
Commission Meeting

of

STATE BEACH EROSION COMMISSION

*“The need for increasing the annual Shore Protection Fund appropriation;
the feasibility of State ownership and operation of dredging equipment;
the status of State education/outreach on engineered beach requirements”*

LOCATION: Public Safety Building
Sea Isle City, New Jersey

DATE: April 27, 1998
11:30 a.m.

MEMBERS OF COMMITTEE PRESENT:

Assemblyman John C. Gibson, Chairman
Assemblyman Nicholas Asselta
Assemblyman Francis J. Blee
Stephen Kempf

ALSO PRESENT:

George J. LeBlanc
Office of Legislative Services
Commission Aide



Meeting Recorded and Transcribed by
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ASSEMBLYMAN JOHN C. GIBSON (Chairman): Good morning. Welcome to the first meeting of the New Jersey legislative beach commission. Members of the Commission include Steve Kempf, sort of a professional member of the Commission. The Commission is made up of legislators, members of the Assembly, members of the Senate, and then some professional members. We also have, as acting member, Assemblyman Frank Blee, from Atlantic County; Assemblyman Nick Asselta, from our own district; and George LeBlanc is from the Office of Legislative Services. If other commission members come later on, then they will certainly join us today.

What we would like to do is consider, basically, three topics today: one, as much testimony as we can get to justify an increase in the annual dedicated fund of \$15 million, up to \$25 million. And I know that we're going to hear testimony that it should be higher than that, and that's fine. We have legislation in, the three of us, as a matter of fact, to increase it on an annual basis to \$25 million.

We also would like to have some discussion on an idea that's been kicking around, and it's resurfaced, that has to do with a government-maintained dredge -- what level of government we'll hear from but a government-maintained dredge.

And, finally, some statistics as to why beach nourishment investment is really a financial investment and not just simply spending money for protection. It goes a lot further than that.

With that, I would invite for formal presentation Bernie Moore, who will talk on as much as he wants to because he is the star of today's show basically. But also he'll talk on certain projects that are in the pipeline, what

his thoughts are as to the amount of money that we have annually to do this job, and hopefully, he'll have some comments or at least some background information for us on a government-owned dredge.

Mr. Moore, Director of Engineering -- Coastal Engineering.

B E R N A R D J. M O O R E: Thank you, Mr. Chairman. It's always a pleasure to come down to Sea Isle and any other municipality along the shoreline to talk about my favorite subject, the shore protection.

I have provided to you a list of projects that have been unfunded. These are projects that the municipalities have requested and that the State has put on a deferred listing, pending availability of funds. Those projects include outfall lines up at Old Bridge Township, which is up in Middlesex County; bulkheads at Keyport; beachfill in Union Beach; repairs to the Keansburg floodgate; groins and repairs to the -- and to reimburse the municipality of Bay Head for work they have already done and work that still needs to be done; bulkheads in Mantoloking. They're on a bay front area.

In Atlantic County, you have a bulkhead and revetment system up near the old Hackney's (phonetic spelling) facilities. The county has already started Phase I of that right now. The jetties here in Sea Isle City; Avalon, reimbursement for various beachfill projects that they have undertaken over the years; again, for Stone Harbor, a beachfill project; Cape May Point, repairs to the dunes -- some of that work the municipality has already done and some is still waiting to be done. Middletown Township, there is a beachfill that is up near Norburys Landing, at the foot of Delaware Avenue; Oakwood Beach, which is in Salem County; Pennsville, bulkhead and revetment repairs to the existing bulkhead and steel revetment -- or stone revetment. And there is a

bulkhead project in Camden County, in Gloucester City. You may not be aware, some of you, that under the State law, Shore Protection Funds can be spent from, basically, the Hudson River, down to the Raritan, along the Atlantic Ocean shorefront, back bay areas, to Cape May Point, and then up the Delaware River, as far north, or upstream, as Trenton. So we are responsible and we have the authority to execute those projects.

That just gives you a rough idea as to the amount of money that is there. Of course, we are also, at this point, looking at the current special appropriation that was passed at the end of the last fiscal session for \$2.5 million. Most of that money will go, certainly, towards the Sea Isle City terminal groin, but right now that project is estimated at \$4 million. The State share, of course, is \$3 million, and we do not have all of the funds buttoned up at this particular point.

As you are also aware, having, I guess, listened to me over a long period of time, there is a number of projects in the pipeline involving the Army Corps of Engineers. Right now, our appropriation is \$15 million, and approximately \$13.5 million to \$14 million a year is spent with the Army Corps of Engineers. The other million dollars is spent on appropriation -- administration for the program.

For Fiscal 1999, the \$15 million should suffice. We should break even and be able to support the Army Corps programs.

For the years 2000 through 2005, we certainly are going to need some additional moneys in order to meet the Corps's requirements. That is assuming that all of the Corps's projects continue on through the pipeline and get approved by Congress and the O and M side of the House.

I would like now to comment, just briefly, on the subject of a government-owned dredge. I think that from a State's standpoint, it would be extremely costly. If you're looking for a dredge to do offshore beach renourishment projects, you have to be looking at a dredge that is Coast Guard approved and certified. You're looking at a basic piece of equipment, a 27-inch dredge, that would operate somewhere in a neighborhood of about \$15 million. The dredge and the associated equipment that goes with that, such as a tugboat -- that has to standby while that dredge is operating out there because, in the event you have a storm or an emergency, the dredge has to come inside and be protected. Workboats, fuel barges, the associated pipeline that goes with that -- you're looking at somewhere close to about \$20 million -- \$25 million. For a crew, you're looking about at a 40-man crew if you're operating around the clock. You're looking at a price tag of somewhere close to \$15,000 per day.

For smaller dredges, a little 12-inch dredge should do work in the back bay areas. For a pipeline dredge and all the associated equipment, you're looking at somewhere close to \$5 million, \$6 million, with a crew of about 20 people to operate around the clock. That crew is going to have to be experienced in both cases and be very conscious as to what's going on out there.

One of the big problems that I see with it is it's going to become somewhat of a football -- various people wanting the piece of equipment down in South Jersey, some want it in North Jersey, some want it in Central Jersey; it's going to be a problem. You just don't move a piece of equipment like that around to make it effective.

The other thing is, there is a period of time when the dredge is going to sit idle because we cannot work in the wintertime up here. We would like to, okay, but basically, you have almost 40 percent downtime if you're operating from the first of December through the middle of April. The seas are just too rough, and you're not going to be able to really do a decent job.

From the State's standpoint, I can just see lots of -- lots of -- problems with personnel, number one, with obtaining the necessary repairs to the dredge. The old system that we have, which is a very good system for public works projects, bidding, getting three quotes on a replacement for a piece of equipment-- You just can't keep a dredge sitting idle for any long period of time. And you also have to be able to bring that dredge into a dry dock for its annual inspections and repairs that are necessary. So my words of caution would be just that, be cautious.

I think we do better by advertising the projects and getting the job done through our normal means.

ASSEMBLYMAN GIBSON: Let me ask a couple of questions, Director. The-- It looks like we have an ambitious program already in place. If in fact we're able to take advantage of the Federal studies that are going on now and that we're successful in getting additional money for beach protection, the program would be even more ambitious. And I'm wondering whether, at what stage would we come to where we will always be employing, in the workable season, at least one dredge in New Jersey and possibly reaching into the second dredge. I can understand the logistics problems of where you would put that dredge, that's probably a very critical part of it. But if, in fact,

we're almost to the second dredge and beyond year-round, then it does sound like it may have some merit.

And -- your comments are well received, but I would ask you to think about whether or not some sort of study -- a finance study by the Legislature if, in fact, there is support for it -- what that might cost and who might do that kind of study for you, certainly with the input from your office but not necessarily something that you have to sit down yourself and do with your own direct staff.

Consider that for the future because it does seem like we do have a lot of work here to do, and if we are, in fact, keeping the dredges -- dredge or dredges busy for that workable season, then maybe we might be able to justify that.

Any questions for other members of the Commission on what has been testified on today?

Assemblyman?

ASSEMBLYMAN ASSELTA: Yes, Mr. Chairman, I just have a few quick ones.

The sheet, Bernie, you provided us are unfunded shore protection projects that you've received applications for, which total \$14 million right now--

MR. MOORE: That is correct.

ASSEMBLYMAN ASSELTA: --and that's not included in the money we've already appropriated.

MR. MOORE: That is correct.

ASSEMBLYMAN ASSELTA: So this is additional projects that need additional funding in the next three years.

MR. MOORE: They have been waiting since 1994, 1995.

ASSEMBLYMAN ASSELTA: Waiting since 1994. Okay.

MR. MOORE: The total State share would be about \$10.7 million.

ASSEMBLYMAN ASSELTA: Okay.

The dredge equipment, how many dredge companies traditionally bid on projects?

MR. MOORE: You could have as many as five, you could have as few as one.

ASSEMBLYMAN ASSELTA: And they're based all over the East Coast?

MR. MOORE: They're all over the East Coast, West Coast. Great Lakes Dredging is based in Illinois; it's a worldwide corporation. They do work worldwide. Weeks Marine Dredging is based in Camden. They replaced the old American Dredging. You have T. L. James in Louisiana. You have Beam Dredging also in Louisiana. There is Stuyvesant Dredging, again based in Louisiana, but they are worldwide. And it all depends on what is out there in the market.

In-- Last year, I was quite proud to say, that New Jersey had a corner on the market. We had two dredges -- actually three dredges -- operating simultaneously up in North Jersey, in the Monmouth County area. You had one dredge here in Ocean City, and you also had one dredge down in Cape May City. When a -- one of our dredges in Monmouth broke down, got

damaged during a storm, and had to go in dry dock for 60 days, we could not find another dredge to replace it. That's how busy the dredging industry was.

The other thing is that these large pump-out buoys that you have seen along the shoreline -- there's only three in the entire United States. One is owned by Great Lakes Dredging. In fact, two are owned by Great Lakes Dredging, and one is owned by a company out on the West Coast.

It's a very competitive business, and I dare say -- I couldn't even venture to guess what would happen if we got into the business. Okay.

In the year 2000, 2001, we're looking at having as many as three dredges working along our shoreline. That's everything from about Atlantic City, south. It's going to be one hell of a year, I'll tell you. I just hope I'm around to see all the activity.

ASSEMBLYMAN GIBSON: But, in spite of that, you still exercise that we should think about being cautious on this idea.

MR. MOORE: Yes, yes, yes.

ASSEMBLYMAN GIBSON: Steve.

MR. KEMPF: I'm sorry, Bernie, I guess you probably have answered my question, but there has been no cost-benefit analysis formally undertaken by DEP? This is your professional opinion--

MR. MOORE: That is correct.

MR. KEMPF: --which is probably pretty close to the mark anyway. Okay, I just wanted to be sure.

MR. MOORE: There is a lot of things I do not know, honest to God. And who do you hire to, let's say, make this assessment? I don't know right now. It's going to have to be somebody in the dredging business because

we -- there is just not enough knowledge within our Department to come up with those kind of answers.

MR. KEMPF: I do have a couple other questions on the unfunded shore protection project. In the entire coastal environment of New Jersey, about how many municipalities does that represent? About 95 there about? Is that--

MR. MOORE: Somewhere about 95 to 120.

MR. KEMPF: Okay, and with the current Corps projects that are in effect now in Monmouth County and such, about how many municipalities are covered by those projects? A ballpark.

MR. MOORE: Oh, about half of them.

MR. KEMPF: About half of them, so about 45, roughly, municipalities are covered by Corps projects, and then you've got another 15 projects here that are unfunded, covering about 60 out of the 95 or 100 municipalities.

MR. MOORE: Not really. See, some of the municipalities, such as Bay Head and Mantoloking, they're covered under Corps projects, okay. I mean, like, Bay Head, repairs to the groins, that is something that we started with them back in 1994. They were trying to help themselves, they were trying to make some changes because of the 1992 storms. Mantoloking, those are bulkheads that are on a back bay area, but Mantoloking is covered in the Corps projects, so you have to be careful.

MR. KEMPF: I understand.

MR. MOORE: One of the things this list does not show, okay, and we have not received -- but we used to do a lot of work on the back bay

areas, on the back shores of these municipalities along the shorefront on the areas such as Lacey Township and Toms River. They don't even bother to come in to us because they know they are so low on the priority list.

MR. KEMPF: I guess my point basically is that there are still a number of municipalities out there, for some reason, are not involved in projects either on their own or through State programs even though I know you have made a tremendous effort in doing that.

Just trying to get an idea that there's probably somewhere in the vicinity of say, safe number, 40, 45, or about a little less than half of our municipalities that don't have any real improved beach, or engineered beach, programs as we speak.

MR. MOORE: Correct.

MR. KEMPF: Thank you.

ASSEMBLYMAN GIBSON: Thank you for that question because -- the last one -- because we may want to talk about continuing to educate the municipal officials about this engineered beach concept, and that is part of today's agenda.

Assemblyman Blee, you have a question.

ASSEMBLYMAN BLEE: Yes, thank you, Mr. Chairman.

Bernie, as you know, I think, when municipalities speak about dredging, one of the stickiest issues is to where to place the dredge spoils. I don't know if they -- if back bay dredging would be compatible in any way, shape, or form with beach replenishment, maybe not necessarily on the beach, but now as we see these geotubes-- I know a few years ago, in Atlantic City,

I think they pumped spoils from offshore to fill the tubes. Would the spoils, in any way, be compatible?

MR. MOORE: There are possibilities, and there may be situations where the sand would be too fine to be placed on a beach but would be suitable to be placed into a geotube.

But in the backbay areas, most of the material is very fine, silty material -- a lot of organics, which would be unsuitable.

ASSEMBLYMAN BLEE: Thank you.

Thank you, Mr. Chairman.

ASSEMBLYMAN GIBSON: Did you have anything else you wanted to present to us? We started to interrupt with questions.

MR. MOORE: The only other thing I wanted to -- you had mentioned earlier that you wanted to talk about engineered beaches--

ASSEMBLYMAN GIBSON: Yes.

MR. MOORE: --and what the Department has been doing. We have not set up a formal program to go out and to preach the gospel, so to speak, of engineered beaches. However, at all of the meetings that I attend, we do mention the qualifications for an engineered beach. We also, through Steven's Institute, have been conducting two classes per year, with various municipal officials, to talk about shore protection. And in those classes, we talk about engineered beaches.

An engineered beach is nothing, you know, special, it's just the proper way of placing beachfill down on a beach.

ASSEMBLYMAN GIBSON: It's nothing special until, if in fact, you don't have an engineered beach and you lost it and you want to come back to get your Federal aid, you better have it, right?

MR. MOORE: The thing is, Commissioner, FEMA wants to get out of the business. They don't want anything to do with shore protection. They don't like sand, and it's like a lot of other Federal agencies, they're putting a lot of hurdles in front of you. For instance, we pumped a beach in Brigantine. Yes, it got severely eroded during the storms this winter. Those storms were on January 28 and February 5. FEMA comes in here, and they look at Brigantine and say, "Well, it's not an engineered beach," and we say, "Wait a minute, we pumped to a designed cross section. We had people out there monitoring the beachfill. We have all the data: we know what it looked like after the project was put in; six weeks after the project was put in; six months; and right after the storm. We got good data. All right?" "Well, you don't have anything in your budget." What municipality had any budget set up for this calendar year? They didn't even get around to doing that.

The same thing happened several years ago down in Cape May Point, okay. They didn't have -- they had a certain amount of money set up, but FEMA didn't feel that was adequate.

FEMA doesn't want to do beachfills. They do the damndest things to try to get out of the business. That's their policy, and that policy only started in 1984, after the storm of 1984 had caught us all by surprise because the policy had never been publicly aired. It was just -- just like that. It just happened, and we fought it, and we lost, and ever since then, they have come

in, and they have gotten into the nitty-gritty of every municipality, and not every municipality has got that expertise. But they don't want to do beachfills.

So it's -- the placement of sand on the beach is -- they call it an engineered beach. It's just the way it should be done to begin with. It should be pumped or placed to a design cross section, or designed slope, and then monitored over a period of time.

ASSEMBLYMAN GIBSON: That's a good perspective of what you just said. I suppose that they're there to provide Federal aid in response to a disaster -- to replace infrastructure, and because we were able to get engineered beaches to be classified as infrastructure, we remained eligible for some Federal disaster money. If they went to replace a road, there would be no problem if a road washed out.

MR. MOORE: That's correct.

ASSEMBLYMAN GIBSON: Will they then look to see whether or not something is in the budget for the new road?

MR. MOORE: No.

ASSEMBLYMAN GIBSON: But they introduced this as part of the criteria for an engineered beach. Okay. We have heard this before. We probably need to resolve that particular issue, if we're still to count on FEMA to help us out on these kind of things, with our Federal legislative delegations.

MR. MOORE: Well, once you put in an Army beachfill, then you can -- you don't have to go to FEMA. You can go back through the Corps of Engineers. And through Public Law 99, you can request funding through the Federal government for that, and I'm sure at that point, if that happens, our congressional delegation, which has been supportive of shore protection, will

certainly jump on the bandwagon and work with us to get those funds that are necessary.

ASSEMBLYMAN GIBSON: Okay.

Steve.

MR. KEMPF: Thank you, Mr. Chairman. I think that's -- that's probably one of the points of the greatest confusion -- is, on the one hand, FEMA, with its antibeach sentiment, trying to back out of this sand business, if you would allow that. On the other hand, this administration pulling back funding and trying to pull the Corps out of beach restoration projects makes me question, where do we go from here? What happens to these municipalities, what happens to the state if you don't have any kind of programs up front to potentially put your beaches in or, number two, to have the insurance, if you allow that word, if you meet the engineered beach criteria? It seems to me like you're damned if you do and you're damned if you don't, and we're right in the middle of the both.

MR. MOORE: We are in the middle of a fight, a fight though I think that eventually we will win, that we will get shore protection funds from the Federal government.

The cost sharing may bounce around a little bit. The life of the projects may bounce around a little bit. But I do think that the projects will be completed, and I do think that the Corps will remain in the business even though they themselves are trying to get out of the business. I mean, they're trying to get out of flood control also and dredging. So it's a big pot and it's being stirred many, many times, but I do think that we will come out the winners. Maybe not as big of a winner as I would like, but we're still going to

be out there with a program that is going to provide protection to the municipalities. That's the main thing.

ASSEMBLYMAN GIBSON: Further questions? (no response)

Thank you, Bernie, for that very valuable testimony. We'd ask you to stand by because we may have some questions based on other testifiers.

MR. MOORE: Will do, Mr. Chairman.

ASSEMBLYMAN GIBSON: Let me just take the opportunity to thank the city of Sea Isle City, Mayor Desiderio, Commissioners Ianone and Dalrympel for their hospitality today by making this room available to the committee.

Ken Smith, beach advocate, is going to provide some formal testimony for the committee with regard to the economics of why this is a good investment.

Mr. Smith.

KENNETH J. SMITH: Thank you, Mr. Chairman.

No written testimony. You guys are just--

ASSEMBLYMAN GIBSON: You never need any. You've got chapter and verse. (laughter)

MR. SMITH: I guess on the first subject, about the increase to \$25 million or possibly more, certainly I would have liked to have seen it doubled this year. Looking ahead five years as to what our cost-sharing requirements are going to be, when you look at the Townsends' Inlet, like the Cape May Inlet Project, which could be \$54 million, give or take a million. At Seagon (phonetic spelling) Island at about \$52 million; Long Beach Island around \$40 million; Great Egg to Sea Isle, the southern part of Ocean City,

Sea Isle -- I don't know what that will be -- \$25 million, \$30 million, least cost estimate; plus the \$14 million that Bernie mentioned today in backlogged projects. There is just really not enough to go around.

Let me tell you about some things that are happening in Washington, though, that may work to our advantage down the road. As you know, today the Federal cost-sharing percentage for Federal projects -- shore protection projects is 65 percent Federal and 35 percent non-Federal. A proposal has come out, from the White House, from the administration -- really through OMB -- and has been introduced into this year's Water Resources Development Act, which we call WRDA.

They are authorization bills that come out every two years for projects. And it would change the Federal cost-sharing arrangement on periodic renourishments, not initial sand pumping, to 35 percent Federal and 65 percent non-Federal. Now, that's unacceptable, but you have to look at the report language because-- I think that the other fellow just blinked. We have been at this for four years.

ASSEMBLYMAN GIBSON: It wasn't typographical?

MR. SMITH: Well, no. That's what we want to find out, because we had a meeting -- there is a working group on shore protection policy that met in mid-March down with OMB in Washington. Bernie was there, Commissioner Shinn was there and myself and people from around the country. We gave them a good three-hour education -- we felt.

Where we have come out from that meeting, I think that the administration is ready to support, perhaps, \$100 million to \$150 million in appropriations nationwide. This year, they only recommended \$23 million in

shore protection for the whole country, so we've got a ways to go this year to put all these studies back in as add-ons, which we're all working on.

What we told them was, "Look, you want to talk about cost-sharing reductions and all kinds of different measures to reduce the Federal role, fine. We're willing to talk with you, but we're not willing to talk with you if we don't have a commitment -- a basic commitment -- to keep the program going and to stop the obstructions and the administrative delays on some of these projects."

The report language, which I want to get firmed up more, looks like a turning point because what it's saying is that we are going back to the 1986 WRDA, which is the bill that established the cost-sharing percentages and established shore protection as an eligible program for the Corps and basically said we'll do it. I mean, the administration has just taken this on its own to get out of the Corps business. According to Congress, we're still in it.

But if it should change, if the costsharing should change, and I can see it going down to 50 percent -- because that's just the way it is in Washington. I mean, the budget constraints are unbelievable, and they're not getting any better, they're getting tighter. But 50 percent on periodic renurishment I think we could live with.

What I'm saying is, that's going to require more money from the State. We know that, even though the renurishment costs are incremental. If we don't-- I mean, I support the \$25 million bill wholeheartedly, but that is just my personal thought -- is that if we don't ask for \$30 million this year, we will be back next year, which maybe that's a course to go, take it little by little. But the one thing we don't want to do is ever get into the position where we've

got our congressional delegation down there securing the funds for us, and then we can't match them. That would be a disaster. That would probably head the program south.

The other thing, I support what Bernie is saying about a government dredge. You know, if we had permits, and if we had some revolving system, and we had all our borrow sites all together and we were into renurishments, maybe -- maybe -- we could consider a government-owned dredge, you know, but private dredges-- The industry is very competitive these days. Long Branch came at \$30 million, \$20 million under -- under -- the estimate. So if that continues, it's really in our favor to keep private companies in business, which-- I like privatization. I try to stay away from government-funded things.

What was the other one, economics? We all know what the economics are.

I just want to say one thing about the engineered beaches. And maybe if I'm going to scold somebody, I am sorry, I'll try to do it as nicely as I can. These have been around for a long time. Avalon knows exactly what these regulations meant, and they acted accordingly, and it is not that hard. So when I hear people sort of crying in their beer, "Gee, we didn't know what it was," that is their own damn fault. You know, because -- these regulations have been out there. FEMA has come down to, I don't know how many, meetings and put those requirements out before the public, and if you don't go, you know, and make yourself cognizant of what these regulations are, then it's kind of tough to come back in -- and it's like telling the cop, "Well, geez, I didn't know I was speeding."

ASSEMBLYMAN GIBSON: You do that once in a while, though, don't you?

MR. SMITH: Me?

The economics; we all know what the economics are. The economic stakes are tremendous, and I think that what we are spending on shore protection is just a minimal investment to keep that whole system going. I almost tire or stop trying to convince people in Hunterdon County, because they think they're so much far above the fray. They don't realize that some of our dollars even go up there.

So, yes, there is a lot to work on. These next five years are going to be critical, and I would hope that the State -- through your Commission and through your actions and our communications together, can make sure that we stay ahead of what the funding needs are going to be, if even by a year, so that we don't get caught.

ASSEMBLYMAN GIBSON: Thank you, Mr. Smith.

ASSEMBLYMAN SMITH: You're welcome.

ASSEMBLYMAN GIBSON: I would ask you to stand by. Thank you for your testimony and your advocacy for beach renourishment.

We're privileged to have Bill Lang here, representing Charles Wowkanech, from the AFL-CIO.

Mr. Lang.

WILLIAM L. LANG: Good morning, Mr. Chairman, members of the Commission. With me is Tom Brown. He is a representative of Local 827 IBEW. Surely, I could have easily brought the operating engineers who will be

the crafts who would be operating the dredge equipment, laborers and people like that.

The purpose for bringing Tom is more to demonstrate to you, which I am sure you're aware of, but to the public, the ancillary and tangential jobs that are affected. And you have my written testimony. I don't think I am going to bore everybody by reading that. And I would like to say that in his local union, right along the coast, from the bay down to the cape, directly 2000 people are involved in jobs on land that, but for the tides, could be gone.

Now, there is no perfect situation, no technological cure for the shifting sands today. I know there are a lot of things that are in the works and have a lot of promise. So we're hoping that happens, but for us to not support legislation, such as you have proposed, to keep jobs in an area like this, which is probably one of the highest unemployment in the state-- We've worked with Assemblyman Asselta on the convention center, and there has been other initiatives that people from other parts of the state have endorsed. One of the problems we see, though, is the bias to sand, to shifting, and people thinking they're throwing money away, which we really don't see to be true.

Coming from the northern part of the state, I really didn't have much of an opportunity to visit this area, and quite frankly, you didn't have to take me kicking and screaming out of downtown Trenton to come here to see the fair city. It certainly is a pleasure to come here and to endorse legislation like you've proposed. On the question on whether or not the dredge is a viable piece of machinery, you know, maybe it's something that's time is a little ahead of us or whatever. I hope that this study is done. Certainly, we have the union people who can operate those dredges, and if the labor and

environmental and safety concerns that would be operated by the State are at the same level as they do in private industry, we would be fully supportive of that.

Tom's union is the telephone workers and the cable TV people, and I would say 2000 people. That's not just the gentleman that comes to your house or the lady that comes to your house and climbs the pole. There's also all the support mechanisms that go along with that. And what we see is that if the shore area is allowed to degenerate beyond what the problems that we already have in the Wildwoods, where people are bypassing and going to Ocean City and to the eastern shore, jobs like his -- one of his goes away, two of the support jobs go away. For each field soldier in the field, the military estimates they need six logistics people behind them. And that just goes right through industry and through our economy.

So with those kind of things in mind, we offer, in the name of our 1200 local unions and the 1 million members we represent, to support any of these initiatives that we possibly can, in any way we can.

ASSEMBLYMAN GIBSON: Thank you very much for your testimony and your support. Any questions from the Commission?

MR. KEMPF: If you would, Mr. Chairman. Just one comment. I think one of the problems we have, and I'm sure the elected members of the Commission will certainly share this, is one of perception. It's one that's difficult to overcome, but I think there is too much attention being paid to the too few people who object to the replenishment and coastal protection programs that we have. I offer the Jersey Shore Partnerships commissioning of Rutgers Eagleton Poll sometime ago -- about a year and a half ago I guess it

is now -- that showed overwhelmingly that the people in New Jersey, not just the people who live on coastline, but those that live inland, up in Trenton, and all the counties we don't usually look at for support, overwhelmingly support coastal protection. I think the numbers were in an excess of 80 percent.

I would encourage you, respectfully, to contact Jersey Shore Partnership. Perhaps maybe that's something you can help both our elected officials and others to overcome -- is that media bias, for want of a better word, of the perspective of coastal issues.

MR. LANG: We will certainly do that. I can tell you that from the standpoint of, as I said, the 1200 local unions that we have, we have been sending out information regarding economic development, and we even have a biweekly fax that we send to all of our unions, and we highlight-- In fact, I sit on the dredging task force working group, and so a lot of the things that were mentioned here today I've already been involved in to some degree. But our biggest concern is that small group, and we know it's a small group, does not become self, you know, fulfilling and moving on to bigger things for themselves. Because it's really not -- it's not-- good for the state, and we see it as a jobs issue, not just union jobs, but jobs throughout the economy, so, you know, certainly we will be in touch with you, and whatever -- again whatever help we can be, we'll be there.

ASSEMBLYMAN GIBSON: Assemblyman Asselta.

ASSEMBLYMAN ASSELTA: One quick one, Bill. We talked earlier -- Bernie mentioned -- about the dredging companies coming from Louisiana and Minnesota. Do they employ your union members when they get a contract and a project in this state?

MR. LANG: Yes, they do by and large. I'm not going to say that I've been able to see every contract because that is not function of the AFL-CIO. The function of the AFL-CIO is largely legislative, as you well know. We get involved when we find out that there are problems with contracts, no prevailing wages. And people should understand that prevailing wage does not just protect the union worker. Prevailing wages were -- Davis Bacon-type legislation were set up to protect the public from dog-eat-dog competition because there is always going to be another wave of people that are going to come in and will do a job cheaper than the wave before them, and they'll do it unsafely to make sure they get the work. That's not a slam against any aliens or anything like that. It's just an understanding that the government has a moral obligation to the people living in -- within its borders and confines to pay a living wage, and so what we would prefer to see, quite frankly, is a New Jersey company.

If that means that the New Jersey company can then go out and bid against the Louisiana company in Louisiana, certainly we would rather see that because one of the biggest problems we face today is industry, as well the Bell companies and the AT&Ts, are generally pretty good companies, but there are other companies that are willing to employ cable companies from North Carolina. And what they do is they bring people up in truckloads and unsafe vans and everything else. They bring them up here. They stay for five weeks; five of them in a room, in a lower echelon motel -- I'm not going to use any names -- and then they ship them back. They make six or seven dollars, no benefits, the whole nine yards, but for them, where they had no work, this is work.

But it puts the pressure, and downward pressures, on the good wages, the good companies and the benefits and then puts charity care issues -- I mean the whole nine yards. I mean this is something that just ripples through our whole economy, so we would be certainly willing to -- and would love to see a Jersey-based company that could go out and get jobs in their slack period in other areas because our people have, what are called, traveling cards. We'll be able to go wherever the work is.

ASSEMBLYMAN ASSELTA: Thank you.

ASSEMBLYMAN GIBSON: Thank you. Thank you for making the trip here and your valuable testimony.

MR. LANG: Thank you.

ASSEMBLYMAN GIBSON: The a-- For the audience's information and the testifiers, everything that this committee -- Commission learns goes into, ultimately, a report that is made to the leadership of the Legislature and the Governor's Office. And everything is, in fact, being recorded so that that report can be prepared.

Let's go alphabetically and A is for Avalon. I presume -- no -- okay, excuse me.

Well, you're doing such a fine job down there and always a good example, as Ken Smith gave, of the fine job you're doing, so we're glad to have--

MAYOR MARTIN L. PAGLIUGH: Since I'm here, I might as well-- I want to thank the Assembly members and Mr. Chairman for holding this hearing in South Jersey. That makes us feel good for a change.

Among other things, it's usually North Jersey the stomping ground for all legislative changes, but I would just like to mention two things that, I mean, if you look at revenue numbers, and I was impressed by the union representative who brought up the issue of jobs-- But if you look at the revenue numbers that come into the State of New Jersey, approximately \$16 billion a year in taxes and revenue between sales tax, income tax, gasoline tax, right down the line, a measly investment of \$15 million a year is not enough. The critics that like to say -- that live in Camden County or Monmouth County or wherever, Gloucester County, that say I don't want my tax money going to put sand in front of those big, rich homes down there in Avalon -- I would like to see somebody in Treasury draw the line and say, if we lost that revenue coming into the State of New Jersey, what programs are going to suffer in Camden County, Gloucester County, right up and down the entire State of New Jersey. I mean, it's actually, probably, the second-largest industry in New Jersey -- tourism, they come to the beach.

The other point I'd like to make-- I mean, that's actually a no-brainer. I mean, this is an investment that we're putting back into the State.

You mentioned economics. Well, to me, economics is, you buy something for one price, and you sell it for more. So a measly \$15 million to realize a \$16 billion return to the State of New Jersey is good economics to me.

The other thing that's very dangerous is the action of the administration trying to get the Corps of Engineers out of the beach rebuilding business. And, like you say, FEMA is not really up on beach building or replacing beaches after a storm. Although, we haven't had any trouble

whatsoever, and we've been reimbursed every time for beachfills through the Federal government if there was a declaration involved.

But the dangerous thing is the Federal government looking at the State of New Jersey, or other states up and down the coast for that matter, saying that, "Gee, what is the State of New Jersey doing for their fair share?" And also looking at local municipalities saying, "What is the local municipality doing for their fair share?" Or every time sand washes out, "Are they just going to squeak and say give me money to replace it?"

I think it's got to be somewhat of a three-point issue, as in local initiative, State initiative, and Federal initiative. Because that's going to give them the perfect opportunity to pull back and say, "Gee, the people benefiting the most is the State of New Jersey, through tourism." If they are looking at it just at a regional issue, like New Jersey, they haven't really looked at it on a broad issue. I believe the tourism revenues in the United States is close to \$3 trillion. It's actually one of the largest employers in the entire State -- of the United States. I just think--

As a matter of fact, I had a conversation last week with Senator Lautenberg because of an article that appeared in the *New York Times* that he looked at the issue of local initiative and State initiative. Because he is right in the middle of the battle, right now, with reauthorizing the WRDA bill. I believe we're going down to a meeting at the end of June to meet with OMB people, and from what I understand through Senator Lautenberg, we will be getting into the White House to present this problem on this reauthorization of the WRDA bill.

So I don't think I have to go on any further about what the economic benefits are for the entire State of New Jersey, and it's about time somebody sits down and bites the bullet and says, okay, we have to come up with some new ways of financing these projects. And if the word tax has to be used, then the word tax has to be used. Because, I think, everybody and their brother is trying to grab money out of this Real Estate Transfer Tax Fund, and it's like squeezing blood out of a stone. Sooner or later there's not going to be anything left there.

So thank you very much and--

ASSEMBLYMAN GIBSON: Thank you, Mayor, and our compliments for the good job that Avalon is doing in this area.

B is for Bergus in beach and bay -- Betty here -- Elizabeth.

ELIZABETH R. BERGUS: Thank you very much--

ASSEMBLYMAN GIBSON: You're welcome.

MS. BERGUS: --for having this meeting today. As you know, the Beach, Inlet and Bay Stabilization Committee is an advisory committee to the Board of Chosen Freeholders for the county, and I think everyone has stated, pretty much, what our position has been on this.

The main points I want to make are about the equitable funding, and \$15 million is not equitable. The original idea for going into that transfer tax actually came from our committee some years ago, and we're very proud to see that everyone picked up that idea and ran with it. Woodie Jarmer (phonetic spelling) was in the County Primer (phonetic spelling) and presented it to us, and we thought it was a very good idea.

Actually, the only things I have to add to what everyone has said is that we feel very strongly that this question of the dredge should be investigated more. We feel that a permanent State program to provide this necessary service should be investigated.

Now, as I said to Assemblyman Gibson before the meeting, \$15 million is not equitable; \$30 million is not equitable. And, possibly, you have to bite the bullet and look at \$60 million. You're looking at a whole coastline and that's what we've tried-- We look at the whole coastline of Cape May County. You all have to look at the whole coastline of the State of New Jersey. Since you heard what the tax revenues are that come out of this area, I think you have to set your sights, hopefully, a little higher.

Anything that we can do to help you, we will be right behind you.

ASSEMBLYMAN GIBSON: Thank you for that testimony supporting an increased revenue. Any questions from the Commission?

Thank you, Ms. Bergus.

Malcolm Fraser, Cape May Point.

Mayor Fraser, welcome to the Commission.

MAYOR MALCOLM C. FRASER: Thank you very much from the very bottom -- the very bottom -- tip of New Jersey. We welcome you coming down our way to listen to us. I have a-- I'm not a great speaker, and -- but I've tried to put the words together, and I have a testimony sheet that I would like to give you at the end, but I would like to read it fairly rapidly. It's regarding the -- your Assembly bill, A-1676, increasing the Shore Protection funding from \$15 million to \$25 million.

The January 28 and February 4, 5 storms devastated our beachfront and dunes. Fortunately, we had worked very hard on our protection over many, many years, and while the dunes were mugged, they did the job that they were supposed to. While the damage to these dunes was very, very severe, the remnant dunes still exceed what FEMA classifies as the five-year storm level, with the result that there will be no FEMA assistance for the Borough with regard to the beaches or the dune. There will be for -- probably for, beach walkovers.

Further, as each of our beach cells is independent of its neighboring beach, each beach faces in a different direction as the coastline rounds the cape; each beach lies at a different level above sealevel; and all beaches are separated from the street by a significant dune system, continuous earthmover maintenance or redistribution of sand location is not practical here at Cape May Point. This situation differentiates us from the barrier island beaches and from FEMA general requirements.

Cape May Point is not a barrier island. We are mainland New Jersey. Thus, we have been required to turn to other technologies and programs to achieve proper beach protection. At every step of the way, we have coordinated with and interfaced with the State DEP Division of Coastal Engineering.

Based upon the success and otherwise, over the past year we have developed comprehensive Onshore and Offshore plans for our oceanfront beaches for the preservation and survival of our town. The attached program, which I am attaching here to the memo, has now been formally approved by cognizant State and Federal sources and potential funding sources identified.

The Offshore Protection Program has been directed towards Federal funding sources.

Please note that the Onshore Program is contingent upon the success of the subject State legislation A-1676 to increase the \$15 million dedicated funding to \$25 million from the State Real Estate Transfer Tax.

For us, the need is urgent. Our survival depends upon it. We have put a lot of investment and experimentation, working with the State, up front to work on things and make sure that the technologies we are using and our request we are asking work.

And Jack, you were down there as we were building the low-profile revetment there in front of the dune, just before the -- earlier this year. Well, I can announce to you that that revetment took a nine and a half foot sea in that storm and it survived in the area that -- of the dune that was behind that -- was the only area of the dunes along our coast that survived.

Thank you.

ASSEMBLYMAN GIBSON: Thank you for your testimony, Mayor, and the good work you're doing in Cape May Point.

MR. FRASER: Thank you. Who do I give this to? Fold it in an airplane?

ASSEMBLYMAN GIBSON: No. Don't fold it. We'll reproduce it for members of the Commission. Give it to the young lady. Thank you, Mayor.

MR. FRASER: Thank you.

ASSEMBLYMAN GIBSON: Steve has a question.

MR. KEMPF: Just a quick one, I think just a point of highlight. With the -- in the area where you had your dunes and beach developed, how much infrastructure damage did you have as a direct result of that storm in those areas?

MR. FRASER: The infrastructure damage that we had, other than dunes, other types of infrastructure, the beach walkovers-- We have very high beach walkovers because we have substantial dunes, that's why we can't get to them all the time, and those walkovers were substantially damaged, and they are all back in place now and we're ready for the -- to go forward. We haven't waited for FEMA to -- approval to go and do it. We've done it because we have constituents to serve.

MR. KEMPF: But nothing behind there? Your roads are all intact and your--

MR. FRASER: The roads are intact.

MR. KEMPF: --and your utilities are all in tact.

MR. FRASER: No houses were hit.

MR. KEMPF: No houses were hit.

MR. FRASER: We own all of the dunes. The Borough owns all of the dunes; it has since the mid 1960s.

MR. KEMPF: Without putting words in your mouth then, you attributed the protection of those things behind the dunes to the beach work that you have done. Is that accurate?

MR. FRASER: Very much so. The only water that we had in the town from those storms and the nine and a half foot seas that-- Because the frequency of the waves was coming in so fast, we had waves coming in and

they were piggybacking on the wave in front of them. And in one area of the town, we had some splash over right near the park, but the rest of the town-- As I said, the key is the dunes were mugged, but the town was dry. The dunes did their job, but they're very, very weakened.

Thank you.

MR. KEMPF: Thank you.

ASSEMBLYMAN GIBSON: Is Mayor Elwell here, from Cape May City?

I know Ed Mahaney is here. Is your Mayor here, Ed?

EDWARD J. MAHANEY, Ed.D.: I don't believe he is.

ASSEMBLYMAN GIBSON: You're all mayors down there in Cape May City from time to time, so we invite you--

DR. MAHANEY: I am prepared to make a few comments that may substantiate what Mayor Fraser just said.

ASSEMBLYMAN GIBSON: We'll be happy to hear them.

DR. MAHANEY: Thank you very much.

I'm Dr. Edward Mahaney. As Assemblyman Gibson pointed out, the four of the five of us on City Council in Cape May have served as mayor at some point, so we all understand the task, but I do appreciate the Commission taking the time to come today to meet in Cape May County. My points will be limited to two specific issues and very briefly.

First of all, this month, at the request of Bernie Moore, the City of Cape May City Council unanimously passed a resolution endorsing Assembly Bill No. 1676, and we're doing this primarily because we realize that all the communities along the coastline in New Jersey need to work together

in order to insure the safety, the welfare, and the economic viability of our communities over the long term. We can no longer look at problems such as beach erosion as a singular community problem. We must look at it as a regional- and statewide problem, and we're prepared to do that.

Secondly, and relatedly, in working with Bernie, we have found that the annual -- biennial rather -- beach replenishment program for the City of Cape May, as part of our 50-year agreement with the U.S. Army Corps of Engineers, is in jeopardy. Our next replenishment is due to start after October 1 of this year. However, the money for this, approximately \$1.9 million, has not been included in the Clinton budget. We are working with Bernie to have this reinstituted. But what we think we need to do on a long-term basis, in working with Bernie and with this committee, is to get some long-term strategies together, which we are preparing in the City of Cape May right now, to work as a group, to ensure that the towns along the coast, particularly in Atlantic and Cape May County, can work together to ensure that the projects that are underway and are assured will continue to be funded and, secondly, the projects which need to be initiated are going through the feasibility and implementation phases.

We are affected, as a neighboring community with the projects, for instance that are going to be done in the South Cape May Meadows and Cape May Point. We want to support those projects and we appreciate the support we've gotten from our other sister communities over the years when we've been in need.

The other issue that I want to touch on briefly is that after our beach replinshment started in 1990, approximately \$16 million has been

spent: \$10 million on the initial replenishment and then approximately \$2 million each year for three subsequent biennial replenishments. That \$16 million is a tremendous amount of money when considered by the residents of Cape May, but our portion of that was quite limited. However, the money that has been saved, as well as the infrastructure damage and the property damage, has been immense. Since that replenishment began, we have not had flooding -- the City of Cape May -- of any appreciable level since 1992, the December 1992 storm, and that only occurred in the lowest-line section, which is affectionately called Frog Hollow.

However, in all other storms, we received no other significant property or infrastructure damage, including the storms this winter. And what we have done is set up a chart that shows exactly how much money has been spent on the replenishment from the Federal, State, and local level and, then, with that, how much money we think has been averted in losses based on taking the storms as they occur and comparing them with previous, comparable storms and how much damage we suffered at that time. We have prepared this on an annual basis and sent it to the U.S. Army Corps of Engineers to substantiate our funding in past years and will now be sent it to Bernie Moore and this Commission, if you so desire--

ASSEMBLYMAN GIBSON: We do.

DR. MAHANEY: --to substantiate and to show that actually there is tremendous savings and the benefits of mental stability to our residents and visitors when we have these beach replenishment projects in order and working properly.

So thank you for the time today, and we look forward to continuing to work with you.

ASSEMBLYMAN GIBSON: Before you-- I am concerned about one thing you said, and we do want that report as well. We can use that as part of our background.

The \$1.9 million that you currently need for this maintenance portion--

DR. MAHANEY: Right.

ASSEMBLYMAN GIBSON: The project that you enjoy in Cape May has a guaranteed 50-year maintenance--

DR. MAHANEY: That's correct.

ASSEMBLYMAN GIBSON: --by the Army Engineers as long as there is local money to match, and you've been ready to match that local money.

DR. MAHANEY: That's correct.

ASSEMBLYMAN GIBSON: The State is ready to also put its share into these kinds of projects. Has that been corrected, or is it your understanding that's still out of the Federal bill?

DR. MAHANEY: It was still out the last time we met with Bernie.

ASSEMBLYMAN GIBSON: Okay, then I would ask, before you leave--

Bernie? What is the status of that? Because it was my understanding that particular kind of money, over all others, received the highest priority. We might lose our studies, we might lose future projects, but

we were not to lose any of these declared Federal projects that are already on the books.

MR. MOORE: You're correct. The thing is, when the budget came out -- when the President's budget came out, that kind of money was not put into the budget, and we are sure, as Ken Smith had pointed earlier, polling the entire nation, they're only looking for \$23 million to be provided for all of the country's shore protection needs.

ASSEMBLYMAN GIBSON: Are there other projects in New Jersey besides Cape May's?

MR. MOORE: Yes, on that handout I provided, with the green cover, that is the testimony that jointly -- between the Department of Commerce and our Department. We went forward to the subcommittee on energy and water and requested funding and support of Corps projects. If you will look at that, you'll see that in shore protection, the President had proposed \$4.4 million. The sponsor, meaning the State, request was for \$25-something million. That's the difference.

We have been in contact with all of our congressional offices. They're all fighting mad, and they are ready to go to support for us in getting the necessary funds.

ASSEMBLYMAN GIBSON: We would recommend that this Commission lend its support in some sort of letter that the Commission can send forward to not only the members of the congressional delegation, but anyone else on this specific issue because I'm really shocked that that money was not at least appropriated.

Sorry to hear that, Mayor, but we will help out with that to the extent that we can.

DR. MAHANEY: Okay. Thank you very much.

ASSEMBLYMAN GIBSON: Are there any other questions for the Mayor? (no response)

Thank you for your testimony.

DR. MAHANEY: Okay, thank you.

ASSEMBLYMAN GIBSON: Representative of Stone Harbor -- All right, the other representatives of Stone Harbor.

Your name is on my list for some reason or other as Council women. Okay.

Thank you both for being here.

Mayor Vassar? Or someone else from West Cape May, do they want to testify?

Harry, is the Mayor's testimony sufficient for Avalon, or do you want to add to it? We would be glad to hear from you.

H A R R Y A. D e B U T T S: I've heard the issue about FEMA, Army Corps, and staying on top of these issues has been a very trying issue, especially at a local level, trying to reach out to the Federal government, State, county. And any support that this committee can lend toward providing the local municipalities with information on a timely basis, if that is something we could look to do, about where projects stand and where things are going, along with the Jersey Shore Partnership, I think the municipalities along the coastline of New Jersey would benefit greatly by that, if that is a possibility.

ASSEMBLYMAN GIBSON: It is a possibility. We'll be very much involved in that at this point.

Thank you for your testimony.

That completes all the folks that have indicated to me that they wanted--

Yes, sir.

R U S T Y H O U S T O N: Rusty Houston, Councilman for Mantoloking. We only got the notice on Friday, so there was no way of advising you that we would be here and we would like to say something.

ASSEMBLYMAN GIBSON: We'd be very happy to hear you. Welcome, neighbor.

MR. HOUSTON: I will not repeat all the things that have been said apropos of dune protection. I don't want to get in an argument with all the other municipalities, but I think Mantoloking had the first dune in ordinance in the state and we've maintained our dunes for a long time.

In the 1992 storm, we had overwash, three-foot waves running down Route 35. In 1993, we began rebuilding the dunes, pushing sand back up and throughout the length of the town. In this past February storm, one-half to two-thirds of the dunes went away, but as you heard from other people, it did solve the problem of overwash. We had none. But FEMA comes along and says your remaining dune is sufficient for a five-year storm as they classify it, and therefore there is no funding. Well, I point out from 1993 to now is less than five years, and what's left now, if we didn't rebuild it-- And it -- those dunes have already been rebuilt. We don't sit and wait for FEMA. I don't

think we would live long enough. So they are rebuilt, but I think where and how they arrive at these numbers, quite mystifies me.

I would like to point one other thing out to many of you, which you may not know. Supposedly there's -- much horrible problem about funding, and so forth. Steve helped me. I know I've spent three years trying to get accurate information. I do have factual information from FEMA on the National Flood Insurance Program. If you don't know it, it's an interesting fact. The money collected on national flood insurance verses damages paid out, the excess on the 13 East Coast states and the District of Columbia is 196 percent excess.

So anytime you hear that there isn't any money, I don't know where that kitty is hiding but-- They will also tell you that the flood plains in the Midwest have eaten it all up. Those same figures for the entire nation show a surplus of 125 percent, so there is money. What they want to do with it, I can't answer you. But I think you should be aware of the fact-- If you wish, I'll send you a copy. It's on FEMA stationary so it's not my guess.

ASSEMBLYMAN GIBSON: Thank you for that testimony.

Are you represented by Senator Ciesla and Assemblyman Wolfe?

MR. HOUSTON: Yes.

ASSEMBLYMAN GIBSON: Okay, they're members of this Commission--

MR. HOUSTON: Yes. I know that.

ASSEMBLYMAN GIBSON: So they will share in all this, as we go on from here.

Did anyone else have a question for-- (negative response)

Thank you for your testimony.

MR. HOUSTON: Thank you.

ASSEMBLYMAN GIBSON: A gentleman from Beach and Bay Preservation Group.

JOHN GOURLEY: May I?

ASSEMBLYMAN GIBSON: Please.

And then we'll have Sea Isle's Engineer Previdi on deck.

MR. GOURLEY: Mr. Chairman, gentlemen: I represent the Wildwoods, on the Beach, Inlet and Bay Stabilization Committee for Cape May County, and I have some pleasant words for you. We don't need any beachfill. But we do need some dredging in the back bays because our clam boats are trying to navigate a very narrow channel at the head of Otten's Harbor, Sunset Lake. I've been talking to Bernie Moore for a long time, and he tells me, in all respect to him, there are no funds. Twenty years I've been listening to the same thing.

Every bit of waterway has a marina on it. The Coast Guard no longer brings their training boat up on Sunset Lake because there is not sufficient water for them to get through anymore. So we're suffering back there. Even our outboards are going around in the middle of Sunset Lake. Is there any way you can help me? Because I've been to the Commissioners, to the Freeholders, to -- Jack, I've asked you -- Jim Cafiero, our Senator, and I get the same answer all the time.

Now, of all the millions of dollars that are being spent down in this area on beach replenishment, couldn't some of that be diverted into dredging of Sunset Lake and Otten's Harbor?

That's about all I can say, Jack.

ASSEMBLYMAN GIBSON: Okay. Thank you for your testimony and your question, and that's something we continue to work on as well.

Andy Previdi, City Engineer of the City of Sea Isle City.

Good morning -- good afternoon.

ANDREW A. PREVIDI: Good afternoon. Thank you for having me here. I'm here representing the City of Sea Isle City. My name is Andrew Previdi, and I am a City Engineer for Sea Isle City.

ASSEMBLYMAN GIBSON: Assemblyman Blee recognizes you as one of his constituents.

MR. PREVIDI: Yes. I live in the City of Absecon, and I know the Assemblyman well.

The first thing I want to do is just to thank our legislative team, especially Assemblyman Gibson, for all the efforts over the years in not only securing funding for Sea Isle City, but also in the help in the obtaining of various permits. The regulatory process in New Jersey and -- Federal government through the Corps of Engineers is one that you're under a microscopic situation and you have to address a lot of issues, and we really appreciate your help over the years.

I would also like to take the opportunity to thank Bernie Moore for all his efforts. I first met Bernie in 1973, so we're celebrating our 25th anniversary this year in working with all these Sea Isle City projects, and without Bernie's efforts over all those years, I don't think the beaches in Sea Isle would be as stable as they are today.

However, we do have some problems, as he has mentioned previously. We have two projects that will cost a total of \$15 million. Sea Isle City's budget is only \$10.6 million. It's impossible for Sea Isle City to address these projects by themselves. Sea Isle has done numerous things over the years to help themselves. They've adopted a very vigorous dune-building program by building sand dunes, trying to protect their properties, and also to try to build the recreational beach. However, they can't do these projects by themselves.

The projects we're talking about are the town's inlet structural and beach nourishment at a cost of \$4 million and then the project in the north end of Sea Isle City at a cost of \$11 million to build five, low-profile groins at a beach nourishment project up there also. The town's inlet project, hopefully, will go forward in 1998 and 1999. However, as Bernie has testified previously, the total funding for that is not in place. Some of the money is there, but we believe that an increase in the annual allocation from \$15 million to \$25 million will help us to fund that project. And, actually, that project will complete the long-term program that the City has followed, based on the 1966 Corps of Engineers plan to stabilize the beaches in Sea Isle City. We built low-profile groins beginning in the center of town of 44th Street, all the way up to 88th Street over the years. It took over 25 years to do that, but that has been done, and it's helped to stabilize our beach and reduce the volume of sand that we need to nourish. Consequently, it has saved money. We need to finish the town's inlet project to stabilize that remaining section from 88th Street down to the inlet, and we think this town's inlet structural project and nourishment will do that.

The issue of tourism and how it affects the economy I think has been very well documented, and as Mayor Pagliughi mentioned, it's almost a no-brainer. The economy is affected by people wanting to come to this beach. These beaches are not only for protection, they serve a recreational purpose, and that's something that I think we have to look at on a regional -- regional basis. It's not only the people of New Jersey who utilize these beaches. It's people from Pennsylvania, from New York State, and Delaware.

I remember, when I was an undergraduate student, I had missed an exam. I had to take a makeup exam, and I had to go to my professor's place of employment outside of the school. And he was so excited. He was going on vacation for two weeks, and I thought -- he was so excited I thought he was going to Europe or some exotic place. So I finally asked him where he was going. He said he was going to Ocean City for two weeks and he is going to lie on the beach.

It just shows the significance of how much people in our metropolitan area enjoy and love these beaches, and if they're not here -- if those beaches are not here, those people are not going to come, and the people that are going to be affected are all the suppliers who are supplying the restaurants and stores with things that people buy here.

The State will be affected by loss of revenue on the toll roads. At the Parkway Toll Plaza, on a Saturday afternoon, it's backed up two or three miles. You won't have that if you don't have beaches here. And, I think, we have to understand and try and get our Federal legislative team to work along with the people from -- the representatives -- Pennsylvania and Delaware and New York State in trying to get the Federal government to understand that

this is a dual-purpose project: we need shore protection to protect our properties and lives here, and we also need the recreational beaches to continue attracting people here.

So the final point I wanted to make is that in order for the Sea Isle City project to go ahead, we think Assembly Bill No. A-1676 must be expanded. Not only in the short term, but it will help us in the long term. Avalon has been our partner and friend in the shore protection projects over the years and we've always tried to work together. However, when it comes to funding, it seems like we're competing against them and they're competing against us. And if we get some money then Mayor Pagliughi is mad at us, and if he gets money then Sea Isle City is mad at him, and we don't want to have that. We like to all work together, and the only way that's going to happen is if the \$15 million is really increased and increased substantially. It's not going to get any better. This past five years have been one continuous series of severe winters and coastal storms, and I personally don't see it getting better in the foreseeable future.

So money is going to have to be spent for not only protection, but to also insure that there are the recreational beaches here to keep the economy -- the recreational tourism economy growing and being able to support the jobs that the economy creates.

So that is the extent of my testimony. If there is any questions, I would be happy to answer them.

ASSEMBLYMAN GIBSON: Thank you for that testimony.

MR. PREVIDI: Thank you

ASSEMBLYMAN GIBSON: Unless there is someone else in the audience, I think that completes the testimony that--

Ken?

MR. SMITH: Chairman, I just wanted to announce something, if I could. I forgot to mention it.

ASSEMBLYMAN GIBSON: Federal government restore the funding for--

MR. SMITH: There is a technical conference next week, the 7th and 8th of May, in Ocean City. North East Shore and Beach Preservation Association is putting it on. I've got one brochure. If anybody wants some information on it, just see me after, but it would be a good two-day technical conference.

ASSEMBLYMAN GIBSON: Thank you for that.

Do any of the members of the Commission have anything to close with -- anything on the mind? (no response)

Well, then, I thank you all for being here. Your testimony was very much appreciated, your attendance is very much appreciated. This is all going to be part of a permanent record, and the Commission will work its way up the coast as we continue to have meetings this year.

Thank you again.

(MEETING CONCLUDED)