

REGULAR MEETING HELD ON WEDNESDAY, APRIL 8, 2015

5:00 PM

ORDER OF BUSINESS

Item

1. CALL TO ORDER BY DIRECTOR at 5:00 p.m.

2. ROLL CALL Freeholder Mudrick; Freeholder Phoebus;
Freeholder Vohden; Freeholder Director Crabb;
County Administrator John Eskilson; Dennis McConnell,
County Counsel

Freeholder Graham was absent.

3. MOMENT OF SILENT PRAYER AND SALUTE TO THE FLAG

4. PUBLIC STATEMENT

"Pursuant to the Open Public Meetings Act, Chapter 231, P.L. 1975 Adequate Notice as defined by Section 3D of Chapter 231, P.L. 1975, has been made by regular mail, such notice being submitted on January 5, 2015 from the Administrative Center of the County of Sussex, located at One Spring Street, Newton, New Jersey to the following:

New Jersey Herald	WSUS Radio
New Jersey Sunday Herald	WNNJ Radio
Star Ledger	

and is also posted on the bulletin board maintained in the Administrative Center for public announcements and has been submitted to the Sussex County Clerk in compliance with said Act."

5. PUBLIC HEARINGS

There were no Public Hearings.

6. PROCLAMATIONS/CERTIFICATES/PRESENTATIONS

A. Proclamations

1. Proclamation in recognition for Nicholas John Farischon earning the Boy Scout Eagle Award.

169A-2015

2. Proclamation in recognition of April 19-25, 2015 as being "Sussex County Crime Victims' Rights Week".

169B-2015

3. Proclamation in recognition of April as being "Sexual Assault Awareness Month"

169C-2015

4. Proclamation in recognition of May 3, 2015 as being "Sussex County Day".

169D-2015

MOTION made by Freeholder Phoebus to approve these Proclamations, seconded by Freeholder Mudrick and passed unanimously.

B. Presentations

1. Paul Boudreau, President of the Morris County Chamber of Commerce to discuss the future of Picatinny Arsenal.

Mr. Boudreau gave an update on what is going on with the military installation issue. He said Picatinny Arsenal is located in Morris County but a lot of people who live in Sussex County work there so he thought this information would be interesting for Sussex County. He referred the Board to look at a packet that he gave them and in the packet was a presentation that was done in June at the base. He mentioned that the Governor in the spring of 2014 put together the Military Installation Growth and Development Task Force. It was chaired by the Lieutenant Governor and there were six people appointed by the Governor. Mr. Boudreau was one of the six on the task force and the Governor's Executive Orders are in the packet as well. He said himself, Congressman Frelinghuysen, Congressman Lance and some other companies that have a big stake in Picatinny Part of the conversation with the Governor was there are a lot of people being hired in Washington these days by its States to protect their military bases. If you are Congressman Frelinghuysen and Congressman Lance, you see these people in Washington who are walking the halls and making the case for if we are going to have any more consolidation of bases in this country through some type of a BRAC process, it is important for New Jersey to get into the game and this message was relayed to the Governor. The task force that was put together traveled around the State last year and we visited McGuire Dix, the naval station at Earl, Cape May Coast Guard, 177 Fighter Wing in Atlantic City and the task force is now in the process of issuing the report to the Governor. He referred them back the Picatinny report and back to Page 29 on the report. He then said when we went to these bases we asked them a few questions: What are your challenges in the current funding environment?, What are your concerns for the future?, Are there opportunities to add missions to this particular base in New Jersey? On Page 29 you can see that the base came back and talked at this meeting about lack of facility funds, we have all heard about sequester within the last three to four years. So bases like Picatinny have been having a hard time in terms of funding that they have been receiving. The issue of BRAC, Base Realignment Enclosure Commission, the last BRAC was in 2005, as a result of that BRAC Fort Monmouth. So now there is discussion about whether or not are we going to have another BRAC. Only congress can authorize a BRAC. The Pentagon, the military and the Obama Administrations talk about the fact that we need another BRAC. We have testimony from senior people in the military who say we have too much infrastructure in the U.S.

The Governor put \$200,000 in the state budget to hire a firm in Washington D.C. There is a document in your packet from Cassidy & Associates which was published a few months ago. It has some interesting information on the BRAC process. We put a coalition together called the Picatinny Enhancement Coalition, (PEC). There was a similar coalition put together at McGuire Dix. The purpose of the Coalition is to work with the Congressional Delegation, work at the community level because as we look around the country, we see major efforts in so many States where a lot of the bases can make a case as Picatinny can make the case that something that is being done at other bases can be done here.

Mr. Boudreau went on the explain that there a few thing you can do if your base lands on the BRAC list. What we are finding out that the military in the absence of a BRAC has lots of lead way in terms of moving checkers around on the checker board. They can look at a Picattinny and say we are going to take this particular mission, maybe there are 500 employees; we don't have to get congress's approval to take that mission and move it to Alabama or someplace else. So the States now are getting very competitive around the whole issue of wondering whether or not there is going to be a BRAC. I looked at the list last night and for example Illinois in the last year has created a Special State Commission whose only mission is to protect their bases going forward. He read other states that have created special groups. He said so my message to you today is that we have already put together a coalition and we are working with the Congressional Delegation especially with Congressman Frelinghuysen. There is a lot of concern. The more comments we hear from people in Washington that there needs to be more consolidation of bases, more concerns of

where a BRAC could potentially lead, are we ready to participate in that competitive conversation in Washington and with the military about Picatinny?

Also, the road that leads up to a BRAC what are the proposals coming out of the Pentagon that would take missions away from Picatinny over time, make Picatinny smaller, he used the term death by a thousand cuts. You can skinny down any base without congressional approval. So we have 5,000 employees at Picatinny and we want to do whatever we can to protect that base. The Morris County Freeholders last year got very involved in supporting this coalition and we want to get them to step up again this year. One of our trump cards in our hands is the fact that the Chairman of the Defense Appropriation Sub-Committee is Rodney Frelinghuysen and that is a card you want to have. We still do have lots of challenges ahead in terms of protecting Picatinny. When you look at McGuire Dix we say we have 5,000 employees associated with Picatinny, McGuire Dix Lakehurst has 35,000 to 40,000 people associated with that base in New Jersey. There is a lot at stake for us in the State and in Northern New Jersey relative in the consolidation which I think will come on the military side in the next 2, 3, 5 years.

Freeholder Vohden made a statement. He said last year as part of our Economics Study, I contacted Mr. Peterson at Picatinny Arsenal and he informed us that there are over 700 Sussex County employees working there. If that was put on the Chamber of Commerce's ten largest employers it would be one of our larger employers so it is important to Sussex County. It is 700 good paying solid jobs. We can't afford to lose them.

Director Freeholder Crabb said nor the job that Picatinny does for the Country. All the research and new things that are coming out of there that are extremely important. We will do whatever we can to promote them certainly from our perspective.

Freeholder Vohden said we did do a resolution earlier in the year and we could do another.

A Q&A and comment session with the Freeholder Board followed the Presentation.

7. PUBLIC SESSION FROM THE FLOOR

(Please note: Everyone is asked to keep their comments to 5 minutes or less)

MOTION made at 5:23 p.m. by Freeholder Phoebus to open the meeting to the Public, seconded by Freeholder Vohden and pass unanimously.

Comment by Robert Walsh

Mr. Walsh from Vernon Township came forward. He stated he is a public school teacher and a Board of Education member. He does not represent any individual organization or political party and his comments are strictly from his observation. He thanked Mr. Eskilson for helping him when he called and thanked him for his dedicated years of public service. Mr. Walsh stated that public education is the conduit that sustains our middle class and enhances it. I believe the facilities should be updated in the areas of the gym and building a modern fitness center. The athletic fields need a lot of work and I also think building a pool should be considered. These improvements can also be used to provide revenue and increase the stature of the college. He also said that he has read a lot about the failure of the solar project. He believes the failure of it to be a systemic failure trying to single out individuals and blame them is wrong. Matters like this occur because our political system is run by a small group of people who are driven by a lot of money. You also have a very apathetic public that focus on matters that in the totality of things are trivial. I think government that work best are small municipalities and boards of education. These governments have tremendous transparency and fiscal responsibilities. When you see your constituents and components on a regular basis, this tends to happen. I thank you all for your service and hope you can work together in all manners.

Comment by Mike Lensak

Mr. Lensak, Mayor of Andover Township said that gentleman just said money was wasted. Who is held accountable? That is the only thing we are asking for, someone to be held accountable. I don't want to talk about the settlement I want to talk about the contract. You sent out a letter saying you are going to come to the Towns and explain.

Director Freeholder Crabb said he sent out a letter asking Towns to contact us before they deliberated.

Mr. Lensak stated we asked you to stop by and give us the facts. You said it was important that we hear the facts. Instead you went to Hopatcong behind closed doors and answered a few questions which they obviously were not happy with and they passed a resolution saying they were against the solar project. Why couldn't you do it in public? I don't understand what is so hard about doing it in public. We just asked you to come to Towns, ask you some questions and you would answer them and then move on. Since you won't come to us, I will come to you.

Director Freehold Crabb stated: We have not had any problems answering questions from Andover Township residents.

Mr. Lensak said I think you called us a "kangaroo court"? Is that really how you feel about us?

Director Freehold Crabb stated: I did not call you a kangaroo court. Nobody here did.

Mr. Vohden said that was the paper, not us.

Mr. Lensak said someone said it to the paper.

Mr. Lensak stated that everywhere he goes he gets slapped on the back and people are saying give them hell. People are fed up. Why was there no Performance Bond to protect the tax payers?

Direct Freeholder Crabb stated: I went under Vernon Vibes and explained the whole bond situation. I took a text form of that and mailed it to the NJ Herald last Friday and mailed it to the Advertiser; I would anticipate it being in the Advertiser tomorrow explaining the bonding situation. The Bond was held by MasTec and it was for Sunlight and for the MCIA. Neither Sussex nor Morris County nor Somerset County had their own bonding. That is how it works when you go through the MCIA. They tried to call that bond but MasTec actively said, "Fine but we are willing to do the work". Some have asked why wasn't their bonding on Sunlight? On all previous projects that MCIA ran with Sunlight and other groups that ran with Sunlight there was no bonding on the contractor, on the developer. Sunlight would be the developer, MasTec would be the contractor. Let's say we had a bond and we called it. They too could say we are willing to do the work but all the money is tied up in liens. So there was bonding on there and that is the nature of the Bond. Bonding does not mean free. In fact, if we were called upon to use the Bond we would still have the \$13 or 14 million in reserve that would have to go towards the project and we would still have all the outstanding litigation. That is the story regarding the bonds.

Freeholder Vohden stated a \$26.7 million bond would cost \$103,000 to secure the bond, the bond is not free.

Director Freeholder Crabb stated they were willing to do the work so there was no reason to call on the Bond.

Freeholder Phoebus asked wasn't there some bonding that Morris County and Somerset County put on these two companies for a period of time?

Administrator Eskilson stated no. They did not do public financing. At least the one in Warren uses similar bonding circumstance.

Director Freeholder Crabb stated the text that everything I have said and the questions that you are going to follow up with have been submitted to the NJ Herald and it has not been published yet and has been submitted to the Advertiser and I am anticipating it will be published tomorrow but I do not know for sure.

Mr. Lensak stated the bottom line is that the bond did not protect the taxpayers the way it was issued.

Director Freeholder Crabb stated they were willing to do the work; it was the court case between the two entities that tied everybody's hands.

Freeholder Vohden stated the court decided to hire an arbitrator and the arbitrator made the decision that the bonding company would not have to get involved because the contractor was willing to do the work but the funds were tied up. That is the way bonds work.

Mr. Lensak referenced Amendment #1 the release of the principal to pay interest rates; isn't that a ponzi scheme?

Director Freeholder Crabb stated he did not understand.

Mr. Lensak if you don't pay the interest on the bonds, where was the \$10 million?

Director Freeholder Crabb said the reason why this Board passed that first consent was because if the bond wasn't paid we would be in default. If we go into default then it becomes the same situation, we have all these bonds we have to pay off which would have been far more than what the settlement would be, there would be outstanding litigation forever. That is why this Board decided to move forward with it.

Freeholder Vohen said we would still be responsible for the judgement decided by the court.

Mr. Lensak asked but after the first year wasn't that a red flag that something was going wrong with the project.

Director Freeholder Crabb said there were ideas that things were not going as expected by that time but that is when it became a management exercise. Going into this there were two pieces: 1. What lead us into to this project and 2. When things didn't go as expected then it was a management exercise what do we do to try and make this a success, what do we do to try to manage this situation that was obviously not going to get to success?

Mr. Lensak said which leads us to next year and amendment 2 which is the exact same thing.

Director Freeholder Crabb said yes it was the exact same thing. Again, what we did there was extensions given. The net result if we didn't do that was Sussex County would be in default.

Mr. Lensak said once again it was slowly spiraling downhill. At that point in time red flags were up and it should have been handled at that point.

Director Freeholder Crabb asked, "Handled how"?

Mr. Lensak said well at that point in time you do not give more money to somebody and say pay more interest if you are leasing principal to pay interest.

Director Freehold Crabb said what do we do?

Mr. Lensak said that is considered a Ponzi scheme.

Director Freeholder Crabb said what should we? Go into default?

Mr. Lensak said that is when counsel comes into play.

Freeholder Vohden said this is Freeholder's comments and we should not be in a dialogue. He continued to say there are a lot of accusations, a lot of finger pointing, a lot of Monday morning quarterback from all of the people who are condemning the decision of the settlement. I ask what would be your solution. Seven months they were in negotiations to come up with this settlement.

Mr. Lensak said this was after two years of slowly watching it spiral downhill.

Freeholder Vohden said I am asking you now. What would have been your solution? To sit back and let this happen, some people make things happen, some people let things happen, some people say what happened, we are not going to sit here and say what happened. We made a decision to go forward with this settlement to save the Sussex County Taxpayers millions of dollars in additional litigation fees. The alternative would be to let them eat us out. If we lose a Supreme Court decision they are all on hold, they are done. Had we gone forward with this litigation and lost every one of these we would be so deep in debt. \$6.5 million would have seemed like pocket change to the no settlement. We did the right thing for Sussex County. I am proud to say that I voted to do the right thing for Sussex County.

Director Freeholder Crabb said this Board had to make decisions with an albatross of 22 incremental million dollars if we made the wrong decision. If the five or six party agreement collapsed that is what would have had to be passed on to Sussex County taxpayers. We would not have allowed that to happen regardless of the political implications. That was an albatross that was around my neck and nobody else's neck in reviewing this. If you made the wrong decision in critiquing this, it would not cost your taxpayers \$22 million.

Mr. Lensak said it would cost \$300 each, per person, per head, per household. It is costing the taxpayers and that is why I am here. People are upset.

Freeholder Vohden said the average cost is \$3 to \$4 per home per hundred thousand. That is the cost. What also would be lost would be the 55% of the projects to be completed, they will now be completed and they will continue to receive the SREC funding and will get the 16.01% federal funding that will continue to come in to offset the cost of this. That would all be gone, we would owe the 28 million settlement, plus all the court fees plus we still have to pay back the bond that we guaranteed.

Mr. Lesak said basically what you are saying is the original contract puts our butts on the line for everything.

Director Freeholder Crabb said leading up to this was a year process with a bunch of different check points. Before the meeting that was held where we approved that this Board would guarantee up to 50 million in their bonding. There was a big article in the New Jersey Herald saying the Freeholders are considering backing \$50 million in bonds for the Solar Project. There was not one objection from any municipality nor was there any objection in the meeting we had that day. We did not try to sneak this in. There was a big article in the Herald with no objections. Now that things did not go as expected because they did not, now there are all these objections. I understand that.

Mr. Lensak said because our taxpayers are being saddled with the bill that is why there are objections.

Director Freeholder Crabb said right now it is the County's responsibility based on passing that resolution to cover the bonds just like it would be to cover a new bridge like in Andover Township or any type of Rt. 517 repaving project.

Mr. Lensak asked where was the \$10 million of Sunlight Capital that was in your Sussex County evaluation report. Financial Security on page 26 no. 11 financial strength of Sunlight is \$10 million. What happened to that \$10 million and why was it not used to pay the interest payments?

Director Freehold Crabb said Bernie Re had released to everyone where every dollar went.

Mr. Lensak said they did a Sunlight General Solar fund in the amount of \$30 million, where did that money go?

Freeholder Vohden said all of these things will be looked at during the studies of what happened.

Mr. Lensak said that is why I am here.

Freeholder Vohden said you are not answering questions you are asking questions. I don't have the answers of what exactly went wrong, there are a lot of studies, federal studies, state studies, a lot of people are looking at this. But when we made the decision to settle that was of utmost importance. I feel terrible, we all feel bad. None of us expected this to go bad. We went in with good faith. There are only three of us left, Phil, Parker Space and Myself. We went in with what we thought was the best thing for Sussex County.

Freeholder Phoebus said I honestly think after all the work that I have done on this and I have read this back and forward and have talked to people, I do feel that Sussex County's Freeholder Board was given misinformation from Morris County. I really do. I think the Morris County Improvement Authority is to blame for a lot of this. I am going to say that publicly. I don't believe that any one of these Freeholders who sat here in 2011 was given the correct information from the Morris County Improvement Authority. I feel the blame on this entire project as far as I can figure it out lies with the MCI and I am very thankful that Freeholder Vohden has now said we would do a study to look at this.

Freeholder Vohden said I have said that from the beginning.

Freeholder Phoebus said we need to look at MCI.

Freeholder Vohden said we have to find out but when we made the settlement that was an important factor but the most important thing we had to do was to save the taxpayers of Sussex County from years of litigation, millions of dollars in loss from the judgement that was handed down by the court, still have to pay back the \$28 million. There was no place for us to go. We could have voted no on the settlement, we could have unanimously voted no but that would have killed the whole deal. I am not naïve enough to think that when you go through a serious seven month discussion to come up with a settlement to think you are going to go back in there and change a couple of details that would have fallen apart so quickly, everything would have been back in court. We would have litigation for years, we would still owe the judgement; we would still owe the bonding that we backed.

Director Freeholder Crabb said as it is indicated in the document that has been sent out that was in Vernon Vibes if a settlement was to be viable meaning that we would get our money back eventually, it had to be done within the first quarter because any settlement that would be viable would require the build out of the remaining sites by the end of this year. If that were to happen we would have had to get to Planning Boards in April in order to make arrangements to have these projects start in the summer time so they would not disrupt the school year. So here we are we not only have a \$22 million albatross if we made the wrong decision or if any piece of this collapsed across the three counties. If we were going to bring it in it had to of been brought in now. Those were the parameters that we were working with. Monday morning quarterbacks don't have those parameters. What we decided to do was to put Sussex County Taxpayers' first and then deal with the fall out.

Freeholder Phoebus stated: It is interesting that Mr. Pearlman is no longer with MCI as well as Gable is no longer there. It is also interesting, and I don't know if any other freeholders or if John has heard this but I have heard coming out of Morris County from two of their Freeholders that there is a development company that they have approached Sussex County; they have approached Morris County to buy the sites that have been built and to buy the sites that are not constructed yet. I don't know if that is true or not.

Administrator Eskilson stated: There are some firms that have been around the Counties that claim they have the silver bullet. We are obligated to follow up on that. To date, that has not warranted proof.

Freeholder Mudrick stated: Later on in this meeting, Mayor, we are going to have the first reading of the 2015 County Budget just like the 24 municipalities pass their budgets. With the settlement, had there been no settlement instead of approximately \$900,000 being put into the 2015 budget, there would have been \$2.3 million needed to be built into the budget or an increase in the County taxpayers of 1.73 percent approximately. That was just for 2015, in subsequent years in 2016, 2017, 2018 at minimum it would have been about the same. Those all had to be factored in to decisions when I was making my vote on to whether or not to settle or not settle.

Mr. Lensak said once again, I am not here to discuss the settlement; I am here to discuss the contract.

Mr. Lensak said I want to go back to the Solar Proposal Evaluation Form, the County security deficiency amount. In addition Sunlight has proposed \$1.5 million reserve fund to provide additional financial protection to Sussex. The reserve fund exceeds the annual bond service requirements. Once again, why did you release more funds if they had a reserve fund to pay the interest?

Administrator Eskilson said there was a reserve fund of \$1.5 million and that was subsequently used to pay debts with. The \$1.5 million was to protect against a drop in SREC market to protect against so that the debt service would be paid. That money was used to pay the debt service. The money was posted in October of 2013; I believe as consent #2, the money was posted and subsequently used to pay debts services if needed. And that is what it was used for.

Mr. Lensak said the second time. The first time it was the principal that used.

Mr. Lensak said NBC news in Philadelphia picked up an article where Mr. Eskilson is quoted saying "Bond Holders will be paid regardless Taxpayers will be paid. Then he is quoted to say the solar Sussex revenues amount to \$1 million annually. Is that correct?

Administrator Eskilson stated: I don't know where they got that quote from. The revenues right now are about \$1 million of the constructed projects. Those are projected to about double when the remaining projects are built out. That \$1 million represents SREC revenue and sale of electricity PPA revenue currently at \$1 million. There are additional funds that float in through a tax equity transfer out of Sunlight through the County as part of the settlement. I did not talk to anybody from NBC news but the \$1 million is about right for the revenue coming in off the currently constructed projects; the projects that are up and running. That is about right.

Mr. Lensak made a few more comments.

Comments made by Freeholder Larose

Mr. Larose said he was here a few months ago and acknowledged then that none of us were to be here discussing this. But I have watched what has been happening over the last couple of months and as a person who has been living in Sussex County for several decades, I have been shaken by what I am watching. I have no intention this evening to speak against anybody or to change your thinking. I would like to share my thinking. I truly don't want to offend anybody but I truly disagree with what I have been watching. 1. I think it is incredibly important that people understand that we wouldn't be here tonight if the settlement had not been voted for. There would not be this opportunity to talk. 2. I have been very disappointed that people have been spending their time some people writing an obituary of a patient that has not died yet. The emphasis that should be on our minds right now and moving forward is to make the best of a not great situation. I want to applaud three people tonight. Without disagreeing with the other two board members. Two people who originally voted for this project are sitting here tonight and working to make the best of an unhappy situation. A third board member who voted for the settlement did not have to do that but he chose to do that. If he had not done that we would not be here tonight. We would be in lawsuits across the board and God's know what that would have done to cascade down to Morris County and Warren County. I do not have a word to say against the people who voted against this settlement. I truly believe that they believe it was the right vote. But I do have to tell you that was an easier vote than voting for the settlement for two reasons. 1. They were not involved

originally and 2. They knew that the three of you would be voting for the settlement and could vote anyway they wanted and not bear the consequences of this thing collapsing before our eyes. So I applaud the three people who voted for it and I acknowledge and respect the people who voted against it. Three counts Hopatcong, Vernon and Sparta to best of my knowledge have responded to the attempts to have people removed from the staff positions in this County. I find that embarrassing and I find it unbecoming for Sussex County. If the Captain of a ship, which are our elected officials, steps aside from accepting a responsibility of what happened to our terrific county than everyone on board the ship is doomed. Five freeholders have been elected and voted to do this program.

Two of them are sitting here tonight. One of them is an Assemblyman right now. If those people think or anyone else thinks we can blame it on the staff than they should not be in an elected position because if the elected official don't take the responsibility there "ain't" nothing going right. I am going to say it again, we don't want to be here tonight, and it is not a good situation. I have my own beliefs whether we should have been involved. But the focus should be on our elected officials as a team working to find the best way to move forward in an unhappy circumstance. The amount of time, energy, and press that has gone into attacking various individuals and staff members is beyond anything I have ever seen. I have been in the military, I have been in business, I have been in government and boy when the days comes when you can turn to your staff whether they are right or wrong and use them as a smoke screen to the original responsibility, you should all walk out of here because we don't need a government like that if the staff are going to be blamed for mistakes. Staff makes mistakes, elected officials make mistakes. The staff can't blame the elected officials and the elected officials can't blame the staff. If anyone here and not everyone is here this evening does not want to be the one to take responsibility for their vote, they shouldn't be here. There are options facing this County that can mitigate this problem. There are options to make this much better; options that have not even been discussed yet. I am asking all of you to agree to implore each other, put aside this acrimony, and put aside this criticizing. We have enough people asking for investigations that we don't need to investigate the investigator at this point. We have sitting assemblymen who have asked for a state investigation. What is someone going to say if they come back and say nothing is wrong or if something is wrong? There is too much talk, too much energy, too much time being spent on who did what to who, who could have done otherwise. Some of the staff of the members that have been attacked has been here for years, decades. The old Homestead made millions for the County. It is kind of coincidentally to me that some of the same staff members that led you through the Homestead are now being thrown under the bus. If you take the Homestead Sale and the Solar project it is kind of a break even. We can't attack our own people. We need to give them better leadership perhaps; we have to do more homework ourselves. We can't hide behind those that are working for us. It was a policy decision to get into this business, not a legal decision, not an accounting decision it was policy. Again, I am speaking to some of the gentlemen that decided to do that. Let the blame fall with our leaders. That is what you are here for. Those of you that are here taking this heat, that is what you are asking for, leave it to you; to do the best you can to solve this problem the best possible way. I don't want to hear bad things about my County anymore. The citizens in this County expect betters and they deserve better and for those of you who will continue to take the heat and continue to work towards a better solution than what we know of today, I applaud. Thank you.

Comments made by Harvey Roseff

I don't think we should call anybody Monday morning quarterbacking If someone votes against this they are just as right as someone who votes for this. I think it is wrong to cast a vote in this situation because somebody looks back, everyone should be looking forward. That is part of the problem. We used the exact same people who got us into this mess to advise us on how to get out. We never deviated from it and that was terribly wrong. I don't think we should ever equate moving Homestead into a solar program. Homestead money provided services for seniors there was something tangible that came out of that. In this situation, we are toasting the money. Anybody here who thinks it is going to cost us a couple hundred thousand is crazy. If you disagree with me get a new finance person to look at this because the old one just walked out the door and that was Gable so did Pearlman. Pearlman cooked up all your legalese. Sunlight is our finance outfit. They are the one with the money. We did a SPE deal with them because they were the finance guys; where is their money? You did Amendment 1 you gave away the house because the people had no money in the game. They could not come up with \$1.8 million on this program, their very first bill and

they told you we can't pay the bill and you leaned over and took our construction money to pay the bond. Not only that, as the arbitrator has already shown us, liquidated damages could be declared by Sunlight without the approval of the contractor. MCI was in a position to approve payment for that demand. That is horrendous. You were ill served on your legal advice. I do not know who gave it. I have seen some of the executive session minutes. Pearlman is always here. Pearlman is not our lawyer. Actually as this progressed he was our antagonist and we kept bringing him in to our hen house. The wolf came into the hen house on our invite. That was wrong. This solar deal according to what Mr. Eskilson has told Hopatcong saved us 2cents a kilowatt hour on an 8 million kilowatt hour per year project. That is \$160,000 a year. For us to equate this to Homestead where senior citizens were taken care of for us to save \$160,000 true economic savings to bond 27.4 million. In the bid evaluation we had two for Sussex County but they were all swimming with the sharks. Everybody else on that committee got huge contracts. Morris County has released numbers. Sussex County has not released any number. Morris County gave a nice first report last week; they showed us where all the money went. Sussex County has not done that.

Administrator Eskilson stated we have done that.

Mr. Roseff said if that is true how much has Gable earned?

Administrator Eskilson stated about \$500,000. It has been on the website for more than a month.

Mr. Roseff said I have come to the meeting and I have not seen any papers for that.

Administrator Eskilson stated it has been posted on the website for a month.

Mr. Roseff said ok I will accept that. Gable sits on a committee to evaluate this and you are telling me that he just earned \$500,000. Maybe it is a little high of what has transpired but he had self-interest there. Pearlman sat on that committee and he immediately got the bond council piece. That is a huge payoff.

Freeholder Phoebus stated he was bond and general.

Mr. Roseff said by saying yes they had self-interest in the game. And we did not say anything about that. So when we say we didn't realize what we were getting into, it was apparently 6 weeks later. They all got contracts. I am not trying to say that the vote was in February and what you should do but we should be looking at how we got into this mess. When you do a Special Purposing Editing deal (SPE) and there is no money in it from the bankers and all the risk is put on contractor and public. In all honesty you have to recognize that you did not understand what a SPE deal is. Somebody in the very up front did not advise you what Wall Street SPE's are about, what to look for, what to understand. There was no free lunch. \$160,000 a year in electrical savings to justify \$27 million in bonding, I don't care what the federal subsidies are they are not enough to justify this. You finalized an expense item in being paid by total taxpayers, the people in Byram and the community college, the fact that they paid \$100,000 in electricity doesn't mean you go out and bond that it should be based on savings. The analysis was never correct here from day one. Lastly, Sunlight promised \$7.6 million of self-financed money, I haven't been able to find the \$7.6 million in self-financing that was supposed to match up to our \$27 million. Would any of you know what the oversight was on that? And what happened to their money?

Freeholder Vohden said this will be found out in the investigations. We have been having a dialogue here. I am enjoying it and I think it is good for all of us to hear what you all are thinking. I would like to know what you think. Would you have voted for settlement that we just approved and if not, how would you have gone forward?

Mr. Roseff said you followed a path to get to this point and I want to tell you about my path. About four years ago I went before Byram's council and I said don't get involved in Solar. I am not against solar. I was against this type of deal. I am not Monday morning quarterbacking. I don't think you should have done Amendment 1. Amendment 1 put you in the hen house, not only that you just sent \$6.5 million to the same SPE with all the same conditions. Amendment #1 says they can spend it on bond payments. Amendment #2 is also part of this deal. You actually sent \$6.5 million and if you look at the legalese in sending

the \$6.5 million the legelese says it can be applied to security. That is how bad the legelese is in this whole agreement. Why would you send \$6.5 million to the MCIA who then has the right to take a portion of that and put it in a security fund. We don't need security; we are trying to build out the construction project. I don't think you should have ever done Amendment #1. You have bankers who were playing you. They did not want to put any of their own money into the game. A small little sum like that and they are going to risk the whole project; you are worried about risking the whole project from your side but they have the same risk, the same hit on their business, their reputation they are all over the state with some messed up jobs and some good jobs. They have the same concerns and they played you. That is my view Amendment #1 and #2, they played you. They did not want to put any money into the game. They got you to change the legelese. Then you arrived at a time where you had to do some real good negotiating which was roughly a year ago if not longer; it was definitely before 2014 started. You knew you had to start doing something. At that point you needed new advisors and you never got new advisors so you had tunnel vision the whole way with the same people who dug your hole. Indirectly I am going to answer you, if you are going to wait for the very last minute and say I have to do this deal there is no other way to get out, you had a good 13 to 15 months before that where you had to start holding people accountable and those people were predominately the MCIA. The only reason I am saying this is with the MCIA you relied so heavily on their professionals to channel your thinking process and that is the mistake that lead you to a very tough decision in February.

Freeholder Vohden asked Mr. Roseff would you have voted for the settlement.

Mr. Roseff said I think you had to negotiate and you had to attack and everything I am hearing I don't hear anybody attacking. All I hear all the time is this was the best deal that the taxpayers could get.

Freeholder Director Crabb asked is there a risk if we attacked and things did not work out and things collapsed are you considering the \$22 million risk?

Mr. Roseff said I think your losses will be 10 to 20 million dollars. I don't want to say I am an expert here.

Freeholder Vohden said it is hard to look ahead for a month to see where we are going to be to see what could happen. It is even harder to look ahead to next week. For us now to look back over the next three years it is not Monday morning quarterbacking. We see what happened. It is easy to understand what happened. It is all going to come out in the examination of this process. It is easy for me to figure out then. What are we going to do between now and next week? These are the tough decisions.

Mr. Roseff said I will leave you with a thought? You have asked me if I would have voted for this. I personally don't think so would be my answer. I think you really had to push back.

Freeholder Vohden said just let it go.

Mr. Roseff said you don't let it go. You were played. I want to say one more thing which bothers me the most and everything that I have read and I have some knowledge of SPE's and why they are constructed and how they have been promoted all around the nation other than solar. But in the bid evaluation documents it said Sunlight was going to put in \$7.6 million of self-financed capital. When you go to the bond it says that money is going to come from federal subsidy loans down the road and Amendment #1 plays out that picture. I am just wondering how that \$7.6 million become other people's money when it came time to put signature on the piece of paper.

Freeholder Vohden said this is something we will have to get to the bottom of. This is something we would not have known about before it happened.

Mr. Roseff said this whole deal is about a public-private partnership and the essence of that deal is the private side is into the game, the private side has risks, and the private side puts up the loan.

Director Freeholder Crabb thanked Mr. Roseff for his comments.

Comment made by Ms. Murphy

I am a Vernon Township Council member. She wanted to get clarification on what Mr. Larose as had. She thought Mr. Larose said that Vernon Township asked for resignations. Mr. Larose did not say that and clarified what he said. He said he was applauding Vernon, Hopatcong and Sparta for asking for more information. I just wanted to get confirmation for the record.

Comment made by Anne Smulewicz

Ann Smulewicz, Wantage came forward. She said she enjoyed what Mr. Roseff said. She said she agrees with him. I want to go back to 2011 and I want to talk about Parker Space and his saying this was a good thing. Sue Zellman was a part of it, along with Phil and Richie. They are people I happen to respect. I think when you look at that scenario at that time our gas was near \$4 a gallons, energy costs were devouring budgets and some business people got together and took a look, they recognized that no matter how apprehensive we might have been individually Solar was the way of the future. That was the way society was being pushed along with windmills and that was the way we were going. So I applaud Sue Zellman, Parker Space, Richie Vohden, Rich Zeoli, and Phil Crabb for having recognized a serious problem existed and as business people stepped forward we will address it. I am disappointed that Parker is not standing up as saying yes and saying as a businessman I feel I made the right decision. I know that everybody will be exonerated in the future. We just happen to be here and now. I am going to address some people not necessarily in the order of importance. Although gentlemen, I am as important as the first speaker. I belong to the community. He is hearing that people are upset. I am hearing people were upset. If the Herald reported a little bit more they wouldn't be as upset because they would have the information. Now it has been reduced to, it is political, it is election time. What do you expect? So there is a contrary view and as most of you know I get around in various communities so I have a background that I can draw from. John, I want to go to you first. When did you become the bad guy? What caused you to be the bad guy and why were you suddenly after listening to people praise you and justifiable so. Now suddenly you are vilified. I want you to know that I have never considered you to be the enemy. And I think it is time for people to put things in proper prospective. Bernie Re, he is one of the most A-political people we could know. He is just doing his business and suddenly he is dragged into this situation. I want to go to you Richie, all the years that you have donated your time in making your community better. How many boards did you serve on for zero payment and now you are working for a County and as far as I am concerned you are making a little more than zero payment for all work you have done. I think that needs to be recognized. I want to go you Phil and how many times have you gone out and protected your neighbors' property and your neighbors' lives and many years where you volunteered for zero payment. Dennis, I so admire you. I just so admire you. I have come to know you. I have come to know you as a family man, the husband of Pam, who you speak very highly, the father of three sons and an educator who is well respected. Dennis, I so applaud you that when you looked at this you had the courage to put your political aspirations in the back seat and that you chose to serve Sussex County first at whatever cost probably by this time being aware that people would be critical of your decision but I admire that decision. So we are here now. As this gentleman said not in the most enviable positions but there is no question in my mind none whatsoever that you people that voted for this will be exonerated. I think the dust is settling and people are starting to take a calmer view of things. I think I agree it was a bad political scenario that dragged down a lot of good people. But there are a lot of good people who still know you did the right thing and I want to thank you.

Comment made by Cheryl Thom

Cheryl came forward and said having been a past president of the Sussex County Fireman's Association, and having worked for several fire marshals during my 34 career with the County, I am here to ask the Freeholder Board and the County Administration to please do right by our volunteer fire fighters and change the wording in the administrative code so we can continue to have our fire coordinators respond when we need them.

Director Freeholder Crabb stated I have done some research and I read the article today in the paper. He said currently the powers and duties of the Fire Marshal shall act as advisory capacity to all the fire companies in the county, conduct or assisted when requested by the Commander or the Fire Chief of the fire department having jurisdiction. Investigations pertaining to the cause in origins of fires conduct a review study pertaining to the elimination of fire hazards and subject to approval the Board of Chosen Freeholders have authority to enforce the provisions of the Uniform Fire Safety Act, etc. The County Fire Marshals are to report to the appropriate authority as determined by the entity over the executive functions of the County. That is something that is in place now.

What the question is over is the causes that provide municipal fire departments to such an assistant as necessary to coordinate control or extinguish any fire situation or other emergency situation for which a fire department has responsibility by local ordinance when requested by the instant commander or fire chief of the department having jurisdiction. As mentioned, I have been a fire fighter for a long time. I have served 4 or 5 fire marshals. That is exactly what a fire marshal does on the scene.

Cheryl Thom said I think when the administrative code was rewritten; I think the wording was an oversight by previously words. Since he has changed to full time it needs to be worded correctly.

Director Freeholder Phil Crabb said I would ask this Board to review. That is to make sure our fire marshals can go out and do the things that I know they do every single time they go out. Because the first part that I read is what happens after a fire, the investigation part. The current part I read is what every fire marshal I have worked for with does.

Cheryl Thom said it is not actually the fire marshal it is the fire coordinator. I think we are one of two counties in the State of New Jersey have a dual position.

Director Freeholder Crabb said in regards to the bigger issue it is a personnel matter in regards to benefits. What I think we need to do is take a look at this and make sure it is placed in there because it won't have any effect on the other larger situation because of other factors that are geared into it. The thing that I note is where the fire department has responsibility by local ordinance there has to be a companion ordinance at every one of these town too. Since I have been here nothing has changed. We have not taken anything away from this fire marshal that any other fire marshal had.

Cheryl Thom said I know that. I think they are under the impression now because of the judge's ruling that certain words in that ruling that we are not going to be able to have our fire coordinator respond until it is fixed.

Director Freeholder Crabb said that cannot be the case. You are talking to a fireman here that even during the roughest years when we were laying off people and selling facilities that we made sure we had the full \$300,000 that went to the fire academy. I believe still that we send yearly nominal funds out to the fire departments and even more importantly to the rescue squads.

Freeholder Phoebus asked: Are they covered by insurance?

Director Freeholder Crabb said they are covered by insurance when they go to a fire scene. I think we need to take a close look at this. There is a lot of legelese. It was not something that was taken about from any previous fire marshal. We have a fire marshal that we have full respect for and that is why we made him full time. There are other more categorical issues why the court case. We need to cover this and I am in complete agreement that there is a hole in how we are describing the responsibilities of the individuals and they are the fire marshal plus the two assistances than we need to make that whole.

Cheryl Thom thanked the Board.

MOTION made at 6:20 PM by Freeholder Vohden to close the public session, seconded by Freeholder Phoebus and passed unanimously.

8. FREEHOLDERS' COMMENTS

Comments by Freeholder Vohden

- **Human Services Advisory Council**

They will be hosting a presentation entitled "Maintaining Home Ownership in Sussex County" One of the goals in offering this presentation is to develop a program for Sussex County homeowners that feature education on the prevention of foreclosure as well as intervention options to avoid foreclosure. Administrator Steve Gruchacz said the department has also spoken with several mortgage companies and banks seeking the way to include the information in the monthly mortgage statements and looking for ways to involve the Federal Housing Administration. He has recently spoken with a couple foreclosure attorneys that are willing to help with more advice. Human Services has been receiving a lot of calls from interested parties looking to attend these meetings. Any advice for solutions to the high foreclosure rate in the county will be considered. This past Monday night he received a recorded phone call from an organization offering foreclosure assistance from a Washington, D.C. phone number.

- **SCARC and Northwest Christian School**

Both of these events had a great turn out with really good attendance and a very successful fundraising. I hope the County fundraisers continue to improve.

- **Census Bureau**

March 26, 2015, the Census Bureau released their latest population estimates. It showed that Sussex County again has lost more residents and a higher percentage of residents leaving than all the other 21 counties. Current population estimate is 144.9 down from high a 154.5 in 2008. That is a loss of over 9,500 residents almost 7 percent of the County. Other counties are seeing less of a loss because immigrants from other countries are replacing those that are leaving. That is not happening here in Sussex County. We are losing our wealthiest residents, our retirees, our millennials and we have less school aged children.

- **Highlands Council Committee**

Freeholder Vohden attended the Highlands Council Committee meeting where they are reviewing the Highlands Regional Master Plan which is the planning document for 38 percent of Sussex County. He brought back a copy of the Master plan for each of the Freeholders.

Comments by Freeholder Mudrick

- **Recent Retirees from County of Sussex**

Freeholder Mudrick recognized the recent retirement of Virginia Tomala, Josephine Springer, Bert Oudshoorn, and Susan Settineri for their years of service to the County of Sussex.

- **SCARC**

Freeholder Mudrick attended the meeting on March 26. He stated it was very well attended. There was quite a bit of money made for the SCARC Foundation.

- **Annual Awards Program for the Sussex County Chamber**

Freeholder Mudrick attended the Annual Awards Program for the Sussex County Chamber at the Lake Mohawk County Club. Tammy Horsfield was given a Proclamation. Again great things are happening in Sussex County. He said it was the best turn out that he can recall.

- **Thank you**

Freeholder Mudrick thanked all the individuals who spoke. Whether it was on the Solar matter, on a public safety matter or whether it be Mr. Walsh, Mr. Lensak, Freeholder Larose, Councilman Murphy, Mr. Roseff, Ms. Smulewicz, Ms. Thom, I know for certain that one of the things that makes us the great County that we are, is the give and take and I think as people have an opportunity to express themselves as we continue to look forward will be a good thing. I am reminded of what Freeholder Graham said and I am going to read it for verbatim from the February 25th meeting, he said “now that the Board has to move on and put this behind them and get this implemented in the best way they can and stand firm on that” he also said: “anybody that throws any criticism regarding transparency, those are unfounded”. This Board has done this the most transparent way that we could and any documents that this Board has had to hold back on had to do with things that they could not talk about. When I go into an executive session I take an Oath and when I take that Oath I take it very seriously and could not jeopardize any possible agreement by violating that Oath. Once a vote is taken it is a body as a whole and I think on the plus side and not so plus side of that vote that we as a Board need to come together and move forward for the best interest of the taxpayers who we have the privilege to serve. Thank you.

Comments by Freeholder Phoebus

- **Lackawanna Cutoff**

Freeholder Phoebus spoke with Bruce Scruton about the Lackawanna Cutoff and our permits. We do seem to have movement within with different agencies to try and get this straightened out. We have the permits from the DEP, now we have to get the NJ Transit to get moving on this. Freeholder Phoebus thanked Bruce because this is something we have been waiting a very long time for and she really does believe we need some pushing and we are getting that from Congressman Frelinghuysen’s office, Senator Oroho’s office, the 24 district and try and push this forward. I really believe this will help us in Sussex County by being able to attract people. As we all know many of the millennials do not own cars and this would get them out here and enjoy the recreation. Freeholder Phoebus said Tammy Horsfield does a nice job with what she does but I do believe at some point that us Freeholders should look at putting a small amount of money together to do some type of advertising as other counties do such as the Pocono’s, the Jersey Shore that has nothing to do with the Chamber but has to do with us trying to entice people coming out here. I think there is a very easy way to look at the statistics on this because there is a course at the County College that does do this and maybe we could ask the professor of that course if they could look at what people are looking for in Sussex County and what we have to offer. We have huge amounts of Federal parks; State parks, hiking, fishing, horseback riding, golfing, skiing and I think we need to market that better with social media and the County Website. I have spoken with a few relators in the last few weeks and they are selling quite a few homes especially in the lakefront areas as summer homes for people in Manhattan. Freeholder Crabb said he would like to work with Gail on that.

- **Ginny's House**

Freeholder Phoebus said they are doing a wonderful job. It is their month and they are going to do promotions on the square next Saturday. This is a really nice to what they do because they do a really nice job for the community.

Comments by Director Freeholder Crabb

- **SCARC Dinner**

Freeholder Crabb went to the SCARC dinner where Mr. Bernstein was there from the Watergate fame. He said he disagreed with Rob Jennings that there was conflict between the audience and him. Freeholder Crabb felt there was a nice give and take between him and the audience. It was exciting for me to see him there. It was the summer of '74 when Richard Nixon resigned. A month before he resigned, the only lottery that I ever won was the draft lottery. I was number 16. The draft ended right after his resignation, it was fascinating to see someone that was at the crux of that time. I felt he was very entertaining and informative.

- **Thank you**

Freeholder Crabb said later on we are going to introduce a budget that came out to 0.78 percent. This would not have been possible without the solar settlement. I can tell you we took a hard look at bringing it down to zero but we had our financial advisor from Nisivoccia sitting there and we did not want to turn this into a political budget at all. I would like to thank the senior staff. This was tough, it may not have been 2009 but it was tough trying to get our arms around all the different dynamics that are happening at the same time. I have to say that we are introducing in April rather than late February or early March is because truly there has not been time to get to business as usual. We are glad to satisfy all of the requests for OPRA's but it is all consuming at this point. We are trying to reframe things to try and get back to business because we have a ton of business to get to this year. I would like to thank again the Capital Projects Committee because they all worked very hard to get to the point we are today to introduce with a 0.78 percent budget.

9. APPROVAL OF CONSENT AGENDA

- A. RESOLUTION RE: PAYMENT OF BILLS
170-2015
- B. RESOLUTION RE: AUTHORIZING THE ISSUANCE OF PURCHASE
171-2015 ORDERS IN COMPLIANCE WITH N.J.S.A. 19:44A-20.4
ET SEQ. FOR VARIOUS SERVICES, WITH
ACCUMULATED VALUE LESS THAN THE BID
THRESHOLD
- C. RESOLUTION RE: AUTHORIZATION TO PROVIDE FOR THE PURCHASE
172-2015 OF ONE VEHICLE (DODGE CARAVAN) BY THE SUSSEX
COUNTY OFFICE OF FLEET MANAGEMENT FOR THE
LIBRARY SYSTEM (*Cost of new vehicle is \$20,210.00. This new
vehicle will replace the Library van (#848) that was totaled in a car accident.
Insurance will be paying \$12,716.00 plus \$1,000.00 deductible*)
- D. RESOLUTION RE: AUTHORIZATION FOR THE FREEHOLDER DIRECTOR
173-2015 TO EXECUTE A CONTRACT FOR STATE FY 2016 ON
BEHALF OF THE COUNTY OF SUSSEX WITH THE NEW
JERSEY DEPARTMENT OF MILITARY AND VETERANS
AFFAIRS FOR THE PROVISION OF TRANSPORTATION
SERVICES TO SUSSEX COUNTY VETERANS

- E. RESOLUTION RE: AUTHORIZATION NOT TO EXTEND THE CONTRACT WITH EMERGENCY COMMUNICATION NETWORK, LLC (CODERED) AND UTILIZE THE STATE CONTRACT FOR THE SUSSEX COUNTY COMMUNITY NOTIFICATION SYSTEM (*The County of Sussex will be utilizing State Contract # 77560 for these services with SHI International Corporation (Swift 911) in the amount of \$29,995.00*)
174-2015
- F. RESOLUTION RE: AUTHORIZING THE ENTRY INTO A PROFESSIONAL SERVICES AGREEMENT WITH ATLANTIC HEALTH SYSTEM/NEWTON MEDICAL CENTER AT A RATE OF \$1,200.00 PER DAY FOR INPATIENT SERVICES AND \$600.00 PER DAY FOR INPATIENT BEHAVIORAL SERVICES (MENTAL HEALTH) FOR THE PROVIDING OF MEDICAL CARE TO INMATES OF THE KEOGH-DWYER CORRECTIONAL FACILITY PURSUANT TO N.J.S.A. 40A:11-5(1)(a)(i)
- G. RESOLUTION RE: AUTHORIZATION TO ENTER AN AGREEMENT WITH THE LAND CONSERVANCY OF NEW JERSEY TO PURSUE THE ACQUISITION OF A DEVELOPMENT EASEMENT ON THE SYBERG FARM IN STILLWATER WITH FUNDING FROM THE LAND CONSERVANCY OF NEW JERSEY AND THE COUNTY OF SUSSEX(*The Land Conservancy and the County Agriculture Development Board re-affirmed its support of funding the farm in November 2014. The agreement would authorize the County to provide 50% of funding and the Land Conservancy of New Jersey providing the remaining 50% of funding.*)
176-2015
- H. RESOLUTION RE: GRANTING A WAIVER OF PLANNING BOARD FEES TO THE PROJECT KNOWN AS SUSSEX COMMONS.
177-2015

The Board of Chosen Freeholders of the County of Sussex has reviewed the Consent Agenda consisting of various proposed Resolutions and determined that adoption of the said Resolutions is in and will further the public interest.

MOTION made by Freeholder Vohden to approve Financial Consent Agenda, seconded by Freeholder Mudrick.

On Roll Call the vote was:

Freeholder	Mudrick	Yes
Freeholder	Phoebus	Yes
Freeholder	Vohden	Yes
Freeholder	Director Crabb	Yes

10. APPROVAL OF MINUTES

None

11. APPOINTMENTS AND/OR RESIGNATIONS

1. RESOLUTION RE: APPOINTMENT OF MELISSA BISCHOFF (Provider – Female), SEAN HYLAND (Consumer Advocate-Male) KATHY PROSS (Provider – Female) and ADELE WINES (Consumer – Female Community Member) AS MEMBERS OF THE SUSSEX COUNTY HUMAN SERVICES ADVISORY COUNCIL FOR A TERM OF THREE (3) YEARS. TERM TO BEGIN IMMEDIATELY AND TO EXPIRE DECEMBER 31, 2017
178-2015

MOTION made by Freeholder Mudrick to adopt this Resolution, seconded by freeholder Phoebus and passed unanimously.

12. RESOLUTION

1. RESOLUTION RE: AUTHORIZING THE EXECUTION OF A BOUNDARY LINE AGREEMENT AND A DEED OF EASEMENT FOR DRAINAGE TO ORLANDI PROPERTIES, L.L.C., FOR PREMISES DESCRIBED AS TAX BLOCK 5.01, TAX LOT 16 ON THE OFFICIAL TAX MAPS OF THE TOWN OF NEWTON, SUSSEX COUNTY, NEW JERSEY
179-2015
2. RESOLUTION RE: GRANTING ACCESS EASEMENTS TO THE OWNERS OF TAX LOTS 7.01, THROUGH 7.07 IN BLOCK 74 AS SHOWN ON THE OFFICAL TAX MAP OF HARDYSTON TOWNSHIP, SUSSEX COUNTY, NEW JERSEY
180-2015
3. RESOLUTION RE: REJECTION OF BIDS FOR THE AWARD OF CONTRACT FOR THE PROFESSIONAL TEST SERVICES FOR THE DEPARTMENT OF ENGINEERING AND PLANNING 2015-2016 FOR THE COUNTY OF SUSSEX
181-2015

MOTION made by Freeholder Vohden to adopt these Resolutions, seconded by Freeholder Mudrick and passed unanimously.

13. AWARDS OF CONTRACTS/CHANGE ORDERS/BIDS

A. Awards of Contracts

1. RESOLUTION RE: AWARD OF CONTRACT FOR THE SAFETY ENHANCEMENTS TO SUSSEX COUNTY ROUTE 519 (TOWN OF NEWTON, TOWNSHIPS OF HAMPTON AND FRANKFORD) AND ROUTE 560 (TOWNSHIP OF SANDYSTON) - FEDERAL PROJECT #HSP-C00S(620), SUSSEX COUNTY 2014 HIGH RISK RURAL ROAD PROGRAM
182-2015

MOTION made by Freeholder Phoebus to adopt this Resolution and seconded by Freeholder Vohden.

On Roll call the vote was:

Freeholder Mudrick	Yes
Freeholder Phoebus	Yes
Freeholder Vohden	Yes
Freeholder Director Crabb	Yes

14. FINANCIAL

1. RESOLUTION RE: APPROVAL OF 2015 LIBRARY BUDGET AND CERTIFICATION OF 2015 LIBRARY TAX LEVY
183-2015
2. RESOLUTION RE: APPROVAL OF 2015 COUNTY HEALTH BUDGET AND CERTIFICATION OF 2015 HEALTH TAX LEVY
184-2015
3. RESOLUTION RE: APPROVAL OF THE 2015 BUDGET OF THE DIVISION OF SOCIAL SERVICES
185-2015

MOTION made by Freeholder Vohden to adopt the Resolution and seconded by Freeholder Mudrick.

On Roll Call the vote was:

Freeholder Mudrick	Yes
Freeholder Phoebus	Yes
Freeholder Vohden	Yes
Freeholder Director Crabb	Yes

INTRODUCTION FOR FIRST READING – RESOLUTION

**RESOLUTION RE: 2015 COUNTY BUDGET AS APPROVED
186-2015**

MOTION to adopt this Resolution on First Reading. made by Freeholder Mudrick and seconded by Freeholder Vohden.

On Roll Call the vote was:

Freeholder Mudrick	Yes
Freeholder Phoebus	Yes
Freeholder Vohden	Yes
Freeholder Director Phil Crabb	Yes

MOTION to authorize the Clerk to advertise this Resolution as introduced for first reading, and also post same on the bulletin board in the lobby of the County Administrative Center, together with a Notice of Public Hearing stating that a hearing will be held on May 13, 2015 at 5:00 p.m. prior to final adoption of this Resolution made by Freeholder Phoebus and seconded by Freeholder Vohden and passed unanimously.

15. PERSONNEL

A. Personnel Agenda

MOTION made by Freeholder Mudrick to approve the Personnel Agenda, seconded by Freeholder Phoebus and passed unanimously.

16. ADMINISTRATIVE REPORT

A. Other

Mr. Eskilson thanked the Budget Committee and the Capital Projects Committee and Bernie and Rob for all of their long hours and Ruby. For the record, on the Capital Projects Committee while the new debt has been limited by the Project's Committee by \$10 million and there are over \$21 million worth of Capital Projects being done as part of this budget more than half being paid for by grants. There is almost \$11 million worth of grants to support more than \$21 million of capital projects and that represents a lot of hard work including folks in engineering. Lastly, for the record, for the first time in 28 years sitting in a chief position, I will not be able to make a budget hearing, I will be in route to Portland with the State of NJ and our Juvenile Detention Initiative Committee to look at the Momouth County Juvenile Detention Program that is recognized as a model nationwide we are looking beyond the juvenile detention alternatives in Sussex County as well as other Counties around the state.

Freeholder Phoebus asked about the VA Cemetery.

Mr. Eskilson said we are getting closer. We are still working on the crossing issue. The County owns about 9 miles of old rail right-of-way and for many years the county has been trying to work with the DEP to convey that into their trail system. It has a nice length into Lafayette area and goes into Franklin and has some future potential linking further north. Some of the easements were for crossings to protect owners who cross our right-of-way now. There will need to be additional easements with Sussex Tech. The last piece are

easements on the old county rail right-of-way and we are working with Counsel and the Vets group to resolve that matter and it stills need to described.

Dennis McConnell said he is working with a surveyor who is putting a lot of time in to this, the Cardell Group. I got permission from their counsel to work directly with her. We are getting real close.

Mr. Eskilson said the cemetery needs that not us, because they have to traverse our right-of-way and what ultimately may be at the DEP right-of-way to get to future grave sites on the back end of the property.

Freeholder Crabb said just to clarify that the total county budget is over \$100 million but that includes grants.

Mr. Eskilson said what really is important, the budget last year was \$100 million in change and the budget this year is \$105 million in change. It is impossible in 30 seconds to describe the arcane world of county regulations and county budgeting but there is an item for assistance to mentally challenged residences in the county, it is an in and out line item. The county sends out \$3 million and simultaneously we send it back to them for their stuff. I don't know why. They have been doing it this way forever. What is important is the levy on the current fund is going up under 1 percent and when you add all four levies up all together and this is how we have looked at this for the last six or seven years that number is up 0.78 percent less than 1 percent.

17. COUNTY COUNSEL

Mr. McConnell had to report for this meeting.

- A. Capital Projects
- B. Litigation
- C. Contract
- D. Other Matters

18. UNFINISHED BUSINESS

Freeholder Vohden said that he is bringing this up under old business because it deals with Sussex County's Economic Recovery. The population is declining faster than any other County. We have lost almost 7 percent of our residents. According to all the statistics that I have read is that we are losing our wealthiest residents, retirees, and millennials and we have also lost proportional school students. Leading the studies are economic developers reports and the different poles around the state on why the population is declining I find we are losing our wealthiest because they are leaving to establish out of state residency to avoid the extremely high taxes and the income over \$500,000 and to avoid inheritance and death taxes. Our retirees are leaving for lower property taxes, more affordable home prices, more affordable life style, their pension checks not being taxed in some states and in some states there is no income tax. We can help with some of that. The millennials are leaving for better paying jobs. I don't know what we can do about that. For housing they can afford, the avoidance of auto cost, fuel and maintenance and the big one is to live the millennial life style which does not exist here in Sussex County. Other counties are seeing less of a loss because of recent immigrants from other countries replacing the people that are leaving. This is not happening here in Sussex County because there are fewer jobs and there is a lack of affordable housing for these people to move into. Also a lot people that I have talked to about this think the decline is a good thing; that we are maintaining our rural character, we are going back to the way it was but along with that declining population we face the decline in home values, decline in tax base, decline in school enrollment all this has an effect on our increase in taxes.

Freeholder Phoebus said if this continues the towns including the County will have to look at what we provide for our residences.

Freeholder Vohden said there are some things we can do. We can support Steve Oroho's bills on New Jersey for inheritance and state tax. He is the primary sponsor for two bills S353 and 311. Both of these bills have bipartisan support and would revise the inheritance tax and the state tax which are encouraging our wealthiest residents to leave. The argument against removing or revising these taxes is we rely on their taxes since they are the highest tax payers to balance the budget. The argument in favor of supporting these bills is when the wealthiest residents who pay the largest percentage of the state taxes leave you lose the death taxes that they would pay and their income taxes so we need to do whatever we can to prevent our millionaires from leaving and the loss of that income. It would be in our interest to pass resolutions in support of Senator Oroho's bills.

MOTION made by Freeholder Vohden to prepare the resolution supporting his bills and seconded by Freeholder Phoebus and passed unanimously.

Freeholder Vohden said Argo Tourism is a growing industry in Sussex County and is going to become even more important than it is. The Delaware Water Gap Recreation Area can become an even more important part of our economic recovery. The Delaware Water Gap Park is nearly 7,000 acres and is here in more of the more densely populated in the country. It is amount the top 20 most visited parks in the natural park system. We get an average of approximately 5 million visitors a year. The park is celebrating its 50th Anniversary this year and the Park Services is in the process of developing a Visitor Use Management Plan. The purpose of this plan is to encourage access to examining current and potential visitor opportunities and develop long-term strategies for providing access and manage visitor use. 5,000 visitors will spend a lot of money in Sussex County. Each year park visitors' spending supports 1750 local jobs and puts 2.5 million into local and state government coffers. The park service employment supports 1.9 million in local wages and for every dollar of federal government investment in the park the yields are \$24 in sales to local businesses but most of these economic benefits are recognized is Pennsylvania, the other side of the river. We don't see what I believe we should be seeing over here in New Jersey. We need to do more of what we can to bring more of those benefits here. The Park Services has a listening session process going on. It is an opportunity for us to get out there and comment; express our interest to give us more of an opportunity here. We need to work with the Chamber of Commerce, hunting and fishing clubs, legislatures, the trail group and etc. and ask for more activity on this side. Last night there was a public input listening session about the management in Stroudsburg, tomorrow night there is another one in Parsippany and on Wednesday, April 22nd from 8:30 AM to 1:30 PM the Park Service Conservation Association is holding a meeting on the management plan hosted by the Sussex County Chamber of Commerce to be held at Perona Farms. I think we should try and attend that and make our comments known.

Freeholder Vohden said a couple of weeks ago we learned that there may be a new 100 room hotel constructed in Wantage. Monday at the review development committee we learned that there is an application to build another 100 room hotel in Sparta as part of that developmental plan in the vicinity will be on Rt. 15 and White Lake Road. All of our economic consultants have stressed the need of overnight facilities to help with the growth of ecco-tourism in Sussex County. I would like a recommendation for another resolution we consider at our next regular meeting to request more opportunity for economic development in the park on the New Jersey side of the Delaware River by the park service. Freeholder Crabb said without objection we will start to do.

Freeholder Vohden said he would like to instruct our planning development through the engineering to prepare comments to be submitted to the National Park Service to express our ideas and concepts to be considered in the process of developing a Visitor Use Management plan in New Jersey.

Mr. Eskilson said he will ask our Planning Director through the County engineer to submit to you for consideration so that whatever went out will be the official position and not done independently and that those comments and remarks come back to this Board. Freeholder Vohden said maybe we can use some of the comments from Sussex County residents at these other meetings.

19. NEW BUSINESS

Freeholder Phoebus said she attended a Chamber Business for Mt. Olive. It is Sussex County and Warren County. She went to it because it is very active and her business pulls a lot of business from outside the county. This is an excellent Chamber. I really suggest that people who are in business in Sussex County especially in the South of the County to attend their meetings. It is a smaller Chamber but they are extremely active. There is a lot of business in Mt. Olive that borders Sussex County. They have the trade zone completely filled and they have a plan for BASF. I encourage anyone to go to that. I will supply you with the dates. I would like my business to become a member.

20. PUBLIC SESSION FROM THE FLOOR

(Please note: Everyone is asked to keep their comments to 5 minutes or less)

MOTION made at 7:30 PM by Freeholder Mudrick to open the meeting to the Public seconded by Freeholder Phoebus and passed unanimously.

Comment by Anne Smulewicz

Anne Smulewicz of Wantage Township came forward; she wants the New Jersey Herald to be more active and get behind Sussex County more. She said Freeholder Phoebus has brought up some interesting points. She wants the paper to behind this, to go report things, to be more active. She said maybe we could use other papers.

Comment by Skip Danielson

Skip Danielson, 18 Hunter Lane in Byram Township came forward and thanked Director Freeholder Crabb for what appears to be a positive approach in regards to the issue with the Fire Marshal Coordinator. One of the first fires I was on was as a member of the Forest Fire Service was in Franklin on top of the mountain across from the diner, when Director Crabb was learning to walk. This is very important. Our County is one of two or three in the State that relies on volunteer professional fire fighters. A lot of the other counties have a group of career fire fighters and career fire chiefs. Sussex County, Warren County, Hunterdon County, maybe one or two in South Jersey do not have any paid career fire fighters. It is very important from the point of continuity that the person we put in the position of Fire Marshal/Fire Coordinator is somebody who is there to serve and carry on and assist our local volunteer fire chiefs as they assume their roles, many for first time, January 1 of each year. The Fire Coordinator was always under Emergency Management under the old civil offense statute. After 9/11 that changed because they put in the Fire Coordinator position in Title 40A. It also modified the Fire Marshal's job at the same time. It crossed over. Again, we are one of two counties in the state that have one person handling those two roles and in my opinion it is the best way to do it. If you were around when we had Able Energy in 2002, and to see the coordination and the effort that was made by that Fire Coordinator and he was in just as much danger as any of the fire fighters fighting that fire. And that goes day in and day out in this county. We had over 50 fire companies here over a period of a week to fight that fire. It is very important that we do right by the position and very important that we do right by the person who is holding that position because he is doing a great job.

Comment by Freeholder Phoebus

Freeholder Phoebus congratulated Skip Danielson on his son's promotion to Chief of Police for Andover Township. He will be a great chief. He has worked very hard for it. You should be very proud of him.

Comment by Lisa Chamings

Lisa, from Stillwater came forward and said Thank you for your quick response to our Clerk I know your door is always open so if I have a question I would probably give you a call and show up at your door. I know if I ever had a question you would be willing to open your door and answer the question. I came tonight to thank you for supporting Resolution G to pursue the acquisition of a development easement on the Syberg Farm in Stillwater. It is a gorgeous farm. Thank you very much.

MOTION made at 7:12 PM by Freeholder Phoebus to close the meeting to the Public, seconded by Freeholder Mudrick and passed unanimously.

21. EXECUTIVE SESSION

There were no items for Executive Session.

RESOLUTION RE: REQUESTING EXECUTIVE SESSION (voice vote)

- A. Personnel
- B. Contract
- C. Litigation
- D. Other Matters

It is anticipated that the deliberations conducted in closed session may be disclosed to the public upon the determination of the Sussex County Board of Chosen Freeholders that the public interest will no longer be served by such confidentiality.

22. REMINDERS

Wednesday

April 22, 2015

Regular Meeting – 5:00 PM

23. ADJOURNMENT

MOTION made at 7:13 PM by Freeholder Vohden to adjourn, seconded by Freeholder Phoebus and passed unanimously.

John H. Eskilson, Clerk

DATED: **APRIL 8, 2015**