of houses damaged on the front, damaged mostly by flooding, but they didn't have broken windows and open access to the homes that could be vulnerable for any type of thievery that might want to take place -- anybody who wanted to take advantage and opportunity.

In Berkeley Township, you have Chief DiMichele here, in Berkeley Township it was like a storm; I think she had one or two houses and then some on the bay front. So each community was different so it had to be treated differently.

But when this is all said and done, I certainly will sit down with the Colonel and come up with something I think that we can do a little bit better on our registration program, at least at the County level. I mean, we tried to-- I will have to say that we had to get a little bit more information. Again, remember, we had-- I didn't-- For two weeks, three weeks, I didn't even know who won the election because I had no electric. It didn't matter, because I wasn't home, but no papers. We were lacking communication, quite frankly. The phones and cell phones -- we had a little bit of trouble there getting through. So there are a lot of communication things. I think

that's the most important thing. I think that's the most important thing -- people get frustrated when they don't know. So I think if we do a better job as law enforcement, as public officials letting people know what's going on -- and that's what I think we have to work on.

The reentry program-- I think that, again, we had to bus them in because we had roadways that we didn't, quite frankly, want people driving down because if they had become disabled they would block up the reconstruction taking place. So there are so many integral parts. But we will gladly, in the future, I'm sure, review those and come up with a standard that I think we will be better able to handle any situation like this.

SENATOR NORCROSS: Thank you.

SENATOR SARLO: Administrator.

MR. SHIVES: Thank you, Senator Sarlo. I'm Paul Shives; I'm the Business Administrator for Toms River Township. I'm here on behalf of Mayor Kelaher who, unfortunately, had every intention of being here today but has the flu. I spoke with him this morning and he sends his regrets.

I just wanted to first of all thank the State for their help and assistance -- at least, from Toms River's point of view, it's been invaluable. We've had a great deal of support, not only in the law enforcement end, but actually in every conceivable area from the State. But we're going to need more assistance as we go forward and try to collectively rebuild our town here and all the facilities.

We have about 9,000 properties impacted one way or another from the storm. That includes, as the Chief described, the mainland waterfront properties that no one expected to be impacted. Those folks, unfortunately, received a substantial, significant amount of devastation, to

the extent that at least half of those properties at one point were not able to be occupied.

We have 225 homes, in that number, in Ortley Beach that are either gone or cannot be reoccupied presently. The numbers are huge. That represents 30 percent of the Township's assessed evaluation base. That's significant and substantial. So when the question comes, "What can you do," I think one of the recurring themes you're going to hear today from every local official from every town is going to be, "We're going to need some help bridging this gap, financially."

We expect the town to rebuild; we think it's going to take three to five years to do that -- especially on the barrier island. I've never seen a storm in my experience where roadways are gone -- just gone. And you all toured that area so you know what I'm talking about. Ortley Beach, unfortunately, has been referred to as ground zero of this storm, and all you have to do is look at the aerial photographs that we posted on our website -- the before and the after -- to see that there are homes that are no longer there, or there are homes that actually came off their foundations and came to rest in someone else's property. It's devastating.

So the first order of business for us is to implore the State to look at some type of financial assistance; and I'm not talking about for frills. I'm talking about for basic daily services that we're going to have to provide to our residents, like I said, over the next three to five years -- trash collection, recycling. Our demand for services hasn't gone down; as a matter of fact, it's gone up. So we do need some type of assistance. I know that State aid in the past has been predicated on different criteria. I would suggest, respectfully, that the time to change that is now. You have towns

across Ocean and Monmouth County and other parts of the state that were devastated.

The second thing the State can do, I think, to assist us is there needs to be one uniform policy that comes out of the State Division of Taxation -- and they've been great so far; people are looking for answers. What happens to their assessed value on homes that are either not able to be occupied any longer, devastated? There has to be-- We need to speak with one voice. Our tax assessor has been communicating constantly through the Ocean County Board of Taxation -- which has been a great resource -- and the State. But I think it's important to have one uniform policy that every resident sees and understands.

And I think-- The last two items I'll mention quickly. Councilwoman Maruca mentioned the rebuilding of the beaches. The governing body went out on a limb and said, "We need to protect what's there." We've allocated \$1.4 million to rebuild Ortley Beach -- the public beaches. But, frankly, I think we need a comprehensive approach that I've heard the Governor mention time and time again -- about the Army Corps of Engineers designing a more permanent solution. And I wholeheartedly support that; I know the governing body does, and the mayor does here.

It's not going to do us any good to simply rebuild what was there if we have another event, God forbid, like this one. I think we need some assistance. And in other parts of Ocean County where the replenishment program took place, the damage was much less severe -- much less severe. So we would respectfully request the State to take the lead in that; we'll certainly-- As I said, we've already ponied up our money

to make sure that the beaches are rebuilt, the dunes are rebuilt to save and to protect what's there.

And lastly, I would suggest -- and I know this will be handled probably through the BPU -- but I believe that there needs to be some State hearing in terms of how certain utilities responded. Some of the information we were getting, especially from -- and I don't want to throw stones, but -- I know it was a monumental task, but JCP&L, frankly, did not give us accurate information at times, and that hurt us and it hurt the residents. All they wanted to know was, "When is my power going to be restored? Just give me a range." And we weren't able to do that. And as the Chief said, communication is key.

So again, on behalf of the governing body, I want to thank you very much for holding the hearing here in Toms River. I think it just shows where your true spirit is. Thank you.

SENATOR SARLO: Did you have to do emergency appropriations just to pay the cash flow for overtime? I mean, is that what you had to do -- an emergency bond for the payment of overtime?

MR. SHIVES: Yes. We actually got an emergency appropriation of \$35 million, which we hope not to have to go to the extreme.

SENATOR SARLO: No, I understand.

MR. SHIVES: One of the concerns that you guys have heard, I'm sure, is that the bond market is a concern right now because every municipality in this area is going to be hitting the bond market for temporary finances.

SENATOR SARLO: Just to put things into perspective, I think, for everybody: Toms River, population 100,000, and a \$35 million appropriation. The Township of Moonachie, 7,000 residents, just did a \$5 million appropriation. So you're going to find it across the spectrum -- we're going to hear from Belmar, we're going to hear from folks in Morris and Essex as we go through this process later on. Just to put it in perspective, the dollars.

MR. SHIVES: Yes, sir. It's absolutely significant.

SENATOR O'TOOLE: Chair, a follow-up question.

On the \$35 million, just give me an understanding as to the range of things that would be covering -- whether you use it all or not. Just give me the different categories.

MR. SHIVES: Yes, Senator. Everything from landfill fees to debris cleanup; overtime costs prior, during, and after the storm. Anything and everything associated with those particular aspects. For example, our landfill fees are \$1 million a week for debris cleanup -- that's what it was running us. Now we're going to be able -- thankfully to the Ocean County Board of Freeholders, we've piggybacked on a contract that they let for debris removal, and that will help us greatly. So I don't expect to get near the \$35 million, but those are the categories.

SENATOR O'TOOLE: Just as a follow-up for these speakers and others, Chair. I just ask that, when the Councilwoman talked about certain permitting that you were either expediting or waiving, just would you give us examples of those so we have a better understanding. When the Chief talks about they weren't prepared a certain way, whether it was the jet skis you didn't have or enough of other emergency vehicles, just by way

of -- just give us specific examples so we can better understand what the problem is and how we can address it, going forward.

COUNCILWOMAN MARUCA: Yes, Senator. We have a Council meeting tomorrow evening here, and what we're looking at, as a governing body, is the residents who might have to go in and just replace their floor, maybe sheetrock two or three feet up -- we're going to waive the permit fees on them; they still have to go get the permit. But if something's going to need electrical inspection, something's going to need plumbing inspection or anything -- or structural -- those fees will not be waived. But just for the basics so they can get into their homes.

And we've opened up our Town Hall here, I think, every day except for Thanksgiving. The residents can come in. The first day we opened up and we started permitting contractors and adjustors, I believe we had over 500 come through. They were lining up at 6:30 in the morning; our staff opened up at 8:30 and they expedited that process for them.

As the Chief said, we want to make sure that we do not have contractors over there that are unscrupulous; that they are doing the right thing for the residents. We had approximately 10 to 12 beach associations in the northern barrier beaches, and we're actually working with the association presidents because they're lining up contractors to come in and possibly doing their whole association. Some associations are one or two blocks. But we're working to try to alleviate these permits for 90 days; but it's before the governing body tomorrow evening. And we're working the best we can to get the residents, specifically in the mainland or on the northern barrier beaches that don't have the devastation that Ortley Beach has, to get them back into their homes. I think the first thing they did once

the kids went to school -- that was the first normal day that we had here in two weeks. But we're trying to get people to resume their lives again and literally pick up the pieces. And we're trying to make that as easy as possible for them.

SENATOR SARLO: Senator Van Drew, do you have something you want-- I have to move this along.

SENATOR VAN DREW: Thank you.

I just wanted to speak to that permitting process a little. Let me say that I feel for you. I represent Cape May County which is, supposedly, the most vulnerable county in the state and the sixth-most vulnerable in the country, and yet but for where the eye of the storm ended up, we would have been in the same stead and we certainly have some of the same problems.

But particularly when it comes to the permitting process and expediting that and working with the State, and how that process is going -- if you could speak to that a little bit more; you did with Senator O'Toole's question, but is it fluid enough, is it moving rapidly enough? And the other side of that, that I've heard a great deal about: Cleanup, that it's done right, is very important. For example, when these homes become flooded -- and I know this from my experience in the past, even in my home district -- there's a wicking effect that takes place. So some contractors will cut that sheetrock out, take some of the insulation out, but you have to go above that waterline because that will wick up and eventually-- And the other issue we're going to have is a mold issue, long-term, when this is not -- if it's not done properly. And there are so many affected properties, how are you

able to keep up with the inspections and ensuring, while expediting -- and you have to -- that it's being done properly?

MR. SHIVES: Two ways, Senator. First, the State -- the Department of Community Affairs -- was extremely responsive and sent 20 inspectors down here to help us initially with the assessment for electrical service. They've offered that again, and we certainly will be taking advantage of that because we're going to have that again when gas is restored -- natural gas is restored. So the State Department of Community Affairs, by offering the use of State inspectors to supplement our staff, is how we're going to be able to do that.

We've also had to augment our staff. We've already brought on additional inspectors, and we expect to do more of that. We've expanded our hours. Your point about the sheetrock is an excellent one; that's why, although we're waiving the permit fees, we're not waiving the inspections. Our guys go out there and make sure of that. That is a common problem after a storm like this.

SENATOR VAN DREW: Thank you.

SENATOR SARLO: Senator, be quick; and then I'm going to move to the next panel.

SENATOR GREENSTEIN: Okay, just a quick question on communication.

Right after the storm, were a lot of people who were not put out of their homes out of power? How did you communicate? Did people have cell, did they have landlines? How did that work?

CHIEF MASTRONARDY: What the Police Department did was utilize a lot through the presidents of the associations, e-mails, etc. That was what we found most effective.

SENATOR GREENSTEIN: If people had power; they had to have--

CHIEF MASTRONARDY: Smart phones.

MR. SHIVES: One of the problems, quite frankly, was that cell service immediately after the storm was almost nonexistent for some carriers. So even that mode of communication-- We were out of power here at Town Hall for a week, but we were able to update our website remotely and tried to keep people informed as best we could. But we didn't have power in this building for over a week.

SENATOR GREENSTEIN: Thank you.

SENATOR SARLO: I want to thank the three of you. I know you have a lot of work to get to, and not just today but tomorrow and for the months to come. So I want to thank you, the three of you, for being here. Chief, I've seen you in operation; you do a fantastic job. The people of Toms River are really blessed to have a Police Department like they have here in Toms River. Thank you.

ALL: Thank you, Senator.

SENATOR SARLO: We are going to now hear from the Colonel of the State Police, Rick Fuentes, who is going to give us a snapshot of before, during, and after, statewide.

And Colonel, if you don't mind, if you could introduce those who are with you.

COLONEL JOSEPH R. FUENTES: Good morning. Thank you, Chairman Sarlo and Vice Chairman Stack, the distinguished members of this Committee, and other members who are here from other legislative committees; Senate President Sweeney, Senator Norcross, and Senator Kean who are also in the room.

I want to introduce you to several Commanders whom you may know, but are among those upon whom I most rely. I must defer credit in preparing for and addressing an event of this nature. To my left, Lieutenant Colonel Jerome Hatfield, who is considered a national authority on matters related to state Emergency Management and FEMA/state disaster collaborations; to my right, Lieutenant Colonel Ed Cetnar who commands our Operations Branch -- that's our uniformed response. In the back of the room, we have several other commanders: Major Bob Cuomo, our Troop B North Jersey Commander, who has been designated as our incident commander providing enhanced and long-term security for the affected barrier areas. Also Major Dan Mitten, who is our Commander of the Emergency Management Section; and Chief Tom Scardino, who is our Executive Officer in the Emergency Management Section.

For all of us in State OEM, Hurricane Sandy was a storm of unprecedented fury and devastating impact. It can be disconcerting when the National Weather Service, in their normally reserved and business-like briefings, intersperses terms and phrases such as "historic, perfect storm, record-breaking," and "we haven't seen anything like this before."

We were looking at and preparing for the perfect storm -- a late season Category 1 hurricane seemed determined to left hook into our state, accompanied by two monthly astronomical high tides, driven to even

greater heights by Category 1 gale-force winds and Category 2 storm-level surges.

No sooner had one tide begun to recede, than another occurred, pushing the bay waters and ocean together with the barrier islands caught in the middle. This produced severe barrier island and mainland shore community inundation, the extent of which we had never seen or experienced other than in a flood map projection.

On the Atlantic coastline, destruction on the beach front was considerable; the wind and surf sandblasted cement foundations and houses collapsed from lack of support. Those houses hoisted upon wood pylons seemed to fair better structurally, but still faced the sustained pounding of wind and rain over a period of 24 to 36 hours.

On some of the barrier islands, 6 to 7 feet of sand was thrown inland from the beach, migrating across the width of the island, burying the highway and side streets, and creating new sand bars in the bay that may ultimately interfere with navigation.

Several breeches occurred between the ocean and the back bay -- one in Mantoloking, essentially cutting the barrier off from the mainland and creating a new island between that community and Island Beach State Park. Hundreds of private boats broke free of their moorings, ending up on private property on the island, adrift or submerged in the bay. Reuniting those boats with their owners or conducting salvage on those sunk is an effort only beginning to get underway.

Let me provide a brief synopsis of the OEM-related activities and cite some timeline actions over seven critical days leading up to, during, and just after the hurricane hit our area. It is important to note that OEM

is a fabric woven of numerous State departments and their highly skilled experts in areas of most concern during a state of emergency. It is the job of State OEM, through the State Emergency Operating center -- the SEOC -- to make these efforts harmonize in a way that carries out the mandate of the Governor to efficiently manage and coordinate these crises. For instance, during the height of the storm and its immediate aftermath more than 2,000 citizen soldiers were called up in the National Guard to help with rescues, operate specialized equipment, and assist with security. With great pride in my position as the State Director of Emergency Management, I believe that they did a magnificent job, as did their counterparts in other departments that I shared most of the last two-and-a-half weeks with, such as DOT, DEP, OHS&P, and Human Services, to name but a few of those departments.

On Friday, October 26, with Hurricane Sandy a Category 2 off in the Atlantic Ocean, the National Weather Service began issuing storm gale watches for the New Jersey coastline. The ROC -- Regional Operations and Intelligence Center in West Trenton -- elevated to Level 3, implementing a partial State EOC activation. Each State department emergency support function coordinator and County OEM coordinator was contacted to ensure that they had begun hurricane preparedness actions as their respective operational plans.

On Saturday, October 27, Hurricane Sandy was still out in the Atlantic; had been downgraded to a Category 1. The partially activated SEOC was being staffed by DOT, DEP, DHS, FEMA, and Coast Guard. The Governor declared a state of emergency in response to the storm warnings and the imminent threat of statewide and coastal floods -- also

ordering an evacuation of the barrier islands in Monmouth, Ocean, Atlantic, and Cape May counties, to include Atlantic City. By day's end, five southern counties had declared emergencies and 14 county shelters had been opened around the state.

On Sunday, October 28, the National Weather Service forecasted flood and hurricane-force wind warnings associated with the onset of the storm, and the ROC was elevated to Level 4 -- full SEOC activation -- requiring the presence of all State department emergency support function coordinators and their allied agencies. Federal and State agencies staffing the SEOC grew to 14, to include U.S. Army Corps of Engineers, Department of Corrections, National Guard, Family Services, Agriculture, and the Office of Homeland Security and Preparedness.

Using the state-to-state mutual aid compact known as EMAC, a total of 75 ambulances were requested from out of state. FEMA began staging dozens of generator units at Lakehurst Naval Air Stations. Tolls were suspended on the Atlantic City Expressway and the Garden State Parkway between Cape May and the Driscoll Bridge to aid in the smooth evacuation of the ordered areas. The number of shelters opened statewide at this time was 50, and eight counties had declared emergencies.

On Monday, October 29, heavy rains were underway and sustained tropical winds were being reported to the SEOC building of hurricane strength, with winds aloft of up to 110 miles per hour -- that's Category 2 -- and reaching the ground with gusts of up to 90 miles per hour. FEMA announced that the State of New Jersey had receive a pre-landfall disaster declaration. New Jersey Transit initiated a statewide phased shutdown of bus, rail, light rail, and access links starting at 4 p.m.,

with PATH service shutting down at midnight. Ferry service was also interrupted. Evacuation off the barrier island had been conducted and access to the barrier island was shut down at 4 p.m. Ninety-one State and county shelters were now open and were reporting a total of almost 3,000 evacuees.

At 8 a.m. the center of the hurricane made landfall near Atlantic City. There were 96 active State road closures from flooding and debris, such as downed poles and trees, up from seven earlier in the day, in addition to the shutdown of 129 miles of the Garden state Parkway down to Cape May, along with the Turnpike, Hudson Bay Extension, Lincoln and Holland tunnels, and the George Washington Bridge. Close to 1 million utility customers in the state were now without power. The SEOC was managing 80 county and local requests for support and resources. The State Police deployed Urban Search and Rescue Task Force 1 to Atlantic County for anticipated water rescue operations in Atlantic City. Nineteen counties declared emergencies.

Overnight, and as a result of the storm surge up Newark Bay into the river and tributary system, the town of Moonachie experienced a sudden and severe topping of a berm that completely flooded the town with up to 6 feet of water and affected some surrounding communities. This flood severely compromised the public safety infrastructure of the community, overwhelming both the police and fire department buildings. National Guard dispatched high-wheeled vehicles to assist, and State Police deployed another Urban Search and Rescue and Swiftwater Rescue Team to help local first responders conduct hundreds of evacuations and rescues over the next 24 to 48 hours.

On Tuesday, October 30, State OEM tallied statewide power outages at almost 2.4 million customers. Barrier island areas south of the storm's landfall, particularly Cape May County, had experienced less wind and surge and damage than the barriers north of the landfall, a consequence of the storm's movement and rotation. Cape May OEM was already requesting that the evacuation order be rescinded for their barrier communities. Among the more than 260 other resource requests being handled, the SEOC was also monitoring a storm-related diesel spill of more than 10,000 gallons into the Arthur Kill in Middlesex County and managing a request by Middlesex County OEM for 268,000 gallons of drinking water for four area hospitals. Amtrak suspended all operations along the Northeast Corridor due to flooding and debris. A total of 128 shelters across the state were accommodating more than 4,500 residents and 46 pets.

At 8 p.m., an alert was declared at the Oyster Creek nuclear facility due to intake water levels above 6 feet and loss of power. There was no radiological release or threat to public safety and both DEP and the State Police were monitoring that event.

The State Police began assisting storm impact operations in 10 counties -- Cape May, Atlantic, Monmouth, Middlesex, Union, Essex, Hudson, Bergen, Mercer, and Cumberland -- to include joining other first responders and the National Guard in marine and land rescue operations in Middlesex, Atlantic City, Moonachie, and on the barrier islands. We activated our SPEED deployment -- that's State Police Emergency Event Deployment -- essentially a call for all hands on deck, which permitted the immediate deployment of 275 troopers per day to the devastated and

impacted areas, working two overlapping 13-hour shifts. Joined by National Guard personnel, troopers assisted with search and rescue operations, evacuations, security in towns, security checkpoints, traffic and traffic diversions, shelter security, fuel escorts, equipment escorts, dignitary escorts, and fuel station security. Other missions included dozens of helicopter flights over the darkened and abandoned barrier islands, our pilots using night vision goggles to spot intruders, as well as numerous State Police Marine and Coast Guard patrols of the bay to prevent unlawful access to the barriers.

On Wednesday, October 31, 11 water systems were under boil water advisories and OEM was monitoring a spill of 336,000 gallons of diesel from a storm-related rupture of a bulk storage tank on the Arthur Kill in Perth Amboy that was being managed by a Coast Guard Strike Team.

The State was beginning to rebound in some areas. The Governor lifted mandatory evacuation orders for four communities in Atlantic County and six communities in Cape May County. Road closures were down to 11; all of the Garden State Parkway and Turnpike had been reopened, as well as the bridges to New York. Area airports and the New York Waterway ferry system was operated on a limited schedule.

The Holland Tunnel remained closed, but the Lincoln was reopened. PATH and New Jersey Transit were continuing to experience difficulties because of flooding and debris to their transportation systems, and operations remained suspended. Power outages had already dropped to just over 1.7 million customers, but the number of residents seeking shelter had risen to more than 6,300 in 112 shelters statewide. A statewide water

restriction issued by DEP was made. The SEOC was managing 606 resource requests.

Midday on October 31, the Governor, OEM, and other State Department officials conducted the first aerial assessment of the post-storm damage on the coastline. If the storm had somewhat spared the southernmost barriers, that was not the case north of landfall. The concerns in Atlantic City were confined largely to flooding, but the farther north you travelled the more extensive the damage from the storm. Holgate had absorbed most of the punishment from the storm on the Long Beach Island barrier. North of the Barnegat Light, one could witness the storms' destructive power, with massive damage to infrastructure and residential communities from Island Beach State Park, north to Union Beach in Monmouth County.

Ruptured gas lines from dislodged houses started fires in some neighborhoods, as in the case of Camp Osborn in Brick Township, destroying as many as 60 homes along several blocks east of the southbound side of Route 35.

On Thursday, November 1, OEM had either completed or was managing 455 resource requests. To facilitate the recovery, highway tolls were waived for outside companies assisting New Jersey in hurricane relief efforts. In order to maintain tight security against looting on the affected barrier islands, as well as relieving the pressure upon exhausted police officers from those communities, the State Police once again invoked the EMAC process, effectively reversing the process used to move hundreds of New Jersey troopers and police officers to New Orleans in the aftermath of Hurricane Katrina in 2005. A nationwide solicitation of state police and

highway patrol agencies was transmitted for personnel with patrol and emergency management skills to come to New Jersey and assist with the broader security mission. Dozens of states answered that call, and over the next two weeks more than 400 troopers from Pennsylvania, Louisiana, Mississippi, Vermont, New Hampshire, Maryland, Nevada, Michigan, Florida, Massachusetts, and Rhode Island sent their enlisted personnel and patrol vehicles to participate in two 8-day deployments. These out-of-state troopers were housed at Fort Dix and assigned patrol duties in 12-hour shifts along the coastline from Holgate, north to Union Beach. Working alongside Jersey troopers and police officers from those departments, this out-of-state law enforcement support gave great comfort to returning residents concerned with their safety and the valuables they sought to retrieve from their damaged homes. Those deployments ended on Sunday, November 17, with full responsibility for municipal assistance being returned back to our troopers.

On Friday, November 2, the Governor issued a limited state of emergency regarding motor fuel, and on November 3 implemented the odd-even system of fuel sales to avoid long lines and customer frustration. Nine water systems were still subject to boil water advisories. Road closures were down to 10 and the Holland Tunnel was partially opened. Power outages had dropped to 660,000 customers statewide; and with 7,056 evacuees now being sheltered, the State's capacity for sheltering was at 51 percent.

I have just highlighted some of the facts, figures, and activities associated with Hurricane Sandy over a seven-day period surrounding the storms' occurrence. This summary, unfortunately, does not convey the full extent of the work of the OEM community and the many heroic actions

undertaken by first responders and National Guard. It also does not adequately convey the human misery and property destruction associated with this storm -- the full measure of which has not been fully assessed.

On November 7, New Jersey was struck by a nor'easter that dumped as much as a foot of snow in the central areas of the state and set back our efforts a bit. By November 12 most of the state, except in the most affected barrier islands, saw its power restored. That, I believe, was an amazing feat and a major step forward in the recovery of this State.

On November 15, the ROC returned its status to partial EOC activation, and on November 21, back to its normal monitoring operations.

Between October 26 and November 21, the SEOC produced 47 situation reports and 132 status update reports as needed. In fact, there was a total of 311 storm-related notifications to 9,114 recipients, from 2,104 distinct organizations including the private sector. These notifications contained information on power outages by utility provider, operating shelters and their capacity, road closures and other transit impacts to air travel, rail, bridges, and tunnels. Various waivers were announced to the public, such as the lifting of highway tolls and the temporary suspensions of regulations that would ease the arrival of shipments of fuel and of out-of-state workers -- utility workers.

As to the mechanical process behind the State OEM response, there were operational templates that were relied upon heavily before, during, and after the passage of Hurricane Sandy. As a result of the lessons learned from Hurricane Irene in 2011, NJOEM had embarked upon several planning initiatives that were developed, improved, and exercised within the greater State and County OEM community over the following year. This

also led to the creation and collective adoption by other State departments of checklist-style documents that would guide our Federal, State, county, local, and private sector partners through a significant storm event. Notable among these was the development of a hurricane decision timeline and hurricane survival guide -- the guide being a document made available to statewide emergency managers for the purpose of more effective preparation and readiness, and the timeline being an internal roadmap and schedule of actions and decisions beginning 120 hours -- meaning five days -- prior to the landfall of the hurricane. The timeline created decision points on a countdown from five days, ticking down to zero representing the time that tropical force winds would arrive onshore. It cued up actions and recommendations to the Governor, State cabinet officials, and county OEM coordinators for methodically carrying out tasks such as public messaging, ordering evacuations, setting up State and county shelters, directed stops of public transportation, prepositioning search and rescue assets, opening contraflow routes, and finally closing evacuation routes and ordering first responders to shelter in place as the winds became tropical force strength.

Since reality can interfere with the best laid plans and schedules, these actions and decisions were grouped for purposes of flexibility, spreading out these tasks across more reasonable 24 hour expectations of completion in blocks of 120 to 96, 96 to 84, 84 to 72, and so on, until the State reached zero -- the point of those winds.

To the best of my knowledge this timeline is one of its kind in the country and has generated considerable interest in the emergency management community outside of our state.

In the aftermath of Hurricane Sandy, the State experienced power outages at an unprecedented level -- more than 2.5 million without power. What followed was an extraordinary response, between the Board of Public Utilities and private sector utility companies, that put upwards of 13,000 in-state and out-of-state utility workers to task on the problem of restoring power as quickly as possible to New Jersey residents. In spite of the passage of a nor'easter coming a week later, by November 4 power had been restored to more than 1.5 million customers. On November 11, those numbers had dropped to approximately 11,000.

You cannot emphasize enough the importance of connectivity between government and the public in messaging pertinent information and actions in order to avoid widespread loss of life. For more than two weeks both before and after the storm, the Governor managed the hurricane response from the Regional Operations and Intelligence Center in West Trenton, which houses the SEOC. He hosted daily phone calls to elected and public safety officials; other daily calls briefing and coordinating the interdependent actions of cabinet-level departments, and as needed interaction with the private sector entities addressing the imminent needs such as power restoration and fuel disbursement. This was in addition to aggressive public messaging through scheduled press conferences at the ROC and in the field, and innumerable interviews with print and television media he conducted on a day-to-day basis. State, county, and local government received the very same information that the Governor was receiving himself, allowing all levels of government to keep their constituencies fully informed before, during, and after the hurricane.

Looking forward: On November 8, we started a formal transition from the State emergency operations center to the Joint Field Office in Lincroft, Monmouth County. State OEM and FEMA officials staffed and began operations from the JFO on November 19. At the outset, this office will run seven days a week, then Monday through Friday until the need for Federal assistance has passed -- a process we believe, with a disaster of this magnitude, may take more than a year.

The JFO houses all agencies associated with the recovery process and they are available certainly for inquiries.

Disaster recovery centers are now in operations in all 21 counties, staffed by experts from Federal and State Emergency Management, as well from other organizations such as the Small Business Administration.

Finally, let me pass along my public admiration for the work of the first responders to the storm. For their own safety we had emphasized that police, fire, and emergency medical crews seek shelter themselves during the onset of the severity of the storm. Despite that urging, first responders ventured out into the midst of it all to conduct rescues of those who had not heeded the Governor's order to evacuate the most at-risk areas of impact. While any loss of life is tragic, the work of these professionals at great risk to themselves were responsible for the minimum loss of life from a storm of this intensity. Although I've had the privilege of knowing many police chiefs along the barrier islands -- police leaders like Mike Mastronardy from Toms River, Tom Boyd from Seaside Heights, and Rick Bergquist from Bricktown, and I know that Chief DiMichele is in the back of the room from Berkeley -- I remain in awe of the work that they did

along with the other departments in New Jersey in the preparation and also in the aftermath of Hurricane Sandy.

I just couldn't be more proud and humbled by the efforts of those barrier police departments and by the police, fire, and emergency medical community around the state in addressing the aftermath of one of the worst, if not the worst, storms this state has ever experienced.

Chairman Sarlo, members of this Committee, I want to thank you for withstanding the length of these opening remarks. Both myself and my commanders are at your service to answer any questions the Committee may have.

SENATOR SARLO: Thank you, Colonel. Although it was lengthy, I think it was needed to really give us a snapshot of the before, during, and after. I think it gives everybody a perspective of what really went down here, statewide.

Senator Norcross.

SENATOR NORCROSS: Thank you.

Colonel, first of all, thank you for a thorough report, in that it is indicative of the amount of planning that went on before this storm and for years before this storm. The steps that were taken were incredible, Although there was a loss of life, it was not as many as it certainly could have been. And the fact of the matter is that looting has been kept to a minimum because of your efforts and others. And to those first responders, we certainly owe a great deal of gratitude; and to those utility workers -- those lineman who, from literally the morning after, worked 16 hours a day to try to get the lights back on.

And that's what I want to touch base on. The Governor held a conference call with ourselves and others each day. And the first thing he started to talk about was the chain of command -- because everybody who had a problem, it's always the most important problem in the state when it's our problem. Can you just touch base on that chain of command and those priorities, and why that's so important? Because the fact of the matter is your lights might be out, but a hospital sometimes is a little bit more important and why we have to follow that.

COLONEL FUENTES: Well, the Governor articulated in almost every phone call the necessity of all requests following a chain of command from the local to the county to the State OEM level. Our SEOC was fully staffed leading up to the storm and then for a couple of weeks after the storm. We had the experts in the various emergency support functions, whether it be health, whether it be a Board of Public Utilities, whether it be National Guard, whether it be Army Corps of Engineers, Red Cross, Salvation Army, DOT, DEP, many partners that were in there that operated as our resident expertise on that. Of course, it was the job, as I pointed out, of OEM to make that all harmonize.

But by using that chain of command through the OEMs to the State OEM, it allowed us to be able to leverage the power of the State Emergency Operating Center against the more pressing needs. And that was very important. And I think the Commissioners themselves exercised great restraint in also going through the State EOC and making requests, even of members of their departments as well. And I think that worked more effectively, quite frankly, than it did in Hurricane Irene, which was

the last great event that we had in terms of damage. And that was one of the lessons that was learned; it came out in our after-action report.

SENATOR NORCROSS: Thank you. I appreciate once again all your efforts, and I turn it back to the Chairman.

SENATOR SARLO: Thank you. And I think that's a good point, Senator Norcross. I think one of the things that was very effective here -- and I was on a lot of those calls, and some of the towns that were affected are Moonachie, Little Ferry, and those -- going from County OEM to the State Police OEM is the most effective way. That didn't happen in some of the previous storms. But I think when we do our lessons learned, if everything goes through the State Police OEM, through the County OEM, priorities are going back out, instead of everybody calling the power companies and calling on their own. I think that's something we're going to realize was a very effective tool this time around.

Senator O'Toole.

SENATOR O'TOOLE: Thank you, Chair.

First of all, Colonel, you've been around State government a long time. I'm going to first of all thank you and the men and women of OEM, State Police -- extraordinary job. I was with you in the briefing of the 28th and saw just this operation. And as you were reading the compilation of what occurred three days or four days before the storm, and taking us through November 21 -- and we all have our own individual lives and compartments and districts that we kind of lived and witnessed and worked through. But when you walk us through that, I'm just sitting here astonished and saying it's really amazing that all of those occurrences -- the full moons back-to-back, the surges, the 1.7 million folks without electricity,

and on and on and on -- and then you talk about this rebuild and the resiliency of New Jersey, and it gives you this hope that certainly things were done right in many respects, and certainly there are things we can improve upon. One question: You talked about the night vision and taking up the helicopters, and you were worrying about some of the looting and what not. Did that activity, first of all, pick up any evidence -- because you heard anecdotal things of looting here and there. Did we see some of that? Was it helpful that the 400 folks -- the State troopers and police from out of state -- came down to tap down some of the criminal activity? Just talk about how you quantify the level of criminal activity during the storm, either leading up to and during the evacuation state of emergency.

COLONEL FUENTES: Sure. We were taking quite a few requests for mutual assistance of a uniformed patrol and security nature. And as Chief Mastronardy pointed out, it wasn't just the barriers; it was also some mainland shore community issues that we ended up stationing some of the out-of-state assets that arrived. They were very, very valuable in creating a visible deterrent to looting and other crimes. There were dozens of arrests that were made over the course of this. A lot of those were simply checks of employees of contractors that were coming on to the barriers who were determined to have active warrants. There was surprisingly very little looting, although there was some on the barrier; there was some farther north in Monmouth County. But given the magnitude of the evacuated areas, it was really quite amazing that the looting activity was kept to such a low number, or the attempts at looting. And I think that was due to the visible deterrent of the police departments, that were clearly at this point exhausted from being up as much as 48 to 72 hours without

sleep. And that was another major reason to bring in personnel to assist us. Many of our units in State Police were also up over 48 hours.

SENATOR O'TOOLE: Colonel, and another question. There was some question about the mandatory evacuations and whether some of the local officials were adhering to the Governor's call for the mandatory evacuation. Talk to me about why it's important that if there is a mandatory evacuation that those calls be heeded by local officials. And in those instances where they didn't, talk about what costs were incurred by the lack of cooperation.

COLONEL FUENTES: Well, surprisingly enough, as it was pointed out, the loss of life -- although tragic, even a single loss of life -- I believe 39 was the data that we had gotten from the Medical Examiner's Office. And I think that, as Chief Mastronardy said, could probably be mirrored in a lot of other communities. The public heeded the information. Irene came ashore with a little bit less intensity than was originally predicted, and that worried us that the next time we would have to, or the Governor specifically would have to, make the decision to evacuate an area -- that there may be more questions. But I have to tell you, we saw evacuation on an extremely large scale, if not totally, in some communities in the areas that were under mandatory evacuation orders. And then there was a process of reentry to those islands that the chiefs, again through the SEOC, applied to the SEOC, and the Governor made decisions on rescinding those restrictions. But I have to tell you I think the public headed the call. I think they were looking at very-- I mean, we were involved in some very deep and detailed discussions with National Weather Service about what to expect, and there's always a great deal of variability

when a storm is over water, and where it was exactly going to turn. And I can tell you in the 24 hours leading up to landfall, it was going to landfall in four different places and it kept moving around. And that was going to be important to us given the rotation of the storm -- wind damage and surge north, and a lot of rain and some wind south. And so it was very important for us to know where that storm was going to come ashore.

SENATOR O'TOOLE: One other question, Colonel. You raised the issue of this concept of connectivity and why it was so important and present during this particular crisis. Was it born out of the experience of Irene last year that you had the hands on in the front office -- the Governor's Office -- you had these detailed, hourly briefings that we all received, the locals received, and you were, frankly, integrally involved in? It seemed to me that that went a long way in trying to talk to folks who didn't have cable TV, didn't have telephone. That we had some sense of what was going on in certain parts and there was hope that there was help on the way -- whether it was restoring power lines, or help for the nursing homes, or what not. Those messages-- And I know the Toms River Police Chief said we have to do a better job communicating. I think given what we had, a darn good job of communicating was done.

So the question is with this connectivity concept -- why was it so emphasized or so specialized or so present this time, as opposed to in other storms past?

COLONEL FUENTES: Well, it's always been Governor Christie's preference to put as much information in advance of these events, during the events. I can tell you that we did briefings every single day to public and elected officials. We spoke to police chiefs. There were many

more granular discussions that occurred between the Governor and OEM and a lot of the constituencies outside. I think you're right in saying that after the power was lost, people couldn't get online, they couldn't watch TV, so it was important to talk to the public safety and elected officials so communication could get to those communities and the smaller communities in that way -- almost face-to-face. And I think that was important. So there were redundancies purposely put in place to account for the fact that certain mediums of electronic communication would be lost during the crisis.

SENATOR O'TOOLE: Thank you. Thanks, Chair.

SENATOR SARLO: You know, Colonel, we're going to hear from the Jersey City OEM later on, but it almost-- Did it come as a surprise to you, to the folks in OEM, the surge that impacted Sayreville, Jersey City, Hoboken, Passaic Valley Sewage, Moonachie, Little Ferry? I mean, these are just some that are coming-- We know about Monmouth and Ocean, but did that surge come as a surprise to the folks in OEM and the National Weather folks who were working with you -- the impact would get into the Sewage Authority, Hoboken, Jersey City and others? Did that surge surprise us -- the impact of that surge?

COLONEL FUENTES: Well, I have to tell you, I draw great courage and calmness from the National Weather Service. They were talking about record surges up in Sandy Hook -- 10 feet to 14, 15 feet over astronomical high tide -- that would have been a surge. And it did completely cover it over -- that island. That had dire consequences for not only the barriers; it had dire consequences that we saw for Raritan Bay, for Newark Bay, and for New York Bay and Hudson Bay. So I was-- Although

we were aware of that possibility, I think the suddenness, as the Chief pointed out, the suddenness in the way the water came up-- But, quite frankly, it was the two high tides on Monday -- the inability of water to empty out of the bays, and of the rivers, and of the tributaries before the next high tide and surge came in is what caused the problem. There was no place for the water to go. And in some cases it compromised some of the berms such as up in Bergen County.

SENATOR SARLO: Thank you.

Senator Van Drew.

SENATOR VAN DREW: Thank you.

First of all, Colonel, I want to thank you for your work and for your help, and for your help in the past. In fact, Senator Connors just had to make a phone call, but as you remember Senator Connors and I chaired a Committee dealing -- we were hopeful that all this would never need to be used -- but dealing with a lot of these issues. And it actually isn't technically law until January of this coming year. The bill was signed by the Governor just to deal with some of those issues. I know we did a lot well. I was curious on all those issues that we went through, as we went through that process and had those hearings on the evacuation task force and then came up with that one big bill. Because you remember we merged about 11 bills together into one big bill.

And I'm just going to go through them real quickly; just give me quick answers -- I'm curious. Inventory of resources, where we talked about the idea that we would have an idea of what we would need for emergency procedures, whether it be power plants, whether it be the nuke centers, whether it would be individual police forces. Did that go pretty well?

COLONEL FUENTES: Are you talking about the 2011 bill that--

SENATOR VAN DREW: Yes.

COLONEL FUENTES: --established the Coastal Evacuation Task Force?

SENATOR VAN DREW: Yes. And then the bill that resulted from that -- correct.

COLONEL FUENTES: Right. Well, that was actually instrumental in the planning that came out after Hurricane Irene and helped us redefine a lot of our procedures. We had, as you know, during Hurricane Irene used contraflow. It turned out that we were able to, even in the course of the storm, roll that back up. And in this particular case we did not need that. I know the contraflow was one of the key concerns of the Coast Evacuation Task Force. And the report thankfully -- and this probably relates to a minimum loss of life -- is the fact that the barriers were probably at 20 percent of population. Had this been similar to Hurricane Irene, especially with a storm of this intensity, I don't know if it would have been much worse. But it would have been much more difficult to get a million people off the barrier.

But those were some of the things in that report and in that law that we've already implemented in working with the counties in developing those plans.

SENATOR VAN DREW: And I want to thank you for that and your help during that time. And, again, as Senator Connors is here now-- But Senator Connors-- In fact, his dad also had those conversations

about the fact that, you know, after we saw what happened in Katrina, we wanted to make sure that we did better in New Jersey.

Colonel, the sheltering was another issue that we had brought up and actually put into law. The idea of-- And I know to some folks it sounds silly, but of course those who are really involved know -- pet shelters. Because a lot of folks, especially seniors, will not leave if there isn't a place for their pets to be held. I noticed in my region -- in Atlantic, Cape Cumberland region -- there were a lot more pet shelters. They seemed to deal with that issue. Statewide, are we where we need to be? Is that coming about?

COLONEL FUENTES: On all of the websites that broadcast information on shelters, there was a delineation as to whether those shelters would be able to handle and care for pets. So the very same information that was out there related to where a person could go for sheltering was also out there for where pets could be brought. And that was in almost every county, I believe.

SENATOR VAN DREW: Which was a big, big plus compared to where--

COLONEL FUENTES: It was, because people don't want to leave their--

SENATOR VAN DREW: They will not--

COLONEL FUENTES: --pets, and that was an issue with Hurricane Katrina down in New Orleans. So it was something that we certainly took to heart and it was a concern. I know it was a concern in that report as well.

SENATOR VAN DREW: Here's an issue that was important. We did some work on it in the past, and then I believe it sort of stopped: special needs registry. And, again, for those folks who don't know, you want to get special needs people out much earlier than you're going to get everybody else if you need to. Do we need to do more on that? I know we were doing it, and I think the funding stopped for it. Refresh my memory with that. And, again, with this law we're indicating that we want to do it again -- that kicks in in January.

COLONEL FUENTES: I think this is where local and county OEM have some very heavy play. The SNAP programs we call -- Special Needs Assistance Program -- has been in existence for several years. But it's one of those programs that requires some public support and a lot of awareness on the part of the local and county OEMS as to where those people with needs -- special needs are, to include some centers, senior citizens centers, nursing homes, or whatever the case may be, to make sure that those are prioritized.

SENATOR VAN DREW: How did it go? How did it go this time?

COLONEL FUENTES: It's my understanding that that went well. It was-- It didn't really come up on our radar in terms of a concern. I think the Health Commissioner took concerns -- she could articulate -- from some centers that had to be evacuated, but I believe that that was very orderly. So I think the right people at local and county OEM were very well tuned into this issue and operated very effectively from what I saw.

SENATOR VAN DREW: Last question, because I know we have to move along. Nursing homes and hospitals -- that was another piece

of that law, not only that they have plans to evacuate, but that those plans are coordinated among each other. I saw there were considerable problems in New York. New Jersey nursing homes and hospitals -- how did we do?

COLONEL FUENTES: Well, on the hospital side -- and certainly Commissioner O'Dowd can talk with great granularity about this -- is the hospitals suffered surprisingly little damage. I think we had some generator issues that the SEOC needed to handle and, of course, handle as a priority. I know that we helped out some critical care doctors and nurses with fuel issues so they could get back and forth to work during the height of the storm. But there were surprisingly little issues and problems with hospitals, and those that arose I think were fairly minor and they were addressed very quickly.

SENATOR VAN DREW: Okay. And just a last-- It's funny, we, I guess, had the experiment in Cape May County because in Irene, for whatever reason, we did evacuate the entire county -- everything: the nursing homes, the entire population of the county. And it did work. I mean, it was actually surprisingly smooth. Fortunately, we didn't have to this time.

But I want to thank you for your work. And, again, Senator Connors, thank you for what you did over the past (indiscernible).

SENATOR SARLO: Okay, a few Senators have a quick question for the Colonel, and then right after that we are going to go to the Mayor of Brick and the Mayor of Belmar. Everybody just please be patient with us. I think we're getting a lot of good information back and forth here.

So Senator Holzapfel, followed by Senator Greenstein, and then Senator Ruiz.

SENATOR HOLZAPFEL: Very quick, Colonel--

SENATOR SARLO: Quick question.

SENATOR HOLZAPFEL: The issue of fuel and the gas stations. It was very strange to me. I was with the Governor-- We were up with the Governor when the storm first passed up in Brick. We had fuel in Ocean County and in this area. Meanwhile, north of 95-- He basically said if you're looking for gasoline go north of 195. Was there any explanation for that, other than the fact that individual stations were out? Or was there something there that we should be interested in looking at as far as the way it's being done or could be changed?

COLONEL FUENTES: Well, this was one of the more extraordinary things that came out of the storm and, perhaps, it was the northern landfall issue that caused some of this. But a lot of stations went down for lack of power, for debris issues, or flooding issues, or water issues. It turns out that a lot of gas stations did not have generators. So I think, moving forward, that is a key concern; it should be a key concern about keeping those up in operation. In some cases it wasn't supply. In some cases it just wasn't the ability to pump gasoline. And I know that this caused a great deal of frustration north of the 195 corridor, and I believe it was 9 -- Jerome, correct me if I'm wrong -- 9 or 11 counties that the Governor wrote the Executive Order -- signed the Executive Order on that created the odd-even system. And that seemed to mitigate it very well and was very effective.

So I think a lot-- And we had an awful lot of help from the Federal government on this with the delivery of gasoline to us. Our concerns, of course, were how do we fuel first responder vehicles? How do

we fuel utility trucks that were trying to restore power? How do we fuel National Guard vehicles and ambulances and other critical vehicles? And we did that through the use of National Guard armories and several State DOT facilities. But believe me, we tried to get that gas pushed out back to the counties as quickly as we possibly could. Not a good idea for a first responder to be travelling a great distance to get a tank of gas.

SENATOR O'TOOLE: Vice Chair, a follow-up point on that -- a follow-up question.

SENATOR STACK: Sure.

SENATOR O'TOOLE: One of the managers of Cedar Grove -- the Township, one of my towns -- what he did, day one, he went to a local gas station and to the owners and said, "Look. I just need to-- We're going to buy all the gas you have in your tanks." They had their own 7,000 or 8,000 gallon tanks for their emergency vehicles; and they also, basically, commandeered, with the consent of the owner, that particular filling station, which allowed all the emergency vehicles-- And he did a sharing of gasoline for other towns -- neighboring towns that were running out of gas. It is something to think about when you have something, because there's some method that we could come up with where some of the towns, even regionally, could say these tanks, we're going to-- The towns or the counties or some public entity will purchase the entire quantity that's in the ground there to make sure there's enough supply. At the end of the day, Colonel, we were cold-calling my office up in Connecticut to get fuel in towns like Franklin Lakes, and Wycoff, and Wayne just for their emergency vehicles -- which we ended up finding some of these suppliers. But perhaps there's some way we could talk about how we can first have the necessary supplies

for the local law enforcement and emergency vehicles, and have a second tier response for out-of-state suppliers that could deliver on a moment's notice -- which we ended following up on our own.

COLONEL FUENTES: Yes, sir, that's certainly going to be an issue we're going to look into.

SENATOR O'TOOLE: Thank you.

SENATOR GREENSTEIN: Colonel, again, we want to thank you so much for all that your people did.

One question I have follows up on this issue of generators. But where I saw this in my district was in the senior communities. Every one of the senior communities -- and they are private communities -- every one of them was different, but the ones that had generators and were able to keep their clubhouses open and have a place for people to come did better; people were happier and more satisfied than the ones where they closed down and there was no public place. Do you think it's a good idea when it comes to, let's say, buildings with seniors and disabled, or just communities that have a lot of seniors, that they look very closely at the idea of generators for some kind of public space where people can come, get communication, get a cup of coffee -- that kind of thing? That was a real problem that I saw.

COLONEL FUENTES: Sure, and that's a private sector issue. I know certainly, on the public sector side, that would be our recommendation. There are a number of business associations out there that are alliances of these types of establishments that perhaps could develop some more best practices to encourage their constituents to do that, as in the case of the generators for service stations or for fuel stations. But

that is a private sector, so I can recommend that that should be done as a best practice to help them out in the future.

SENATOR GREENSTEIN: Okay, thank you.

SENATOR SARLO: Senator Ruiz; followed by Senator Singer and Senator Beck, and then we'll move on.

SENATOR VAN DREW: By the way, we can mandate that as well.

SENATOR GREENSTEIN: Right.

SENATOR VAN DREW: By law.

SENATOR RUIZ: Thank you, Chairman. And thank you, Colonel. I think that what we've heard is operating practices for the public safety sector. I just want to thank you, and all of the police departments and offices of emergency management. I saw firsthand not only the responsibility and duty our officers are sworn into office to do, but just going into senior buildings and feeding seniors who didn't have power. And so it was an opportunity for New Jerseyans to see what we do best, and that's care for one another.

I have a question that was following up with Senator Van Drew. Does your office have a coordinated map with the public utilities authority that identify where your hospitals, nursing homes, and senior buildings are?

COLONEL FUENTES: Yes. We have a resource data directory, which is in the Regional Operations and Intelligence Center, that basically catalogs where those types of facilities are; where emergency equipment is; what assets every municipality, every county holds. So that if there is a critical need, then we can tap into that database and make specific

requests. We certainly have a mapping capability and exercised it during the storm to be able to assist the Board of Public Utilities in what areas were suffering the greatest of outages. So all of that support was in the Regional Operations and Intelligence Center during the storm. And I can tell you that Commissioner Hanna may as well have moved in there because I didn't see him really leave that building, except for brief periods of sleep, for a week and half. So we provided as much support in that regard as possible.

SENATOR RUIZ: So every senior development, you have it registered on a map?

COLONEL FUENTES: We know where those facilities are. Health, of course, can provide a lot more information -- Commissioner O'Dowd -- about not only the location of those facilities, but the capacities and capabilities of those facilities. That may be a little bit too granular for me to comment on, but I certainly know that she's on top of that.

SENATOR RUIZ: Thank you.

SENATOR SINGER: Thank you.

Colonel, a couple of things: First of all, the thing about the pets. In Ocean County -- I'm Vice Chairman of the Ocean County Board of Health; we run three shelters. It makes it seamless that way, by the way. Because, remember, you can't bring a pet into a shelter where we're housing people. We were able to do it very easily because you operate the shelters. A lot of counties don't have that; Ocean County does and the Board of Freeholders works very, very well.

The second issue, just on the senior thing. I work with my senior communities and got seven grants so that seven of my communities

have generators in their main facilities as places where they can come. It was done through the years; you can use county block grant money, stuff like that. There are a number of ways to do it. Private partnership -- it worked very, very well for us during the storm. It's a safety net for seniors, and they also open it up for other people who need that help. So that's available.

One concern I did have, Colonel, was in traffic. Through part of my district -- and I cover Ocean and Monmouth County. Of course, my shore towns were devastated, but Route 9 in Lakewood and Howell is the only north-south corridor other than the Garden State Parkway -- that was all out and out for a long period of time. Part of the problem was if you had a generator it took several hours for-- DOT was wonderful about hooking it up. Is there some thought, number one -- you had State Police, you had local police at these intersections for days -- of number one, looking where we have to say to towns, "You know, you've got to look to have generators hooked up to these intersections during emergencies like this, because in manpower and time just to use for traffic was devastating to that." And second of all, looking to request DOT to look at a disconnect -- quick connect and disconnect factor. Part of our frustration was it took us two hours, two-and-a-half hours to hook up the generators to the light thing and then the power company put the power on. And that's that communication factor, instead of saying, "Look, we're working in this area. Move it further north." But I know that, with that being the only corridor in our case and in a lot of areas it's just only two lanes, that's such an important aspect. Really, people couldn't cross over; there were accidents. I know the prosecutor in Monmouth County was hit in an accident with

someone doing something like that. So to look at that traffic control aspect during these times, and look at disconnects, and where we have to say to towns, "You might need generators for that," would solve a lot of problems for us.

COLONEL FUENTES: Number one, I'll make a note of that, Senator. But I think in the follow-up assessment that will naturally occur now, it will be the responsibility of the county OEM to survey the local departments asking them what was your greatest impediment here, whether it was traffic, whether it was flood plain areas, power outages -- whatever the case may be. And then try-- These after-action reports do not simply point out inadequacies or problems, they seek solutions. That, again, follows the chain of command. So the counties will put together their reports; the State OEM will be in the midst of that process collecting those reports, and then put together an after-action report which ultimately goes to the Governor, as it did with Hurricane Irene.

SENATOR SINGER: Thank you, Colonel.

SENATOR SARLO: Senator Beck.

SENATOR BECK: Thank you.

Colonel Fuentes, if I could, on behalf the many residents in Sea Bright and Highlands and Port Monmouth, just say a heartfelt thank you to your folks who really gave a lot of strength to the residents who are living in those communities having a really hard time. And my husband has a restaurant in the (indiscernible) flood zone in Highlands and one of the occurrences that I think we saw, not just in Highlands, but in many of the communities, was that the marinas had their boats floated across the street. And in the case of Highlands, there were 40 boats that were impaled into

the residences that were on Shrewsbury Avenue. And it's-- I know you probably have some issues with the channels now, so I'm wondering if you could talk a little bit about the waterways and how we make sure those channels are clear. I was a little surprised to see yesterday that some people were floating yesterday. I'm not sure I would be so daring to go-- And I'm also wondering if, as we look at the 25,000 vessels that were destroyed, we need to be rethinking how our marinas keep and safeguard those assets, because obviously just taking them out of the water doesn't do it.

COLONEL FUENTES: Well, thank you, Senator.

There are concerns about the impact of some of these boats that drifted out into the bay and sunk, and whether that would affect navigation. I know this firsthand from having taken a tour -- one of our boats -- it had to be the second day, with some of my commanders out in the bay. And although the water was perfectly open at that point, in areas like near the Mantoloking Bridge where the damage was particularly severe, our boat had to keep stopping because they were seeing things on the radar that they weren't accustomed to seeing. I think that is part of the issue here, and I think the Army Corps of Engineers has a lot of work to do moving forward. As I pointed out, the sand that came from the beach moved, in some respects, out into the bay and created natural structures that weren't there before on the bottom of the bay. And so following the buoys and the markers is something, going forward, we have to take a really hard look at.

I know in terms of the boats that are displaced -- the thousands of boats that are displaced -- we're trying to track right now -- between the counties, the local departments, and our Marine Bureau -- the serial

numbers; trying to match up the owner of the boat, where that boat is -- it ended up on somebody else's property. Boats that are being towed -- where are they? What lot are they going to? So moving forward that's-- I know the boating industry is looking at this as one of the greatest tragedies they've ever seen in terms of boats just being all over the place. If you look at some of the marinas on the barriers, they're piled up like matches up against the buildings. And that's a security issue, and one of the reasons why we still have a couple of hundred troopers a day working out on the barriers with the local and county police departments.

SENATOR BECK: Another final thank you, because your folks have done an amazing job and really endeared themselves to the residents -- to the point where we even see people going out and bringing them dinner and lunch and hot cups of coffee. So please pass on that they're doing a great job.

COLONEL FUENTES: Thank you, I will.

SENATOR SARLO: Thank you, Colonel, and to your staff.

How many troopers from other states came in? Just a final thought.

COLONEL FUENTES: I believe it was, all told, more than 400. I know in the first wave we had about 280; some of those--

SENATOR SARLO: They did a great job.

COLONEL FUENTES: They did a tremendous job, although--

SENATOR SARLO: Pennsylvania troopers were everywhere.

COLONEL FUENTES: I saw a picture of a Louisiana State police vehicle completely covered with snow, which I know has never really happened before. (laughter) And I have to tell you that the Louisiana

troopers got a real lesson in driving in the snow those few days. But it was great of them to come and they did just a tremendous job.

SENATOR SARLO: And that's part of an agreement we have with those states, right?

COLONEL FUENTES: It's a state-to-state mutual impact.

SENATOR SARLO: FEMA reimburses us?

COLONEL FUENTES: FEMA reimburses, but states rely on each other as they did during Katrina.

SENATOR SARLO: Colonel, to all of your commanders, to the commanders in the back of the room, thank you, truly. You guys are at the top of your game and the utmost professionals that we count on during these times.

And we're going to hear from you again as we go through this, because you're going to be providing us insights into things that we should be doing as a Legislature to make sure that we prepare ourselves for the future.

COLONEL FUENTES: Yes, sir. Thank you.

SENATOR SARLO: Thank you. (applause)

We will now hear from the Mayor of Brick Township -- Stephen Acropolis; Mayor of Belmar, Matt Doherty; and Mayor Paul Smith of Union Beach. And I just think, to put things in perspective here: Toms River was hit hard, Brick Township was hit just as hard, Belmar was hit just as hard. One town along the shore communities was hit just as hard as the other. And I think we're also hearing from mayors who have water right through their first floors, so as they were out dealing and working with their

residents they never even had a chance to worry about mold or getting water out of their houses.

So Mayor, Mayor of Brick Township.

MAYOR STEPHEN C. ACROPOLIS: Thank you, Senator. I appreciate everyone being here. Anytime we can get everybody into Ocean County to see firsthand--

One of the things I did want to say is to tell you a little bit about Brick Township -- a town of about 8,500 people; more waterfront property than any other town in the State of New Jersey, according to the DEP. They are telling us about 52 miles between the massive lagoon system and the three rivers that we have, the bay, three-and-a-half miles of oceanfront that we have.

No picture, no video will do this justice -- you have to see it for yourself, and I know most of you have. And every time I go out there, which is at least once a day, it still is awing to me.

I also want to mention that we hear a lot about the barrier island, and what we've gotten from some of the engineers is that some of the damage to the eastern-facing mainland houses is the type of damage normally associated with an oceanfront house. So when you see a five-foot rolling white water wave striking some of these bay front houses it does give you pause for thought.

We did get a final count on the barrier island as far as the number of houses that were burned -- not destroyed, but just burned -- and that now is up to 109 homes that are no longer there at all. We estimate that we have heavy damage to 7,000 to 10,000 homes, meaning water in their homes. That means that the sheetrock has to come out, as you heard

all that. I'm not going to get into all that, the insulation, all those other things. Our ratable base is about \$1.3 billion only on the barrier island. And that's about 12 percent of our ratable base. We believe that about \$400 million will be affected; that's about 4 percent of that number. We estimate that the cleanup costs will be approximately \$50 million; \$18 million in debris disposal alone, and they estimate about 500,000 cubic yards of debris. About \$15 million to \$20 million in infrastructure -- the beaches, bulkheads, parks, roads, things like that. I'm glad that I did hear Senator Beck bring up debris in the bay. It's an issue. No one, as of this date -- and I did hear Army Corps of Engineers -- but we got a conference call with the Governor's Office last Friday -- and I haven't heard anybody yet take responsibility for that. We have some debris that is actually floating behind people's houses still that goes out 20 to 30 yards into the bay, and those are sheds, parts of houses, pilings, bulkheads, decks. In my lagoon alone, I've got about a 20-foot piece of deck with the seats still sitting on them, basically blocking access to get out in case anybody did have to go out. We've got to get that addressed because Brick Township has more registered boaters than any other town; Ocean County, more registered boaters than any other county in the state. People use the bay -- it's a huge issue for us. And it can't be just about dragging the channels. It's got to be about removing debris.

I did have the opportunity to do some recon in the marsh over the weekend. I can tell you that just in our small walk there was a 28-foot Sea Ray, a cabin cruiser-type boat. There was a 17-foot Whaler. There were three Waverunners -- and that was only in about a one hour period of time. That doesn't count the unspeakable and really indescribable litter --

the bottles, the benches, the chairs, again pieces of houses, the windows -- that are in the marshlands that will have to be remediated. And somebody-- We're going to have to look at that -- who's going to take some responsibility? And if it's on the Township, we're ready, willing, and able to step up and do it and, obviously, we'd like some financial help with that as well.

The impact on taxes -- there's going to be a transitioning of the ratable base, of the taxable base in Brick Township. When you look at the people on the barrier island and on the mainland who pay the most amount in taxes -- people on the water -- their property was worth the most and they paid the most in taxes. That property is not going to be valued at what it once was. And who makes up that difference? Is it made up over a long period of time? Is it made up in one year? And that's going to be something that's going to have to be addressed by people a lot smarter than me.

We are looking actually to see if we can have an advance of FEMA money so that if we come up with a dollar amount that we know is going to be FEMA reimbursable, of \$30 million or \$40 million that we don't have, to go out to the capital markets to look at getting some of that money. I know that that is something that has been done in other places so we hope that that can happen because -- special notes or, even worse, tax anticipation notes to cover cash flow. We know that money is coming back; everybody knows it's coming back. It is going to be reimbursable. If we can get that advance to us it makes it a lot easier for us at the local level, and will reduce costs to the taxpayers in the long-term because of bonding costs and all those other things that we have to do.

When you look for specifics about what the State and the DEP can do, we would like to have them consider relief when it comes to permitting -- to speed up the rebuild and the recovery process -- such as the LSRP program that you guys have. It's a great program that was brought up. We'd love to be able to do that at the local level for, maybe, two to four years. So when it comes to getting DEP permits or CAFRA permits, we can do that at the local level with licensed professionals in-house, instead of having to go to another level of government and really slow down that process. So that's something that we think might help.

Somebody mentioned mold. Down here you have to get a termite certification to sell your house. I think that that may be something that somebody might want to look at from a State level -- that now when you sell your house you have to get it certified. Because I know a lot people are out from Texas and Florida and a lot of places, driving around Brick Township and I'm sure other communities as well, saying, "We remediate mold." And they spray and they're gone, and you pay and there's no certification. So when you go to sell your house in 10 or 15 years they say, "What happened when the hurricane hit?" And there's nothing official there. So we'd like to see-- I would like to see something like that as well.

The last thing-- A couple of things: A cell tower with back-up power. Any time a cell tower is built it should have a backup generator. Cell service was horrible; the second and third day after the event you had a better chance of getting a text message through than a cell phone call. For all of us, that's what you used -- especially people like us who had flooding in our homes, who had no power, no phone, and no other communication. Most people had smart phones so we have about, I think, 11,000 or 12,000

residents who are on Facebook and we do have Twitter accounts -- I did pronounce that correctly this time; (indiscernible) I say *Tweeter* accounts (laughter) -- so my daughter knows more about that than I do. That was one way that we got a lot of information out. We did send police officers out into neighborhoods with flyers; we did walk neighborhoods of some of the hardest hit areas.

Air assets. I did hear in the-- I have to tell you that without the Guard and the foreign -- the guys who were from Louisiana and Michigan all over the place it would have been very, very difficult to do what needed to be done to lock down the barrier island. And not only lock down the barrier island, but lock down the mainland -- places like Cherry Quay, Seawood Harbor. We had police officers on the roadway getting in there. And I think when you look at the total number of burglaries and looting and those things, it was basically nonexistent. And that happened because-- I've also believed that the value of sending-- We had to send 15 police officers, including Chief Bergquist who -- no disrespect to any other chiefs in the room, or Chief Mastronardy; I've worked very closely with him over the past -- we sent 15 police officers, including Chief Bergquist, down to Louisiana to help out. That experience was invaluable leading up to, during, and after the storm. And I think if you look at Brick Township's model on repopulating the barrier island, how it was done in an orderly fashion-- We had people out there within-- I think we had everybody out there within about 7 to 10 days after the storm at least once -- with buses, with security -- so that we didn't have some of the issues.

When residents are allowed to go back out there, there is a little bit more personal responsibility. And when we did, even towards the end,

allow people to go back out, I did see one particular woman climbing out from a collapsed home. And, you know-- And I know she was going in there to get something from her bedroom, or from -- a memento, a picture, a piece of jewelry. But having-- In Brick Township we had one fatality and you hate to see even one -- and we believe that was from cardiac arrest -- however, you don't want to now have an issue with somebody doing something, going somewhere, and getting hurt now and having a fatality.

Lastly, JCP&L -- and I'm just going to mention this: You know, you get a phone call and say, "Is the power on in Veterans Elementary School?" You know, you're asking us? You're the electric company. If my house wasn't trashed, I'd be able to get my iPhone out right now and turn my lights on or off in my house. I can check if my doors are open or not open. We've got to find a better way for JCP&L to deliver electric and to monitor who has it and who does not. If you have a grid map and that grid map has 12 streets on it, and we know for a fact that 2 of those streets were flooded and 10 were not, we can send the assets to those two streets that were flooded and then turn everybody's power back on. That was not happening during the storm.

SENATOR SARLO: Mayor, did you find that the utility companies did not know in your community who was out, who had power and who did not have power?

MAYOR ACROPOLIS: Correct. I also found out that what happened was that when the new -- for us -- the new issue of inspections, where they looked at your meter and they looked at your panel and they said, "You're okay; we're going to turn your power back on" -- in about 2,500 homes they looked at those homes. They didn't look at the other

7,000. They didn't look at my house. And I was like-- My wife was like, "What, our house is not -- we're not safe enough?" So what I told people is this: At the end of our street we had three houses burn at the end of our lagoon -- those houses that burned on the barrier island. In other states they turn off the power two to three hours before the event. You wouldn't have to replace as many transformers. Substations that blew up because the power was on -- you wouldn't have had those. They have to change that protocol. And we're going to inspect all flooded homes, then that means -- there are about 10,000 houses in Brick, and I know just as many in Toms River -- and if we're going to go by and do those and look at those houses and say, "Mr. and Mrs. Jones, you and your husband can go back in the house with your three little kids because somebody came over and saw your meter and your panel didn't have visible signs of water" -- that's not good enough for me. You have to have a licensed electrician go into your home when you have any kind of water in it and make sure.

And lastly, I just want to close with, I did receive a letter from a company called Southwire -- not to me, to the construction official -- that makes Romex cable -- that wire, that white-coated wire that goes underneath your house. Basically, what Underwriters Laboratories said, and the people who make it, is after Katrina any water on that wire at all, it's like this: We're not taking responsibility if anything happens. And that's an issue that I think is going to have to be addressed as well, either at the State level, the Federal level, because I'm getting all of that wire that was underwater in my house replaced. Some people are not. And in 1992 after the nor'easter that we had, we're gearing up now for-- We're gearing up now for-- We've come to about the four-week point after the storm. I

lose track of the days; I think it's been about four weeks. We're gearing up, in the next week or two, for electrical fires because copper and salt water don't mix. And that corrosion -- it will take some time for it to happen -- so we've already talked to our chief; our chief has been very proactive in talking to the fire departments, making sure that we're gearing up for those types of issues. JCP&L, when they flip power on to an area, we ask them, "Can you tell us where you're putting the power on? We're going to take a fire crew and station them in that area." We didn't get that.

So there are a lot of things -- and this is not the hearing for that -- but I have a lot more to say when we talk to JCP&L and other people. But I just think it's really important for you to know that, because from a legislative part some of these things you can make mandatory; I can't make mandatory a lot of these different things that need to be done. But I think some of those things have to be changed.

I just really wanted to thank you for coming. And Senator Holzapfel, I heard Senator Singer talk about grants and generators for our senior communities so I'm going to be coming to you next for those grants.

SENATOR HOLZAPFEL: We already have that bill in.

MAYOR ACROPOLIS: I already have that in? That's excellent, great. Thank you. (laughter)

SENATOR SARLO: Mayor, your testimony was outstanding. You were right to the point; you gave us a couple of ideas that we need to work on. We're going to talk to you as we go through this. You've given us serious numbers -- \$50 million. We know they're all estimates, but you make me want to go vote for you -- move to Brick Township so I can vote

for you as Mayor. (laughter) You're doing an incredible job under difficult circumstances and your testimony today was right on.

I know Senator Ruiz has a question regarding tax assessments.

Senator Ruiz.

SENATOR RUIZ: Thank you, Chairman.

And Mayor, I think that I echo the sentiments of the Chairman. We were talking back here and talking about what happened during Irene, and now -- the salt water effect to our infrastructure; what that's going to mean in the months to come for the utilities, PSE&G and JCP&L and the other companies. And what does that mean to our communities.

But I was talking to the Chairman, and this stems out of a conversation: What happens in a tax assessment situation, particularly in the areas that there is no infrastructure at all? Where are the maps? Where do we identify where our properties were in instances where there are no lines of demarcation when looking at areas? And then when that happens in the aftermath -- of homeowners, and the lack of real property tax value that's there -- how it gets reassessed. So you've identified something that's on the minds of many of us and, moving forward, as to what will happen to the impact of homeowners.

And then just as a -- and I don't think you have an answer, because you said you were seeking one, and I think we all will be. My question to you is, since you're hands-on, you've identified a myriad of issues and how you have been working to abate them. Do you think there are opportunities, or do you see that your town is staffed properly for some

of these cleanups to occur on a county level, or for the State to come in and do it so that there is a more unified and uniform approach?

MAYOR ACROPOLIS: I think if you look at what we've done early on, there's some national companies that have done national cleanup. People down here-- We don't have the type of equipment; even the big contracting firms that build gyms -- the Harms Construction -- they don't have the type of equipment necessary for debris removal. We recognized that early on; we've looked at a couple of different companies that could come in with these 80-yard trucks with a grapple centered in the middle of those trucks that actually have gotten a lot of this debris off the road. That has helped; the DEP allowing us to go to transfer stations at three different locations -- and I know many towns have gotten that waiver and we have that, so we're not just taking stuff and putting it into landfills -- we're separating the concrete from the wood, from the metals to do that. Do I think-- I think in some of the bigger areas like Brick and Toms River, I think it's easier for us to do it and contract it that way. But we don't mind if the State says we'd like you to do it this way -- compact it before it goes out and regulate some of those types of things; so we're okay with that.

I wanted to just mention, obviously -- the Colonel was up here, and he did a great job, and all the OEM people did a great job, and the people on the fire departments and the EMTs-- Having been an Air Force guy for eight years, I worked in Operational Readiness Exercises for 12-hour shifts on and 12-hour shifts off. And our guys have been doing that for a long period of time, and to really thank them -- not just because people say they're getting paid. And I know they're getting paid. But you know what, though? Twelve on, 12 off for, now, coming on 25, 26 days is just a lot. I

think the most I ever did was for 9 or 10 days, and that's a lot. So I just wanted to publicly thank them as well.

SENATOR RUIZ: Thank you, Mayor.

And lastly, Chairman, there was something else that was identified -- is the utility companies in recognizing where power is out. It's my understanding, as we're all learning through this process, is that smart readers would indicate specifically to the utility companies where the power outages were, so that they would know at 360, whatever, Town A, Town B has lost power. But, of course, that's a conversation that we will all have to be having, because we're going to really assess as to what infrastructure improvement and where we're going to be making the investments.

SENATOR SARLO: That's a good point, Senator Ruiz; absolutely.

Senator Van Drew has to run to an emergency. I'm going to ask you to stay there, and we'll let the Mayor of Belmar speak, and then we'll take any other questions for both mayors.

SENATOR VAN DREW: Just real quick: Great testimony. One of the big issues, I believe, in the future -- and people aren't going to remember why -- but years from now somebody is not going to feel well and it's going to be because of a mold issue in a house that wasn't remediated properly. We have an opportunity now; I'm not sure exactly how we do it yet, Chairman, but we really do have an opportunity to try to nip this in the bud. Because there is a massive influx of contractors; there are a whole lot of folks, including the homeowners themselves, who don't know exactly what they're doing, who are not going to do this right. And people are going to get sick, and we really need to do the best that we can to try to

ensure-- It's really going to be a health issue in the future. And the same point that you brought up with electrical fires. Years from now somebody will have an electrical fire; they're not going to know why and it's going to date back to this.

So the inspection process, without being overly bureaucratic, somehow we're going to have to have a way, as was said previously, to certify the folks who are doing it -- to make sure they're doing it right, throughout the state.

Good testimony.

SENATOR SARLO: Okay. We're going to hear from Mayor Matt Doherty, Belmar Mayor. And Mayor, I just want to announce this: Your comments right after the storm were, "My community and I will do everything in our power to get this Ocean Boulevard and our boardwalk back." That is a great attitude, Mayor. That is a great attitude and we know everybody in New Jersey feels the same way, so we appreciate that.

SENATOR SINGER: He's one of my mayors, Mr. Chairman.

SENATOR SARLO: It's a great attitude.

SENATOR SINGER: He did a great job. And I really appreciate the job you did, Mayor. Great job.

MAYOR MATT DOHERTY: Thank you. And thank you, Chairman Sarlo and Chairman Stack for holding this meeting today. A special gratitude to our State Senator, Senator Singer, who's been working with us since day one. He's been in touch with us and supporting our efforts as recently as this past Saturday -- we saw him in Belmar. So thank you very much.

On Monday, October 29, at 7:30 p.m., the Borough of Belmar suffered a massive storm surge that brought ocean water over one-quarter mile inland and flooded 60 percent of the town. It was fast and furious, trapping families in their homes, devastating structures, and destroying 1.2 miles of boardwalk, including a building that stood on the beachfront since 1929. It was an unprecedented calamity that will require significant financial and cooperative support to recover and rebuild our town.

Starting on Thursday, October 25, we began preparations for Hurricane Sandy by draining our two lakes -- Lake Como and Silver Lake -- and notifying police and DPW personnel that they would need to be available for the coming week. We received daily updates from the Governor's Office with conference calls that included cabinet members and, most importantly, representatives of the National Weather Service. I cannot overstate how important these calls were for us as we prepared and as we communicated with our residents what to expect.

In advance of the storm we communicated to our residents using a reverse 9-1-1 system, our website, Twitter, and Facebook. While we could not prevent what was about to occur, we made sure our residents knew exactly what to anticipate.

On Sunday, October 28, I signed a state of emergency declaration for Belmar that included the first-ever mandatory evacuation for the entire town. I made this decision after hearing representatives from the National Weather Service state on that day's conference call that the tidal flooding resulting from the storm surge would be something no one alive had ever seen before. He was dead on.

When I compared this comment to our existing flood maps, it looked like 75 percent of our town would flood. Fortunately for us, it didn't rain very much and we held the flooding to 60 percent.

Many, but not everyone, heeded the call to evacuate. Personally, my wife and two daughters left for a family members' house in Dutchess County, New York, and they were not able to return for 10 very long days.

As I mentioned before, when the surge came it was fast and furious. While there was nothing we could do about the damage it was causing, we did deploy our all-volunteer Belmar Water Rescue Team to begin rescuing families, with ages varying from 18 months old to 94 years old. They used boats, jet skis, kayaks, and swam themselves in raging water in the pitch-black environment with winds blowing at 50 to 60 miles per hour. During the 72 hours after the surge, they rescued over 200 families. Those rescued were brought to our town's gymnasium which we had set up as a temporary new shelter.

I'd like to tell you about one of our water rescue volunteers, Mr. Brian Allen. That night, Mr. Allen continued to rescue lives even as he knew the entire time his home was being destroyed by the storm surge. Whatever anguish Mr. Allen must have felt during that night, he did not ask what people could do to help him, but rather what he could do to help others. After the storm, Mr. Allen and his family were denied indemnification under their homeowner's insurance policy because, like many people in our town, the Allens did not have flood insurance. Moreover, the family has since only been awarded \$31,000 by FEMA for their home which has been condemned as uninhabitable.

After Mr. Allen's heroic actions the night of the storm, may I say that it is a profound tragedy that he and his family remain displaced today and have virtually no means to rebuild their home.

Because of that Water Rescue Team, our fire department, first aid squad, and Department of Public Works, there were zero deaths and zero serious injuries resulting from this unprecedented event. The entire time they had the stage on Main Street because we suffered significant damage to all three fire houses, our first aid station, and we lost 17 police and DPW vehicles.

As day broke on Tuesday, October 30, It was apparent the destruction was epic and we needed to begin recovery immediately. We had seven major emergencies that had to get addressed at the same time: first, pump the water from the town back into the ocean, with about one-quarter square mile of water remaining on our city streets. Second, address the food and housing and basic needs of our residents. Third, remove an extensive amount of debris, including large sections of the boardwalk that were pushed up to one-quarter mile inland, and remove it from our town. Fourth, secure the safety of our residents and property in an environment with no electrical power. Fifth, begin pumping out residents' basements and cleaning debris out of their homes. Sixth, communicate on a daily basis with residents without power, and possibly without telephone service, and surrounded by water. Seventh, and lastly, restore electrical power. Unfortunately, this was one that was out of our hands.

We were very aggressive about the entire cleanup effort from the moment it started. We scrambled to secure pumps and get them working 24 hours a day. At our peak we were pumping 60,000 gallons of

water a minute. Within six days enough water had been pumped to make every street passable again.

Every opportunity I had with media interviews I asked for assistance for our residents. The outpouring of help was incredible. We received so many donations that we started distributing to other communities. In addition, we established an easy way for people to make monetary donations, and we received assistance from all over the country and as far away as Sweden.

We made tremendous progress cleaning up all the debris, and by the end of this week it will be off of our streets and off of the beachfront. We used volunteers who came in by the hundreds to pump water out of basements, and clean out basements and first floors of homes. These volunteers came from as far away as all the parts of New Jersey, New York, and even Kentucky. This past week we concluded that operation and I can say that everyone who asked for help received it.

To secure the town we strictly enforced a curfew that the Monmouth County Prosecutor ordered from 6 p.m. to 6 a.m. From this we were able to employ multiple departments with several communities, counties, and states. These included the New Jersey National Guard, the New Jersey State Police, Monmouth County Prosecutor's Office, Monmouth County Sheriff's Office, Bergen County Sheriff's Office, Port Authority Police, Wall Township police, Maryland state troopers, Michigan state troopers, Illinois state police, Florida state police, and Mississippi highway officers.

While we continued to use modern methods of communication, we added another, more basic, form. Every day we had volunteers

distribute flyers to every property in town. These flyers included services that we were acquiring for them, which included things like laundry services and even a very popular cell phone charging station at Borough Hall.

For 14 straight days we communicated with our residents about what we were doing and how we were doing it. Aside from walking, we also used kayaks to deliver flyers to homes surrounded by water.

It's been widely reported that power took a very long time to come back. While we did our very best to advocate for power, going as far as to encourage our residents to "hammer them" with phone calls at their 800 number, it was ultimately out of our control.

While we worked through recovering from the effects of the surge, we also began a plan to rebuild our town including our boardwalk. Our engineers have already designed a new and improved boardwalk that would have withstood Sandy, along with a seawall that would have mitigated the significant flooding that occurred. We are going out to bid for this boardwalk this week, with the plan to begin construction by the end of this year and have it completed in time for Memorial Day weekend 2013. The estimated price tag on all this is \$26 million. While that is a very high number, it is significantly less than the damage that we suffered from both Irene last year and Sandy this year. Our initial damage estimate, both public and private, for just Sandy is over \$130 million.

For us to rebuild our community and our boardwalk we'll need assistance from both Federal and State governments. We have begun meeting with FEMA for reimbursements for our recovery efforts -- so far totaling \$5 million -- and rebuilding the boardwalk, along with hazard mitigation efforts. We've been informed that FEMA will reimburse us up to

75 percent of the cost for rebuilding the boardwalk, and that is what we're planning on. But we understand the Governor and our Federal delegation are pushing for 90 percent reimbursement from FEMA, and we hope that that occurs.

What we need from the State is your continued support. President Obama and Governor Christie have demonstrated profound leadership in this time of crisis, and it will take leaders at all levels of government from both political parties to rebuild. Members of the Legislature, Democrats and Republicans alike, have done an outstanding job to date in reaching out to those of us in county and local government to express your commitment to the full recovery of the Jersey Shore and this great State as a whole.

We are ready to work with you. Going forward, no doubt, many of us will be calling on you to help us clear away some of the anticipated and occasional unanticipated bureaucracy and other impediments that lie ahead. Moreover, we need assurances that there will be no strings attached to financial aid by those with political agendas. We need you to have faith in us that we know what is best for our communities.

As I mentioned before, it's our intention to have the boardwalk complete in time for Memorial Day weekend. This is one step, one of many we have taken and will continue to take in the long road to recovery that began with a combination of humility and resolve the morning after the storm. We recognize that reconstruction of our boardwalk will be of little comfort to those in our community, such as the Allens I mentioned before, who have lost their homes and livelihoods, whose lives have been upended by this natural disaster. But it is a beginning -- a practical and necessary

step in restoring the economic vitality of our town, signify our determination to make Belmar hospitable again in time for tens of thousands of tourists who visit us and patronize our local businesses each year.

Belmar is French for *beautiful sea*. Four weeks ago today it certainly was not, but with your continued support it will be again.

Thank you.

SENATOR SARLO: Thank you, Mayor.

Before I turn it over to the Senators to my right-- Everybody, thank you for being patient; this is going to be a process. We're going to do the best we can to address all the Senators' questions as well as hear from as many people-- After we hear from the mayors, we're going to hear from the Jersey City OEM, and then we're going to hear from our County folks -- Ocean and Monmouth County -- to talk about some of the impacts on finances.

So I'm going to ask the Senators just to stay patient with us. Hopefully we will wrap up by 3 o'clock today.

Senator Singer, followed by Senator Beck, followed by Senator Norcross.

SENATOR SINGER: Again, I just can't radiate how wonderful a job they've done in Belmar, through the Mayor's direction. You know, you can't understand that every police car was saturated with saltwater and you had to replace everything. The volunteers who came in, they turned their Town Hall into a reception center -- they did a great job. I saw them giving out things -- volunteers coming in. They really did a fabulous, fabulous job. And I'll tell you, I was in Belmar with him on Saturday and

the people were coming out, you could feel it in the air. You felt the spirit of the people who live in Belmar. You felt the spirit of people coming down to help. And it had a lot to do with the Mayor. You did a fabulous, fabulous job, Mayor. Thank you so much for the great job you did for all the people of Belmar. You certainly made us all proud New Jerseyans.

MAYOR DOHERTY: Thank you, sir.

SENATOR BECK: Mayor, I wanted to thank you for raising an issue that has been on my mind and I think it's work for this Committee. And it's something I've been talking about with the Governor's Office. Which is, I am confident that we will find temporary housing for those folks who need it. And I'm confident that we will get donations of food and clothing to take care of those folks for a good long while. But what I am not confident about is that the folks like Mr. Allen who get this \$31,900 from FEMA and maybe -- well, in Highlands the average income is \$35,000 a year. And many of them don't have flood insurance. How do you transition those from the temporary housing -- whether it's at Fort Monmouth, or a trailer, or an apartment -- back to their permanent home? Because if you're from Union Beach, you want to stay in Union Beach, and if you're from Highlands, you want to live in Highlands, and if you're from Belmar you want to stay in Belmar. And that is the challenge for the State of New Jersey. I mean, New Orleans-- If you look back, the great travesty of New Orleans is that there are big populations of people still living in FEMA trailers a decade later. That's the tragedy of New Orleans and that can't be the story for New Jersey.

And while we have many, many issues to deal with, all levels of government, to me one of our most pressing and probably the most

complicated is how do you help those folks afford to rebuild? We've had a number of philanthropists step forward and contact me and, I'm sure, contact many members of this Committee. And an idea that I floated -- and whether or not it's possible, I don't know -- but one of the things I think we should be looking at is helping folks with a down payment on their mortgage. If you can put 20 percent down on a home to rebuild that maybe is \$200,000 or \$250,000 or \$300,000, at least it puts it within your reach if you're making \$35,000 to \$50,000. I don't know if the numbers all work. But we have to start thinking outside the box a little bit because for the next 18 months, sure you can live at Fort Monmouth or in a trailer. But after that time period, how do we get you back to your property and help you rebuild your home? And that is going to be some hard work for all of us in the room.

So I appreciate you raising the issue of Mr. Allen. It's something that's certainly been weighing on my mind and I know the minds of lots of my colleagues up here.

MAYOR DOHERTY: Thank you, Senator.

SENATOR NORCROSS: Mayor, I certainly appreciate your testimony.

Three or four people before you had talked about the sheetrock -- cutting in and out -- because as we all know the mold and wicking. I was really glad you brought up the issue of the electrical because that, quite frankly, can be the silent killer here. We know how to prepare for a storm; you've heard it from the Colonel and others. But the fact of the matter is the consistency on doing the inspections for the electrical are nowhere near what they need to be. DCA handles that and there's not an official

directive. How did you decide in your town, through your inspections, to say, "We want these inspected?" Because there is a huge difference between the corrosive nature of salt and fresh water.

MAYOR ACROPOLIS: Well, thank you.

I received a phone call; I think it was the second Sunday after the storm, from the DCA Commissioner who said, "I have bad news and good news. The bad news is we're going to require inspections to those 2,500 homes that have yet had their power turned on. But the good news is I'm going to send you inspectors." And he did that. And we thank the DCA Commissioner for that.

But there was a disjointed policy -- maybe not from the DCA, but from JCP&L -- because I had a conference call with JCP&L at 3:30 that afternoon. And I told them-- They said, "Well, when are you going to do all the inspections?" I said, "What inspections? You never mandated inspections before. I've lived in Brick since 1952; I've been involved with politics since 1986." I said, "We've never had inspections." I went back and talked to all my construction people. Never have we had inspections in Brick Township before -- ever. And JCP&L said, "We're not going to turn the power on to those 2,500 homes until you get an inspection." "Well, you can't tell me to get inspections. I am telling all of my residents to get a licensed electrician, but I'm not going to depend on a fly-by-night inspection, where they look at my panel box and my meter to determine whether my house is safe or not." And I said, "The only person who can mandate that is the DCA, because they control all local government." That was at 3:30 in the afternoon. By 5:00 I got a phone call from Commissioner Constable who mandated those inspections.

So if it's going to be a mandate, going forward, for all towns every time we have a nor'easter down here at the Shore, there's going to be hundreds of homes that are going to have to have inspections. If that's the new normal, and if that's the process, just let us know here and we'll do it.

So my decision all along was not to depend on the DCA or JCP&L to do an inspection. We told all of our residents that if you had any water in your home whatsoever, get a licensed electrical contractor to come to your home, get in your crawl space, check your junction boxes, check your panel, do all of those things. Don't just rely on a look at the meter and the panel.

SENATOR NORCROSS: Well, the fact of the matter is, that's exactly what's happening in the consistency here. Because some contractors will come in -- they don't care if it's wet. If the panel's dry that's all they care about. And this is something that -- lessons learned from New Orleans, because they're now experiencing those homes being sold that have corrosive nature through all their wiring, and there is no way you can tell unless you tear it apart. So we appreciate your vigilance on this and the fact that you're requiring it.

MAYOR ACROPOLIS: Thank you.

SENATOR SARLO: Thank you to both of you; and we're going to be looking to hear from you more, as we go through this process, to get your input from the ground.

Walter Kierce, Jersey City Director of Emergency Management and Homeland Security. Then he will be followed by our final two -- it will be John Bartlett, Ocean County Freeholder, Director; Carl Block, the Ocean

County Administrator; and finally Matt Clark, Monmouth County Tax Administrator.

Mr. Kierce, thank you for your patience today. And I think we all know how hard-- There's always a focus on the Shore, but as we go through this process, I think we're going to learn that Hoboken, Jersey City, and those areas were devastated and came to a screeching halt as well. So we look forward to hearing from yourself, who was on the ground during the storm.

W. G R E G K I E R C E: Thank you very much, Mr. Chairman.

President Sweeney, Chairman Sarlo, Vice Chairman Stack, and distinguished members of the Senate Budget and Appropriations Committee, on behalf of Mayor Jerramiah T. Healy, the residents of Jersey City, and myself, I wish to thank Senator Sandra Cunningham for the opportunity to appear here today.

On a personal note, I wish to acknowledge, support, and thank Senator Cunningham for her assistance and support during the events of Hurricane Sandy.

I would also like to commend Governor Christie, Lieutenant Governor Guadagno, Colonel Rick Fuentes, and Lieutenant Colonel Jerome Hatfield for their leadership, assistance, and support to the City of Jersey City during Hurricane Sandy.

Jersey City is home to approximately 275,000 people. Our population expands to over 500,000 during the daytime -- 14.7 square miles bordered on the east by the Hudson River, west by the Hackensack River.

On Sunday, October 28, 2012, Mayor Healy and I signed an emergency declaration initiating extensive protective measures and mandatory evacuations of low-lying areas adjacent to the Hudson and Hackensack Rivers, potentially impacting 50,000 residents.

Seven emergency evacuation shelters throughout Jersey City became operational at 1:00 p.m. Sunday, which by mid-morning Monday saw numbers increase to 2,500 residents. As Hurricane Sandy made shore in the southern part of our state, its devastating effects gradually increased as they travel north to Jersey City. The full effects of Sandy's wrath was felt at approximately 8:30 Monday evening, when wind gusts in excess of 80 miles an hour, as well as overflowing waters from the Hudson and Hackensack Rivers began to flood low-lying areas of the city. By 9:00 p.m., approximately 90 percent of the city had lost power as water from the Hudson and Hackensack Rivers in excess of four feet was flooding various neighborhoods in the downtown area, Country Village, Society Hill, and Port Liberte Residential Complex located in the southern end of our city.

By 9:30, first responders were engaged in a valiant effort to protect the Jersey City Medical Center -- located on Grand Street in Jersey City, approximately one mile from the Hudson River -- from approaching waters estimated to be in excess of four feet. Sand bags were placed around the perimeter of the complex. However, extensive flooding impacted the hospital emergency room necessitating its closure and causing the hospital to go into a diversion status.

Multiple fires, building collapses, reports of residents trapped in flooded buildings, as well as motorists trapped in stalled vehicles on flooded streets were reported throughout the city as first responders struggled to

respond through the horrific storm conditions. An emergency request was forwarded to the New Jersey State Police Regional Operations Intelligence Center for National Guard High Water Vehicles, which was swiftly processed. And search and rescue operations commenced, in areas most heavily impacted, by police and fire personnel.

As the storm moved from the area, citywide assessments continued through the night into Tuesday by Mayor Healy and members of the Office of Emergency Management which revealed significant flooding in the Greenville area, Country Village, Society Hill, Port Liberte, and the downtown areas of Warren, Grand, and Sussex Street, as well as various locations along the Hudson River. City Hall, located at 280 Grove Street -- approximately one-half mile from the Hudson River -- sustained ceiling-high flooding in the basement, destroying City offices, as well as City Hall telephone and network systems.

Hurricane-force winds downed hundreds of trees and branches, as well as dozens of utility poles, impacting power lines, significantly diminishing telephone, cellular phone, Internet service throughout the city; also severely impacting our emergency notification capabilities.

Based on the devastating aftermath of the storm, police personnel were placed on 12-hour shifts, fire department personnel were held for extended tours of duty, and a curfew and driving ban was imposed citywide from 7:00 p.m. to 7:00 a.m. Two residential high-rise units, with a combined resident population of 700-plus, were evacuated by City officials due to structural damage. In addition, a senior citizen residence with approximately 125 residents was evacuated due to lack of power and heat,

necessitating the opening of the National Guard shelter for additional shelter space.

As damage assessments continue, the Jersey City Incinerator Authority staged dumpsters and crews citywide to facilitate removal of storm-related debris, resulting in the removal of approximately 8,000 tons of debris--

Point-of-distribution locations were established throughout the city for distribution of food, blankets, and water to residents, resulting in the distribution of 150,000 meals, 2,000 cases of water, 10 pallets of ice, and 2,500 blankets through November 9. As power outages continued, there was an increase in need for emergency generators to restore basic services to multiple high-rise senior housing units throughout the city. Multiple Homeland Security generators were deployed throughout the city. And with the assistance of local electric companies, those senior citizens location whose basic power requirements could be met or connected. In addition, four police precincts, the juvenile bureau, and fire houses without backup power were kept operational.

Preliminary damage assessments reveal over 6,100 residential housing units throughout the city sustained moderate to severe damages due to flood waters, the majority of which were not covered by basic flood insurance. Damages are expected to be in the millions of dollars. Fifteen high-rise waterfront buildings, housing numerous global financial entities employing thousands, were also impacted by flood waters. Damages to Jersey City government property and autonomous agencies were estimated in excess of \$22 million.

Through the resilience and cooperation of our residents, the city is returning to a state of normalcy. As we all have observed, changing times and climate conditions over the past several years have resulted in two hurricanes impacting our state. We as government officials must implore our Federal representation to dedicate Federal dollars to explore any and all protective measures to mitigate these devastating storms.

More stringent laws and regulations must be enacted as it relates to oversight of utility companies, ensuring improvements be made to aging utilities' infrastructure and storm preparedness. At this time, tax relief should be considered for our residents who are not covered for damages by insurance. We also should work with the Federal government and Federal representation to increase the current 75/25 percent match to 100 percent match reimbursement to cover our state losses. And there also should be dialogue as to the November 30 extension for FEMA compensation as it relates to debris removal and recovery efforts.

SENATOR SARLO: Thank you, Mr. Kierce.

I just have one quick question.

Thank you for your patience.

Dollarwise, you had mentioned the number of about \$28 million in municipal complex buildings. Do you know what the estimated cost is -- from an operations standpoint -- for police, public works, pumping? I know you guys are involved in helping the Port Authority. Do you have a dollar amount on that?

MR. KIERCE: Just from the public safety sector alone, Senator, we're probably approaching close to \$5 million for overtime and costs alike. We had significant loss of police and fire vehicles as a result of

all the vehicles in the city fleet. The big thing was, obviously, the damages that were done to City Hall, and also extensive damage that was done to one of our main libraries in the city. Roughly 30,000 books were destroyed.

SENATOR SARLO: Did you find the Port Authority to be the communication line? We're hearing great things about the communications from all levels down. Did you find communications from the Port Authority to be helpful? Were they working in cooperation -- the Port Authority -- throughout this process?

MR. KIERCE: Yes they were, Senator. Extensively, Chief Comey from the Jersey City Police, had a conversation with Chief Ryan from the Port Authority Police requesting some assistance.

One of the big issues that I heard discussed here today was, obviously, traffic signals, which was a great impact on us. When they reopened the Holland Tunnel, there were 18 intersections leading into the Tunnel that had to be supplemented by both the Hudson County Sheriff's Department and also the Port Authority Police. The Port Authority Police also supplemented our police officers on different patrols throughout various sections of the city.

SENATOR SARLO: Senator Cunningham.

SENATOR CUNNINGHAM: Thank you, Greg, for being here. And I have to tell you, you did a wonderful job -- you and your staff. I had the opportunity of being up there -- part of OEM -- and being there when seniors were evacuated and taken to the armory.

I think one of the things that I think we need to talk a little bit about-- Port Liberte, right now, is still not back in service. Can you talk a little bit about what happened there?

MR. KIERCE: Well, that one area there, Senator, is obviously very close -- it's on the Hudson River. That's actually Port Liberte -- one of the first -- the first of the three separate units down there. At one point there was a restaurant located there called the Pointé. When the rising rivers of the Hudson River impacted a barge -- the barge was literally driven through the restaurant, which is no longer in existence.

There are certain issues with the replacement of electrical boards and things like that. I know it has been an extended period of time. Our City Building Department has been conducting the inspections, and hopefully they can get that back relatively soon.

We're also dealing with a similar situation down at Montgomery Gateway, where we have one particular housing location where the parts have not been readily available. So they literally have to rebuild a lot of these things.

SENATOR CUNNINGHAM: Through the Chair, also Country Village -- I'm told that a lot of people will not be able to return to those houses because of the problem with mold and structural damage caused by the water. Could you say how many people might be out of their homes?

MR. KIERCE: Well, we had approximately 200 homes in the Village damaged. I know personally my cousin -- who lives in one of those homes -- has extensive damage in the basement area -- over five feet of water. Obviously the other issue that comes into play is now the electrical issues. So it's a combination of, number one, having the dollars to do the repairs, because many of those folks are not covered or are being rejected by their insurance companies-- We've received considerable calls regarding --

with an attempt to have FEMA issue some type of immediate relief just for basic support of heating systems -- hot water heaters and things like that. We're also watching very closely to see that the contractors who are operating in the city are not gouging the folks -- the people who have to have these things done.

In the long run I think the big issue too is going to be -- once folks do the repairs down there, what is the sustainability should we have another event like this again? This is something, I think, that is impacting the entire state.

SENATOR CUNNINGHAM: Okay. Thank you.

Oh, one last thing. One of the things that people kept coming-- we're not talking about-- Many people didn't lose their homes, but they lost their cars.

MR. KIERCE: Correct.

SENATOR CUNNINGHAM: Do you have any numbers on that?

MR. KIERCE: We do, Senator. We're probably approaching close to 300 vehicles just in Country Village alone. Obviously, what the City has done is provided storage and has waived tow fees where people can -- cars can be located in one central location so insurance companies can do their assessments and things like that. It appears that the insurance companies are covering those cars for people who do have comprehensive insurance. But on Tuesday, when we began to do our walking tours of the city, that was one of the things that stuck out to the Mayor and myself. Literally, in addition to looking at the homes, people's cars -- their entire lives -- are destroyed.

SENATOR CUNNINGHAM: Also, one of the Mayors who spoke talked about PSEG -- specifically PSEG in our area -- did not know when housing complexes were out. We did have a case where a man -- they turned on the power -- a handicapped man, I guess, was killed. His house caught on fire as a result.

MR. KIERCE: Yes, that was on Bramhall Avenue, Senator.

One of the challenges that we had faced was-- And it's something in this day in age you would say to yourself -- how a power company doesn't have the capability to determine where power is on or off, in my opinion, is unfathomable. That's a similar case we had with PSEG. We had asked for grid maps. And by having those grid maps, obviously the places where power was restored, you could deploy your assets to the locations without power. Unfortunately, they were not able to deliver that.

SENATOR STACK: Thank you very much.

Walter, it's a pleasure to have you here today. I think you did a great job considering the circumstances that you faced in Jersey City. I know all the OEMs in Hudson County really tried their best under the situation.

What Senator Cunningham said -- just alluding to what she said about PSEG with the grid maps. I've been asking, for the last three or four years, just for grid maps for street lights in Union City alone, and they can't provide them, which is really unfortunate. Speaking to them on a city level, on a county level, trying to check on power in different parts, they couldn't tell us really anything that was going on. In fact, they were asking us what areas were out right now, what areas are on.

But I just wanted to say considering when all is said and done, I think you did a good job in Jersey City handling this situation.

Thank you for being down here today.

MR. KIERCE: Thank you.

SENATOR O'TOOLE: One follow-up question.

SENATOR SARLO: Senator O'Toole.

SENATOR O'TOOLE: Thank you.

I think I heard you testify that there were some cars, fleets, or whatnot that were under water. Were they City cars, City vehicles, City trucks?

MR. KIERCE: Unfortunately, Senator, many of the first responder vehicles found -- when they were trying to get into help people remove -- stuck in-- Unfortunately you have folks who don't heed the warnings. They see standing water, they still feel they can drive through it. So you'd have police officers and fire fighters parking their vehicles somewhere -- maybe at a safe distance away -- trying to help those folks get out of their cars, and then a surge of water would come up. I, in particular, was down at Washington Boulevard, which is about two blocks from the waterfront. We were doing a safety check on one of the waterfront hotels. And within a matter of minutes, we had large Suburbans-- I mean, we literally had to jump into the cars to get them out of there, otherwise they would have floated away.

SENATOR O'TOOLE: How many cars, or vehicles, or trucks, all told, did we lose?

MR. KIERCE: Fire trucks -- there's about four -- you know, major vehicles. And I would say there are at least another 70 or 80 police and city-type related vehicles.

SENATOR O'TOOLE: And four fire trucks?

MR. KIERCE: Yes, sir.

SENATOR O'TOOLE: Now, does insurance cover that for you folks?

MR. KIERCE: We're self-insured, Senator, I believe. I know it's part of our FEMA submission. But obviously before they would -- FEMA would consider that, it has to go through that process. That's currently with our risk manager now. And we're probably looking, just on the fire trucks alone, at several hundred thousand dollars.

SENATOR O'TOOLE: Thank you.

SENATOR SARLO: Thank you, Walter.

MR. KIERCE: Thank you.

SENATOR SARLO: We're going to hear now from Carl Block, Ocean County Administrator; John Bartlett, Ocean County Deputy Freeholder Director.

We've heard today a lot from our mayors, State Police, OEM officials, folks who have been on the ground. And we've heard a lot of dollars from Toms River -- a \$35 million bond; Brick, \$50 million; Belmar, \$30 million. We heard Jersey City -- \$20 million potentially in damages.

I think as we go through this process, we're going to rely a lot more -- these towns are going to rely a lot more on our counties, and the county tax base is going to be severely impacted. So there is no disrespect to the county, but we wanted to hear from the mayors. They're out there

with the residents living this. But as we go forward-- I know especially in Ocean County -- Ocean County has taken the lead, I believe, on the debris removal and certain other cooperative types of purchasing to help streamline and get through some of the bureaucracies. So we appreciate that -- sort of being the brother there, trying to help them through these difficult times.

So we really want to hear from you about the impact you think this is going to have on Ocean County -- the finances and the tax base.

FREEHOLDER JOHN C. BARTLETT JR.: Thank you.

First of all, welcome to, aptly named, Ocean County. (laughter)

Every so often the ocean comes over the dunes, and we're somewhat used to that. But obviously we're not used to what we have just experienced with this devastating hurricane and storm.

May I, again, welcome this Committee to the County. With me is the County Administrator Carl Block, and in the audience is the Freeholder Director Gerry Little. Gerry asked me to speak on behalf of the County because I'm the Finance Chairman, and I intend to get into the weeds a little bit and talk about money.

The County has undertaken, because of its size and ability, to contract with a national debris removal firm that is on the State bid contract -- AshBritt -- and with another firm on the State contract for monitoring for FEMA purposes -- the Louis Berger Group.

So we have made available to municipalities that wish to sign up for this an offer I don't think they can refuse. And that is to say that if you sign up with the County, we will coordinate, through these two private companies -- who are experts in the field of debris clean up -- and we will

undertake the cleanup for you. We will apply for the 75 percent FEMA grant. And then when we get that, we will bill you for the 25 percent. But the County, through its financial strength, is going to upfront the costs for this debris cleanup with the municipalities that want to make -- want to take advantage of that. Again, we feel that we have the financial strength to be able to do that. And it's one way, in a sense, to make your surplus work for you. So we're taking, again, those financial resources and making them, on loan, available to our municipalities.

We've had the opportunity, over the last couple of weeks, to meet with the Monmouth County Freeholders and the Governor, which was a very productive meeting. It got into areas of what happens to damaged homes and tax assessments for the following year. And as a result of that, it is now clear that the State has enabled local property tax assessors to, on their own, reassess values for next year's property tax purposes.

We also had the opportunity -- I believe it was last weekend -- and I had the personal opportunity to meet with Vice President Biden who was in Ocean County and witness, first hand, the devastation that we saw. And he was hopeful that we may be in line for 90 percent Federal reimbursement -- that is to say if the Federal government doesn't fall off the fiscal cliff and has some problems on its own. But he is certainly working in that direction, and we were very, very appreciative of it.

The tax base for the County of Ocean is made up roughly of one-third -- that is one-third of that tax base is roughly along our barrier islands. Now, that is not to say that we have suffered complete destruction. That's not the case. But we have suffered significant destruction on our

barrier islands and on the bay front areas that were overwhelmed by the flood surge.

SENATOR SARLO: Freeholder, that would be from Point Pleasant to Seaside Park?

FREEHOLDER BARTLETT: No, that's from Point Pleasant to Holgate in Long Beach Township.

SENATOR SARLO: Oh, we have to jump over the water--

FREEHOLDER BARTLETT: We have 44 miles of oceanfront, about another two-- And then you have the bayside on the other side and then the mainland.

SENATOR SARLO: Geography here.

FREEHOLDER BARTLETT: It's tremendous. In fact, we were looking at the map and saying, "How can that much water come through Barnegat Inlet? It's not possible." It didn't. It came over the top. The barrier islands were not able to do what they were -- what the good Lord meant them to do -- that is to protect the mainland from these surges.

Now, we see some significant problems right up front that the Legislature, I believe, can be very helpful with. In the past, the Legislature has made available to certain school districts in financial difficulties stabilizing aid. We have some municipalities in the county whose tax base has basically been washed away. Seaside Heights, for instance, is one of those. They hardly have a tax base left in 2014 to run their municipal government at all. And so it would seem to me that where the Legislature wanted to be most helpful -- some kind of stabilization -- a tax stabilization on a short-term basis for those municipalities devastatingly hit by the loss in their ratable base, I believe, would be absolutely essential for them to

continue to supply any municipal services. For the County itself-- Again, we have suffered. We can't quantify that yet. But we have suffered a significant decrease in our ratable value, and that means less tax revenues come in from what's left or it means tax increases on what's left.

I'd like to make a suggestion that I think is relevantly reasonable. You have the ability -- and do have a State income tax and the State sales tax. But in past years, the State has seen fit to kind of invade some of the county tax base, and that is the fees that we generate through the County Clerk's Office on the realty tax -- *transfer tax* I believe it's called. And last year, which was certainly not a good year in the realty business, our County Clerk collected around \$31 million in those realty transfer fees. And of that, unfortunately, we transferred to the State two-thirds of it, \$21 million. I think it's altogether fitting and proper that in this emergency situation -- especially for counties that have been as hard-hit as Ocean, and Monmouth, and further north -- that these realty transfer fees that are collected through the auspices of county government -- the county clerk -- remain entirely within the county. And that certainly would help us go a long way toward stabilizing our taxes and toward facing and accomplishing this grave difficulty that we see before us.

We're going to step forward, and have, to *upfront* the money for our municipalities to clean up. And we would just ask at this early stage of the game that perhaps it would be appropriate for the Legislature to also step up and say that moneys collected in Ocean County from this realty tax stay there. That would certainly be very, very helpful. It's very early, it's very preliminary in this entire process.

Again, we thank you for being here. County government has a very good working relationship with all 33 of our municipalities. We work together in emergency management at OEM. And I think we came through this with, again, very small loss of life. I am proud of what we have been able to accomplish so far. But we look forward, not backward. We need to rebuild. That's going to take some dollars.

Thank you, Senator.

SENATOR SARLO: Deputy Freeholder Bartlett, this is not a trick question to find out how old you are, but how many years have you served as a Freeholder? (laughter)

FREEHOLDER BARTLETT: Well, 33.

SENATOR SARLO: It's not a trick question to see how old you are. That's not what I'm trying to get at. (laughter) So you've been a Freeholder and you've been handling finances for 33 years.

FREEHOLDER BARTLETT: And we have a AAA bond rating. I've already talked to Fitch about keeping it.

SENATOR SARLO: And in the 33 years that you have been involved in County government -- and you've seen ups and downs in the economy, and you've seen storms come and go. In your opinion, especially in the Ocean and Monmouth County area-- The devastation that you've seen -- the impact-- Is this the largest impact that you've seen in your career that it will have on the tax base?

FREEHOLDER BARTLETT: Oh, by far. There is nothing that comes close.

SENATOR SARLO: Nothing that comes close in your past experience.

FREEHOLDER BARTLETT: Oh, by no means. We had four feet of water in downtown Toms River. I've lived a long-- I'm 66 almost. And we've never seen that kind of water in downtown Toms River. But the reason for it was that it was coming over the barrier islands and into the Bay, and that wind was just blowing that water landward. And that's what we did not expect -- was all the damage we saw on our bay front -- on the mainland bay front, which took severe waves from Barnegat Bay because of all the water in the Bay and flooded areas that never flooded before.

SENATOR SARLO: And another thing-- Maybe you're not the right person, but you do have a lot of government experiences. One thing we're missing -- we're going to be talking to the Commissioner of Education, I believe, next Monday. But if the assessed valuations of lands begin to drop, that's less tax dollars coming in. That's going to affect our school budgets as well. I mean, that's going to have a major impact on our school budgets as well and the ability for towns to finance schools -- public schools.

Carl Block, Administrator.

C A R L W. B L O C K: Senator Sarlo, thank you very much. I know you have a unique knowledge of Ocean County, spending so much time here.

To the other Senators, thank you for coming -- especially our Ocean County Senators Connors, Holzapfel, and Singer. I did see also Senate President Sweeney and Minority Leader Kean here before. So that bodes well. And I know when--

SENATOR SARLO: They're both still here.

MR. BLOCK: They were both very busy with the press before. I didn't get to say hello.

We appreciate you coming in this very sincere effort to try to solicit what happened, what can be done to help, and certainly the State could play a great role in that.

I would be remiss though if I didn't first -- since I spent almost the entire three or four days straight in OEM and about two weeks straight throughout the County -- say that the State Police and State assets did a great job. I want to echo those speakers before us who said that. The National Guard; all those who had been offered were delivered, whether it was when DCA Commissioner Constable and the inspectors, or Colonel Fuentes-- When I flew over the area in the helicopter with him and the Attorney General, he was quite taken by the damage. And seeing it from the air, on the ground, and putting the two together makes you get just how bad it was throughout the county.

I want to take just a few moments I guess maybe to answer -- shift to what I was doing -- going to say -- and shift to a few things that were mentioned before. There were questions about the value and how you could tell what was there before and what was not, and how you would be able to compare this, and the assessment and loss of value.

SENATOR SARLO: Senator Ruiz, that goes to your question before.

MR. BLOCK: Senator, I tried to -- at least what we've done in Ocean County.

First of all, we have a common-- We're not like Senator Sweeney's Gloucester County, who has one assessor. But we go close to it.

We have one assessment system. All the assessors use the same system, so there's a very homogeneous base to look at. On top of that we have -- just recently the tax board embarked upon a program called Pictometry, which is aerial photography of that which you can actually measure the flights.

I would love to say this sparks a bit of genius on the part of the Freeholders, but--

FREEHOLDER BARTLETT: Yes, say that. (laughter)

MR. BLOCK: Or it may have been luck, or a little bit of both. But in the contract they're permitted a flight after a storm. So we did have the entire eastern portion of the county -- low-lying areas, river, bays, and barriers flown. They will then be able to compare a 2007 database to the storm database, and actually produce a report of the differences by computer and actually be able to measure it on the computer. So we hope that would be an aid in documentation. On the one hand I guess that's good because we have the tools and technology to do that. On the other hand it may be bad because it may document losses greater than we may have otherwise seen. But the truth is the truth; what's on the ground is on the ground.

So I think we have prepared for that and hopefully will do that in a fair manner, which I think is all the people who are looking at the damage that has been done to their home -- is to be treated fairly. So hopefully the County has, again, provided a regional perspective and a way to help those towns and the county itself.

Comments on the utilities company-- We are serviced on the southern end of the county -- a small portion -- by Atlantic Electric. Their electric was up far quicker than the northern half of the county. New Jersey

Natural Gas services the entire county. Even though their system in the northern barrier was compromised quite a bit, I will say they were back to the county and to the mayors quickly. Gas has been totally restored on Long Beach Island already, and they already have a plan starting December 3 from the northern barrier, which leaves us with just JCP&L, who I really will say and echo that it was difficult to get information of where, what was out, when it was out, when it was coming back. And when your switchboard is tied up with questions that should have been answered already, it makes servicing those real emergencies difficult. It was a stark comparison considering we deal with several utilities.

On permits: I think the State needs to make-- We sort of moved out of the phase of -- all the shelters are empty in Ocean County. We're organizing the debris. It should be in full force this week. We should have over 300 trucks on the road cleaning debris. The DEP has been very cooperative with setting up sites. So now we're in the clean-up phase. People are always taking about, "How do I repair my home? What do we have?" Many towns are waiving fees. That's good. Ultimately, we're starting to get questions now like, "What can I do to my house? I'm on the dune, but the dune is either now impaired or gone." Or, "I'm across from a dune." And there is an almost exclusive role, if not major role, that the State somewhere along the line has to start giving out information -- what are those guidelines? Are there going to be new guidelines? Is there going to be something they're going to have to do when a house is virtually blown off its foundation and now wants to be rebuilt? Certainly the County can't answer that, nor even the Town. The Town will be looking for guidance as the County will. I think the State has to then step up and say, "Let's give a

quick determination on what can be done,” which we hope would be that you could obviously rebuild.

SENATOR SARLO: Not to interrupt you, but I think Councilwoman Maruca had mentioned this earlier. We get a lot of these private beach associations along Monmouth and Ocean beaches. So a lot of these private beach associations are now panicking that another storm comes and there's no dunes. So guidance needs to come from the DEP and quickly. And we've all read that those dunes that were designed to the Army Corps of Engineers standards were the ones that held up the best and survived. So there needs to be guidance immediately from the DEP and the Army Corps of Engineers on who is going to build these, who is financing them, who is paying for them -- but who is going to be tasked to do this and have a uniform-- Because like you said before, the rebuilding process -- especially ocean and beachfront homes -- some of the dunes -- some of the oceans are in the ocean beachfront homes now. So there is a lot to be done in a very short period of time, because the next storm is coming around the corner, unfortunately.

MR. BLOCK: Senator, I agree 100 percent, and that's why I mentioned it. It gives me my segue, however -- to thank the Army Corps. When the breach in Mantoloking -- for those who didn't see it. The view over the Mantoloking Bridge that is used to drive over -- was a vista that you could see the ocean in the background, the dune line with houses lined, and a beautiful little town. The day after the storm, as I drove over, all I could see was the ocean and the waves lapping on Route 35 on the western side. There was no dune, there were no houses. That ocean came all the way over and even cut a new channel. The Army Corps came in and did a

fantastic job. No pun intended, they brought an army with them, and they have been driving, sheathing, doing a great job. General (indiscernible) came through for a tour about a week ago.

But there is the question -- and I'm not a lawyer, as several of you I'm sure are. When the dune was there, there was a house on it. The dune goes away, the dune comes back. I'm assuming you can rebuild on the dune, but can you? I don't know if that's a question we're going to be able to answer -- and as to any other environmental restriction that was washed away, if you will. So I think the State does need to step up and let the people know now so they can make a good, informed decision on where they're going to go next.

SENATOR SARLO: We're going to hear from the DEP Commissioner next Monday. I don't envy him.

MR. BLOCK: Drop it on Commissioner Martin.

The FEMA line -- I think it was Mayor Acropolis who brought this up. Although he brought together this ambitious way to try to help especially the smaller towns -- but all the towns -- with their cash flow on the FEMA reimbursement, it would be helpful to us to have some of the FEMA prefunding as well. We look at it now -- and, again, rough estimates -- but we may be running \$100 million, \$150 million, or more through those combined contracts. It would be nice not to lay \$150 million out at the same time. Just a good reimbursement and some up-front money on estimates would be greatly helpful. We will apply to FEMA, but we'll obviously look for support from the Legislature for that as well.

And one last item -- which is a little odd, because I'm a former county clerk. During this storm -- we have to run a national election for

President, which was not bad enough -- we wound up with 24 polling places being run by generator -- huge effort -- county clerk opening up 8:00 to 5:00, Saturday and Sunday ballots -- everything you could do to make sure everyone voted. The Lieutenant Governor and Secretary of State made provisions for displaced persons to vote. What we found -- this is for New Jerseyans -- that I don't know that you shouldn't look at a statutory remedy for in the future, generally, that maybe you can get a provisional ballot wherever they were. Because we were receiving calls from people like my sister-in-law in Morristown. "How do I vote for the local races? I'm here in Morristown." The only answer was, "Drive to here." Because on Election Day there is no mechanism to do that. There was emergency relief through e-mail balloting. But as you know, e-mail balloting is not private. So a universal, generic provisional ballot mandated or available may help that. Ocean County did it here. The Board of Elections did that countywide just within the county -- the jurisdiction. And the other was -- again, not your jurisdiction -- but to talk to other states -- this mutual aid was terrific. I go out to Seaside Heights and some power linemen, working their butt off, come down to eat lunch. They asked me, "Can you get us to vote? I see there is a mobile voting station over there for those in Ocean County." We actually had an RV that went around and went to places for displaced persons to vote to make sure everyone got to vote -- to the shelter in Burlington, to the shelter in Oceanport, to the barrier islands. And these guys from Ohio said, "You know, I hear all the hype." As it turned out, there wasn't so much hype -- but as it was at the time, hype that it could mean something. "I want my vote to count in the state in which I live." I personally called the Secretary of State in Ohio. There had been no

provisions made for those men who jumped in the truck, road here through the night to help us. And they did not get to vote, period. Pennsylvania -- those were the two states. After those two I stopped calling. Pennsylvania was at least polite. Ohio -- I spoke to a supervisor named Mallory who was even rude. And I just thought that was a side note that should be put in. When those people answered the call they came to help us. They didn't even get to vote. It's surely something we should certainly think about as a side note.

The biggest thing is money, reimbursement, and rebuild.

SENATOR SARLO: Senator Connors, Senator Beck.

SENATOR CONNORS: Thank you, Mr. Chairman.

Freeholder Bartlett, Freeholder Director Little who is sitting in the audience, and County Administrator Block, I want to thank you for your testimony today. It's certainly insightful. I know Freeholder Bartlett claims about 30-some-odd years on the County Board. I know together with Freeholder Vicari, Freeholder Kelly, Freeholder Lacey, Freeholder Little, and Freeholder Bartlett there is over a century of experience in Ocean County. And together with Carl Block, who has served as the mayor of one of the largest communities in Ocean County -- a waterfront community -- together as clerk of the county, and now the County Administrator, I think they bring great insight to this issue today. And we appreciate your testimony.

I think Freeholder Bartlett had a very interesting idea that I would like to explore further, and that's retaining the realty transfer tax in those counties that have been largely impacted by this storm; certainly not just Ocean County, but probably Monmouth, Atlantic, or any of the coastal

counties -- at least for a period of time until we can recover from the aftermath and the affects of the storm.

So I think that's a wonderful idea, Freeholder Bartlett, and certainly we'll explore that further.

One of the issues that was brought to light, I think, in the aftermath of the storm was how those areas along the coastal barrier islands fared that experienced the beach replenishment project. And I know the County is a partner in that replenishment project.

Is it fair, Freeholder Bartlett, to say that those that had underwent the beach replenishment project fared the best during this coastal storm?

FREEHOLDER BARTLETT: Absolutely. And I know you've been in contact with the Mayor of Harvey Cedars. And the county made a significant contribution to Harvey Cedars. I think it was about a million dollars. That was yesterday.

But the Mayor said that had they not gone there, I think the southern third of their town would have washed through. And, of course, the issue that you all are aware of is that they need to get -- where homeowners under the high water mark -- they need to get an easement to do work on their land to build the thing -- build the dunes -- and that sometimes they've been easy to get and sometimes the homeowner has said no.

Hopefully that will change. It's certainly beyond my pay level. But without the ability to build dunes we are at risk. The whole New Jersey coast is at risk. The Vice President, when we were in Seaside a week ago, he asked, "What would it cost to pump in the entire coast in Ocean County?"

And he was told about \$200 million. He didn't blink an eye, but he didn't have a checkbook either. (laughter) But it's a big undertaking. But the dunes work. And not only-- Here's, I think, the important part. Not only do they work for the homeowners who live there, they work for the public infrastructure on the island west of there and for the entire bay front over here. And when the barrier islands could not do their natural function and be a barrier to the ocean, that ocean water came over them and flooded areas that we had never seen flooded before.

SENATOR CONNORS: So is it logical then to say that without a beach replenishment project -- of which the State is also a partner in, along with the Federal government -- that the loss that we've seen, some of which could have been prevented--

FREEHOLDER BARTLETT: I think a good portion of it could have been prevented.

SENATOR CONNORS: And then also the tourism industry probably would have been furthered if we had a greater beach replenishment process?

FREEHOLDER BARTLETT: As you all know, tourism is a major part of this entire state's economy, it's a major part of Ocean County's economy, and that will be severely impacted this summer. It will come back, but it will be severely impacted this summer because of this storm. And a good deal of this, I do believe -- and the Army Corps believes -- could have been prevented had we been able to be more proactive and had the law, in a sense, been on our side a little more strongly.

SENATOR CONNORS: And yet, as we speak, there are those individuals who claim that their view of the ocean is extremely important,

which has prevented the acquisition of the easements necessary for the beach replenishment program. And we have other individuals in the state who feel as though there is a personal benefit, and it's not a benefit to the state as a whole, but yet we see something much different, don't we?

FREEHOLDER BARTLETT: I don't think the court took into consideration, yes, there is a loss of value if you have a loss of view. But there is a protective value in having a dune which enhanced the value of their house. And they trade off against one another. And I don't know that courts in the past have adequately addressed that. Again, that's beyond me.

SENATOR CONNORS: Thank you.

Just one other item. You had mentioned about loss of tax ratables certainly as a result of the storm and damage to personal property. And we've heard testimony from other individuals who appeared before the Committee today indicating the same concern -- the concern about generating revenue.

But yet there is another concern here that I don't think has been touched upon. My understanding of the law is that the debt capacity of local governments is tied directly to the average of the assessed valuation of a community. So if that value were to drop or restoration efforts were to be delayed, the impact could also be a double-edged sword -- that we would also see it in the communities that had to go out for bonding that may be up to their debt limitation. Is that fair and accurate?

FREEHOLDER BARTLETT: That's certainly-- Any municipality that was close to its debt limit is going to have a real problem because they won't be able to borrow more.

SENATOR CONNORS: Again, thank you very much for your testimony, Freeholder Bartlett, Freeholder Little, and Administrator Block. I appreciate it very much.

Thank you, Mr. Chairman.

SENATOR SARLO: Senator Beck.

SENATOR BECK: It's good to see you and thank you for your testimony. It was, I think, helpful in giving us some direction and good, thoughtful comments.

One of the issues raised about involving DEP and moving them along to make some determinations about the ability to build, rebuild, what not-- We've been, obviously, having those conversations in Monmouth as well. And the second tier to that is the involvement of FEMA, which I'm sure is already working with you actively. But they had suggested to us, in one of the conference calls my office did with them, that if the loss of the building is 50 percent or more, then you have to elevate. And if it's 50 percent or less, then you don't. So that was one of those pieces of information that I thought was helpful as I've been talking to residents. You were probably already aware of it. But I just thought for the purposes of clarification of that--

MR. BLOCK: One last thing, Chairman, if I could. Our view too is that since the business on the shore produces not only revenue for the County but for the State, with the amount of sales tax produced over the summer rushes and such, it's in the mutual best interest of the State, and counties, and the towns to recover and rebuild as quickly as possible.

SENATOR SARLO: I think somebody testified before that it's a \$38 billion industry from Monmouth County to Cape May.

MR. BLOCK: Four billion of it is in Ocean County.

SENATOR SARLO: It's significant.

Senator.

SENATOR HOLZAPFEL: Just one quick question, Carl. I think it's anecdotal -- I've heard it from people; we've heard people reference it today -- with JCP&L. And I think the points were made about -- you had to call them to let them know that you didn't have power, and on, and on it went. But talking with some of the linemen from out-of-state-- And by the way, the linemen and the people who work for JCP&L -- the guys out there -- guys and girls working did the best -- did an outstanding job working with what they had. But a number of them commented on the fact that the grid, for lack of a better word -- our equipment, for lack of a better word -- was some of the oldest they had ever seen. And these are people now from out-of-state. Did you hear anything like that?

MR. BLOCK: I did, Senator, from several other states that said that they believed -- call it Jersey bias -- anything in New Jersey being the best that there is. And when the lineman from Alabama tells you that your wires are the oldest he's ever seen, it was a bit counterintuitive to me.

SENATOR HOLZAPFEL: Thank you.

FREEHOLDER BARTLETT: Freeholder Lacey told me that a telephone pole broke -- going to his house -- that was installed in 1931. (laughter)

SENATOR SARLO: Thank you to the both of you. This Committee will definitely be hearing from you again in the future in combination with the Governor's Office. We recognize this is going to be a

major undertaking, serious dollars. But this body, in a bipartisan manner with the Governor's Office, is going to have to find a way to rebuild smartly and find the financing. Because at the end of the day, our economy -- the State of New Jersey's economy is driven by the tourism industry as well. So we have a lot of work ahead of us.

MR. BLOCK: Thank you, again, Senators.

SENATOR SARLO: Monmouth County Tax Administrator Matthew Clark.

Matt, I'm going to preempt you with a question actually.

MATTHEW S. CLARK: Shoot.

SENATOR SARLO: So a couple of years back when I chaired the Judiciary Committee we had a lack of tax board members in Monmouth and Ocean County especially. And we had this crisis where there was not enough tax board members to deal with the crisis.

What kind of crisis are we going to have now in areas -- parts of Hudson, parts of Bergen, especially Monmouth, especially Ocean, parts of Middlesex -- where folks are going to run to the tax boards to appeal their taxes and the case load is going to get so incredible? Are we prepared to deal with that from a tax board standpoint?

MR. CLARK: Part of my testimony today will cover just that: the fact that through the quick reaction of the Division of Taxation we do have a plan to deal with material depreciation. Our current statutes had on the books that any loss by storm occurring between October 1 and January 1 could be addressed if the taxpayer approached the taxing official. That fell short of what we needed in this instance. So part of my testimony to you today is an outline of some of the things we're going to need to put in

place to bolster the ability to address things like this in the future. But we have directive now, after an unprecedented collaborative effort statewide, through the tax assessors, the Division of Taxation, and the local county tax boards to create a modified method of dealing with material depreciation. In Monmouth County we have -- the current count is a little over 17,000 properties that have to be inspected. Now, the previous testimony -- Ocean County is leveraging technology that is extremely helpful. They referred to Pictometry. That's a very attractive tool to point us to the direction of where this depreciation from storm damage has occurred. However, at the end of the day, we still need to get boots on the ground and actually inspect and verify it. Because there are certain communities that are reporting flooding damage that literally, in a full moon, they would have flooding damage. So there are grades. And with the moving of the valuation date from October 1 to January 1, one of our biggest hurdles is that a great deal of the lesser-affected properties are being repaired before our valuation date. So we have to be very careful not to reduce the budget or reduce the ratable base by giving an adjustment based on the storm for something that's already been repaired.

So the purposes of my testimony -- and I thank everyone here for giving me the opportunity to just put out a couple of things that may not yet be on the radar -- is to give you a framework and an update as to what the Division has done and where we currently stand statewide. Because it's been promulgated as a requirement -- the new directive relaxing the prior requirement that the taxpayer address the taxing official -- is that every municipal assessor must go out and proactively, using all technology, all sources possible -- whether it's Pictometry, NOAA, their OEM, their

police, their building officials for tree damage -- using all sources available and create this reinspection list, effectively. And in doing so we've created a relatively small problem, but it's a problem that certainly needs to be addressed, in that the County of Monmouth -- recognizing that several of the municipalities were in no position to actually enter into a proposed shared service agreement -- took it upon themselves to underwrite this data collection process. So now we're looking at a bill that, in better times, would absolutely be the municipality's sole responsibility. Now it's being absorbed by the county, and the county is in no position to start performing the job of the municipality. So one of the recommendations is, in the event of a declared catastrophe, disaster, we create this new mechanism that allows for the county to stand in the role that it can as a -- deeper pockets, greater workforce. One of the things that has come of this -- we are recognizing that many of the officials who have been-- Over the last several years, the workforces in the municipalities have been reduced significantly through contractual-- Now we have the circumstance where we have to have a workforce ready and able, and it doesn't exist. So we need to provide a supplementary workforce. The County has stepped up to underwrite that emergency contract. But what we need is a mechanism for the county, when they provide these required emergent services, that they have a new mechanism of point-of-service billing. If the counties just put this into the 2013 levy, then all municipalities, regardless of services provided, will pay a proportionate share based on the value of the county. And what we end up doing is taking a large bill -- as opposed to providing it directly to who received the services, we're absorbing it countywide. And with the many bills that the County is now facing, there will certainly be

some that they would say, "It was a countywide effort, it should be apportioned countywide based on our current model." In the case of this reexamination or reinspection process, it should be point-of-service. So one of the handful of things that I would ask is that -- the consideration of State statute for emergency point-of-service billing for counties to provide specific services because they can. Because the municipalities can't convene. They don't have a town hall. We couldn't have a valid vote by the local governing body. So the County did what they could, but they can't compromise their own fiscal stability moving forward.

A second issue that probably-- I've heard many address the issue of getting the requirement of State aid just to the municipalities that were most affected. And we've run down the list, we know what those municipalities are. And we can play the chess game, moving a couple of moves forward and understand that this will have a countywide impact. More acute is the issue of the regional school districts that are members with the highly affected municipalities. Case in point, we have Shore Regional High School district, where there are four members, two of which were heavily affected. And the apportionment amongst them will be a significant shift to the unaffected. That is not yet a speaking point that I've heard. So there's a circumstance where, as part of this overall package that changes the way that we perform the assessment function, and the fiscal function, the aid function, we've already outlined the specific statutes that need to be modified in these special circumstances that would effectively put all of the cost to the most affected town, not try to-- Because this is too large to try to spread out. Then we have everybody moving from discomfort to pain.

And the next move of this is unprecedented -- the potential for multiple municipalities to not be able to pay their bills in the third quarter - - an unprecedented inability for taxpayers to survive the third quarter once the new tax levy and ratable base comes into play. The first and second quarter is simply an estimate of the first -- of last year's billing. We're really not going to see the pain of this until the third quarter of 2013.

So on the upside is, if the--

SENATOR SARLO: That also impacts us from the State's standpoint -- Fiscal Year '14 budget.

Am I correct in saying that? (affirmative response) Yes, FY '14 budget. Same thing -- locally, and the impact it's going to be in the following year's budget -- that we're really going to see the impact of this.

MR. CLARK: Agreed.

There is the upside -- the vast majority of what we're viewing -- and based driven in part by the method in which we are addressing it -- is that the added assessment process for 2013 will be significantly increased because all of this value that we're-- We're providing the appropriate public service and saying, "Yes, we need to adjust your 2013 billing based on the fact that you lost something significant." The Constitution requires, effectively, "You pay for what you have. And if you don't have it, we're not going to charge you for it." But by not charging for it, we create a bunch of new problems.

On the upside is -- and the expectation is that most of this will be repaired -- that we will -- the municipalities and counties will receive a significant billing incident for the added assessments in November of 2013

because now they have it. And as if this event didn't take place, they should pay for what they have.

So we're in a circumstance where-- We have a copy of the forms. And I apologize, I should have distributed them earlier. But it gives a very clear, one-page snapshot of how this is being addressed statewide. And the idea is that we're recognizing that it has to be done, so we're stepping up and saying, "We're going to mobilize the required workforce to take a January 1 snapshot of what you have. And if you've lost value relative to the prior year, you will be adjusted. It will be a deduction." Because that's critical, being conscience of the administrative costs of this process. We needed to find a methodology that would be nimble enough for immediate implementation, but also mindful that we needed the exit strategy. And the exit strategy is a utilization of our State's software system that would allow us to manage its reincorporation into the 2013 budget. And so there's a small percentage of the worst hit. And the worst hit is the complete loss of structure. The vast majority, minus a handful of jurisdictions that have higher percentages-- And they're absolutely going to have to find relief somehow.

SENATOR SARLO: The difficulty towns are going to face -- and that's why they're going to come to us on the Budget Committee, then to the Governor -- is if there is a reduction in assessment -- a large reduction in assessment, it doesn't necessarily mean there's going to be seismic shift onto property owners who had no damage, because that's not fair to them either. But in order to maintain the same services, that means your municipal tax rate has to go up. And certain towns just can't -- don't have the ability for those tax rates to go up. So there is the dilemma that local

officials are going to be in. You just can't-- It's not like a reassessment of the taxes or reevaluation, where there are shifts by neighborhoods. You're going to have areas that are going to get a reduction. It doesn't necessarily mean the person who did not have damage should automatically receive an increase in assessment. But in order to continue to provide services -- actually, additional services with all the overtime and extra expenses incurred -- it's going to drive those tax rates up in all these towns.

MR. CLARK: Across the board. The expectation is that everybody will be paying more taxes in Monmouth County as a result of this. How much and what is the threshold in which we can create a mechanism? That's driven by the availability of funds. Is it some magic number that says, "If you went up more than X you will find relief?" That's for someone else to decide.

SENATOR SARLO: Any questions? (no response)

Thank you, Matt.

MR. CLARK: My pleasure.

SENATOR SARLO: Thank you for your testimony.

I know the Union Beach-- Senator Kyrillos had asked me to entertain the Union Beach Mayor. I understand he could not be here.

M I C H A E L H A R R I O T T: I am the Emergency Management Coordinator.

SENATOR SARLO: Okay, sir.

MR. HARRIOTT: Senator, if I may, I brought a little photo.

SENATOR SARLO: Sure.

MR. HARRIOTT: They say that a picture speaks volumes.

What you see here in blue is the Borough of Union Beach. Also what you see in blue is the water intrusion on Union Beach. We were 1.8 square miles, we were 1.8 square miles under water. That's what that picture shows.

SENATOR SARLO: Is Union Beach just north of Sandy Hook?

SENATOR BECK: Yes.

SENATOR SARLO: Union Beach is just north of Sandy Hook, correct, sir?

MR. HARRIOTT: No, we're-- Yes, just a little bit north, Senator.

Senator, thanks for hearing me. I am the Emergency Management Coordinator for the Borough of Union Beach. I've been doing this for 26 years as a volunteer. I was also former councilman in the Borough of Union Beach for 23 years.

I'd just like to give you a little bit of statistics. Union Beach is a town of 6,600 residents. We used to have 2,700 homes. Right now, 62 of them are missing. We have no idea where the houses are. All we see is 62 foundations. There are 100 homes in Union Beach right now that are unlivable, and over 500 homes have had six feet or more of water in them.

We lost three firehouses, and we're currently working from one firehouse. We lost one EMS building and three ambulances. We are currently working from the firehouse with our ambulances and two borrowed ambulances from Key Port and Shrewsbury. We lost four police cars in the flood and three more due to water in the gas. We get our gas from the Monmouth County yard, and little did we know that when the

county yard went under water, so did their tanks. And when we took three police cars down there to gas them up, we got three tanks of water. We are currently now running with five borrowed police cars from various towns. I went out and solicited to the Monmouth County chiefs. And through their assistance we have five police cars from various towns. Needless to say ,when they pull up on an accident, nobody knows who is in charge. They think there are five towns there. We lost two first-responder vehicles. We are currently running with rentals right now. We also have 30 residents from the 28th in shelters. We have 30 residents in the Monmouth Park shelter--

SENATOR SINGER: Tents.

MR. HARRIOTT: Well, they were in tents. Now I understand they moved them into the -- they're inside, anyway.

I have eight in the Brisbane School because they have pets. And just to let you know, for Thanksgiving I sat down at my table and my wife asked me -- she said, "What's wrong?" It still bothers me to talk about it, but I told her, "I'm sitting here with my family, and I'm having Thanksgiving dinner, but there are 40 of my residents sitting in a shelter somewhere. I don't know what they're eating. That bothers me. And I do not want to see them there for Christmas."

Right now, our debris removal is well underway. We are about -- we estimate our costs to be about \$2 million in debris removal. We are about \$500,000 in overtime between the police and the Department of Public Works, and we have \$750,000 in infrastructure repairs to our bulkhead and things like that.

And I heard in previous testimony about sand replenishment. We had just put \$200,000 worth of sand on our beach. And for a small community, that's a big undertaking. And right now our beach is as flat as you can imagine. We lost a tremendous amount of sand. And that is our only defense for shore protection. We need to get a priority on getting sand replenishment back on our beach. Because if we have another storm -- like you had mentioned, it's around the corner -- it will just roll right over us. There is nothing there to slow it down or stop it.

We are low- to moderate-income. And I heard in previous testimony about FEMA. Being low- to moderate-income, \$31,000 does not go far to rebuild your house and to elevate it to the new standards. One of the problems that we're having right now is we have approximately 150 to 200 applications for people who want to raise their houses, but we can't issue the permits because we don't know how high to tell them. Under current standards, it was like 13 feet above base flood elevation. I understand now it may be going to 15 feet. If it goes to 15 feet, we need to have those maps and charts adopted as soon as possible so that we can start releasing some of these permits so we can get these houses rebuilt.

Some of the needs: I have been actively, through Congressman Pallone and other avenues as far as the Lieutenant Governor, trying to get trailers into Union Beach -- FEMA trailers. Some people say that living in a trailer should be your last resort. But in our case it's our only resort. What I would like to do is -- I'm trying to take the trailers and put them into peoples cleared driveways and hook them up to their utilities so that they can live in the trailer while they renovate and get their house back on track. If we don't do that, the more we keep residents away from their home, the

more likely they are to walk away from it. If Union Beach, being 2,700 homes -- if we lose 10 percent of those residents, it's devastating to our town financially. The tax rate would just never carry it. So something has to be done with the \$31,000 that they're giving the residents to say, "Here, elevate your house." That is probably a down payment on elevating a house.

As I said, our beach needs to be replenished.

SENATOR SARLO: Did Union Beach ever get tidal water before?

MR. HARRIOTT: Pardon?

SENATOR SARLO: Did you ever get tidal flooding before in Union Beach?

MR. HARRIOTT: I live four blocks from the Bay. In the '92 storm that we had, I had water as high as the curb in the front of my house. In this storm, I had six inches of water on my first floor, which is three-and-a-half feet high. That's the type of surge that we had. My daughter -- not to get into personal items -- but my daughter had a house in the area where it was totally devastated. Her house was two years old. It was picked up off of the foundation and just moved out to the street. They're now living with me because they have no house. So it was nothing like we've ever seen before.

As I said, the frustration in our residents right now is because of the lack of being able to issue the building permits for them right now. They're saying that we're holding back this or we're holding back that. And I can understand their frustration. We're not holding it back on purpose. We're holding it back because we don't want to give them the permit and

tell them to build to the 13-foot level and then all of a sudden the new standard comes out at 15 feet. So that puts us in the middle.

Some of the immediate needs we need right now: We need ambulances. We need to be able to get a new ambulance. We need to be able to get some new police cars. These are immediate needs of the Borough. And right now we're trying to get the red tape straightened out with the insurance companies so that we can at least take that money and put it down on a new fleet.

SENATOR SARLO: I would suggest-- I spoke to Commissioner Constable -- DCA Commissioner -- on some of these items. And I know Senator Kyrillos is your Senator. You should reach out. You should reach out to Commissioner Constable, because the Town of Moonachie is very similar to you. They lost everything. They have no school, no police, no fire. They have nothing. And they've been given direction on what to do to begin. They're in the same position as-- They've never had water before, so they lost everything as well. So they're in the process of doing similar to what you do. They've received some direction from the DCA on how to finance police cars, city hall, and the like to get them somewhat going. It's going to take them years to get back. What I'm hearing from you is very similar to what happened to the Town of Moonachie.

MR. HARRIOTT: As far as our school is concerned, our school did start back. They did take two of the closed Catholic schools, and they took our school and split it in half. The upper grades are going to one school and the lower grades are going to another school, and they're bussing them there. So that's another tremendous expense on our school system.

They do plan to reopen our school. Our school did have three-and-a-half-feet of water in it. They do plan to open our school come January 2 when they go back.

Other than that, that's about all I have. I appreciate you hearing me.

SENATOR SARLO: Well, we feel for you. As a former councilman, we feel for what you're going through.

As I said over and over today, this is sort of lessons learned. And we realize that the Legislature is going to have to play a very important roll in this process, and we're prepared to do that.

MR. HARRIOTT: Financially, it's going to be a terrible hit for our town.

SENATOR SARLO: Senator Beck.

SENATOR BECK: I have seen it, and I know how horrendous. It's a really unbelievably difficult time the folks in Union Beach are going through.

I know Senator Kyrillos and I both have been on the phone about the trailers. Obviously Fort Monmouth is being renovated as we speak, so we should have 60 units online soon -- I guess soon is relative -- but before Christmas. And we certainly will continue pushing FEMA on getting you the numbers for the elevation. There are grants -- you probably already know this. FEMA also has separate elevation grants where they will fund 75 percent and you fund 25 percent to elevate your home. So the \$31,900 is, obviously, temporary housing assistance. And this is a separate pot of money to help elevate your home. So once we get the height squared away, people can know that they can apply for that. But certainly we're

here to help. We're so sorry for your loss. I know how dramatic and difficult it has been.

MR. HARRIOTT: Senator, thank you.

I'd just like to say that the FEMA elevation program that you're talking about -- we did the leg work for that. We tried to get into that program. We did all of the cost analysis and stuff. And in the cost analysis -- and, to me, that is the red tape that stands in our way -- the cost analysis has to meet a 1.0 cost analysis. If you come in at a .9, you're denied. We had eight houses that wanted to be in the elevation program. We did everything. I think we came in at a .9, or a .8, or something on our cost analysis. And three of those homes no longer exist. They had all their money ready to go. They wanted to elevate their property. We were denied, and now they don't exist. They're just foundations.

So where do you go? How do we tell the people-- See, my thing is this: The longer I can keep them in Union Beach and keep them working on their houses, the better off we're all going to be. They're going to feel a little sense of normalcy; we're going to know that they're working on their house and they're going to stay. If I take them and send them to Fort Monmouth, I'm sending them away from their house, something that we don't want to do -- on top of the fact that they lost -- the majority of the town lost their cars. We do have a parking lot. I did make an agreement with Stop & Shop -- where the old Bradlees used to be on Highway 36 -- and they gave us that property, that parking lot. And they said we could make a trailer park there if we wanted to. Well, I would like to do that for those who don't even have a house. Do you know what I'm saying? And that's only about a quarter of a mile up the street from our town. But for

those who have a house, just put the trailer in their yard-- When I called FEMA and asked them about the trailers, I was told, "No trailers." No explanation why, no reason, no nothing. That's when I went to Congressman Pallone and I went to the Lieutenant Governor. I said, "At least give me the opportunity of an explanation as to why you're not going to give me trailers." Then I went on Channel 12. And when I went to Channel 12 I said the same thing I just told you. "FEMA told me no trailers." The next day I got an e-mail and it said, "The trailer situation is not dead yet. They're coming." So is Christmas.

SENATOR SARLO: Okay.

MR. HARRIOTT: I need those things. We're at five weeks now out of this storm. I need those trailers three weeks ago. And I can't get a reason or an answer to tell me, "Yes, they're coming. And they will be here on such and such a date." Everybody keeps saying they're coming, they're coming, they're coming. By the time they come I won't need them anymore. So that's my dilemma.

SENATOR SARLO: Listen, we'll take your comments into consideration. We feel your pain. We'll look into this trailer thing for you and make the necessary calls to the top levels.

MR. HARRIOTT: I appreciate that.

SENATOR SARLO: Thank you.

Thank you for everybody's patience.

Thank you, members. We'll get agendas out for the next hearing as soon as possible.

Thank you, Toms River, for your hospitality today.

(MEETING CONCLUDED)