

REGULAR MEETING HELD ON WEDNESDAY, FEBRUARY 25, 2015

5:00 PM

ORDER OF BUSINESS

Item

1. **CALL TO ORDER BY DIRECTOR** at 5:00 p.m.
2. **ROLL CALL** Freeholder Graham; Freeholder Mudrick; Freeholder Phoebus; Freeholder Vohden; Freeholder Director Crabb; John Eskilson, County Administrator/Clerk; Dennis McConnell, County Counsel; Cathy Williams, Secretary to County Administrator
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."

Freeholder Crabb said, at this time, he would like to recommend to his colleagues that they consider moving Agenda Item 14.B. up in the Agenda to occur after Item 6 and before Item 7.

**MOTION** made by Freeholder Vohden to move Agenda Item 14.B. up in the Agenda to occur after Item 6 and before Item 7, seconded by Freeholder Graham and passed unanimously.

5. **PUBLIC HEARINGS**

There were no Public Hearings.

6. **PROCLAMATIONS/CERTIFICATES/PRESENTATIONS**

A. Presentations

1. Acknowledging the retirement of Karen P. Hunsicker, Keyboarding Clerk I, for Records Management, who retired after 25 1/4 years with the County; Diana L. Nause, Legal Secretary for Prosecutor's Office, who retired after 12 1/2 years with the County; Nancy Vanderberg, Head Nurse for the Jail, who retired after 15 1/2 years with the County.
2. Girl Scout Gold Award Proclamation presented to Laurie Buruchian. (Proclamation approved at February 11, 2015 Board of Chosen Freeholder Meeting.)

**MOTION** made by Freeholder Vohden to approve these Presentations, seconded by Freeholder Mudrick and passed unanimously.

Freeholder Phoebus presented the Proclamation to Laurie Buruchian.

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Freeholder Crabb said at this time the Board will handle Item 14.B. under Financial; he said his plan was to invite Special Counsel to come forward and discuss the Resolution, the Board will then move the Resolution and after it is moved, but before discussion, the Public will be invited to come forward for comments before the Board votes on the Resolution. Freeholder Crabb advised that after the public comments are done the Board members will then provide their own statements, its own discussion and then the vote will be taken.

**Statement by David Weinstein, Archer & Greiner**

Mr. Weinstein came forward and reported that their firm was brought in by the County in August to assist with the Sussex Solar project; I just want to tell you what's in the settlement agreement is not an answer as to why or how you got here, it's really a question of how you move forward and as Counsel, I will tell you, you contain yourself from unknown in the lawsuit going forward and from uncertainty which is where you are now. What I'm going to do is walk through the settlement agreement for you, give you the highlights of what it says and from that, if you have questions for me, I will answer any questions you have.

The settlement agreement is a global settlement agreement which addresses not only what Sussex County does going forward, but issues with Sunlight, Power Partners MasTec, their principles go all the way through. Sunlight will be making payments to MasTec under the first section. They will be making about \$520,000.00 of back payments they hold, that's not all, but that's the initial cash payment they're making. There will be tax equity that's been held back in over \$1M that will immediately flow, that will be to the benefit of Sussex County. It's going to go to the MCIA and will be available to the County to utilize as part of its debt service. There will be a payment requirement of the County of approximately \$6M, net dollars. The total amount is \$12M but there's going to be offset of \$6M leaving additional \$6M which you will hear about later that you're going to have to utilize additional bonding from the MCIA which you will guarantee. All the additional debt that you will authorize will become Additional Lease Payments under the existing documentation meaning that it will be an obligation of Sunlight. Sunlight will need to make those payments and they will as the agreements already called for them continue to make these payments to the extent that the Lease Payments are not made, you still have rights to call them in default, and, we'll get to that point.

There will be submissions for an additional amount of 1603 money. 1603 is the Treasury Grant. The Treasury Grant monies will be in addition to whatever you already received on the projects already constructed. It will be based upon the amount of monies that the arbiter determined the project costs were in making the Power Partner settlement. So, what those monies are will be in addition to monies you've already received, for 1603 on the projects that are already constructed to the extent that the Federal Government determines that there are additional monies available, additional monies will be paid out. If there are additional monies, there's the possibility that additional tax equity would come in, just like the tax equity that I spoke about earlier, if additional tax equity comes in that also will be available to you.

On a prospective basis, looking at the projects that have yet to be constructed, you will decide if they are going to be constructed. At this point, it is my understanding that, the way it's drafted, that most of those projects are to be constructed and to the extent that any of them should, for whatever reason, not be constructible, for some reason, substitute projects of similar value, will be brought in to try to maximize the total amount of available projects to be constructed.

These will also be utilized, in order to maximize the total amount of available 1603 money on the new projects, so that you can receive as much Federal assistance on these projects as possible through the 1603 funds.

You, also, will be entering into or directing new agreements to be entered into. There's been discussion about a potential subcontractor, Vanguard. I'm not here to discuss those contracts tonight. They are still being discussed, they have not been finalized nor are they a part of this discussion package we are voting tonight, just so you are aware. But, you do have the right to approve a new subcontractor.

You had oversight in who that subcontractor is going to be and how they will perform on your projects going forward. There'll be performance bonding requirements of the new subcontractors providing performance and completion bonds on the new projects so that in the event that something should happen during the construction there'll be at least a performance and completion bond available to draw against to safeguard against some of the issues that have already occurred in some of the projects were yet be dealt.

There are provisions regarding the existing panels and how they are going to be paid for and/or sold in credited for the County. There's an available bridge loan from Power Partners MasTec as part of this as well. That bridge loan does not need to be utilized, but it's available for you to utilize it, to the extent, that the 1603 monies need to be paid out before they are received and Power Partners MasTec has agreed that they will provide you with bridge loan until 1603 monies come in for up to 120 days.

Under Consent #3, as I mentioned before, all the additional bonds, additional debt that you would incur in doing this would become additional lease payments, but why that is important is because on and after all the projects that are already completed, I believe 2018, the County can declare that some or all of the projects are accelerated and the deferred lease payments are due, and you can become the owner of those projects if you should choose to do so. There are multiple reasons why you may want to do that, there are multiple reasons why you may not want to do that, but it's available to you and you would get an offset credit amount of monies that are left unpaid on the additional lease payments, pro rata, if you should not take all the projects.

You have, now, control of the settlement agreement of the sale of the SRECs. You want to be able to have the SRECs when you decide, under this project, going forward, when they are to be sold or how much they're going to be sold in the marketplace. So, if the market is performing at a higher percentage than it is today, if it's at a better point than it is for the SRECs, you can demand that they would be provided to you, into your account, sold and then those monies would go back into the top of the cash flow bucket and come back out and pay for your debt service. So, it's to your benefit, you have control under this project.

All the ongoing expenses, under Consent #3 have been budgeted so that there's not as much unknown. There are estimates, there are hard figures in there to the extent that the numbers are known today, they are put in there and going forward the new, subcontract that you would enter into would be a guaranteed, fixed price contract. There would be no escalators in there. You would not have additional monies due on those projects. The amount that you are going to receive is the amount that you are going to pay on those contracts.

You will be receiving copies of all records of the projects that have been completed to date; all the warranties on the projects that have been completed to date. All the documentation and paperwork that they have been asking for will be provided to you.

There's an acceleration of the events of default under the documents, what does that mean? If for any reason Sunlight should not cooperate, as they are required to under this documentation, if they should for whatever reason withhold their ability for any reason to consent to a pay application or anything of that nature, you can declare events of default and not have to wait all the time that you did under the existing documents and be able to have that advantage of default called and be at the point where you can move forward and have remedies within 30 days of the default notice. A much quicker trigger than you had before. The ability to step in now, if you see something's not going the way you want it to go, to take control of the project quickly instead of waiting, watching and seeing things that you don't like occurring but having no way to jump in and take it out and correct it.

Those are the high points. What this means, just from a financial prospective is there are some financial aspects here. What you are looking at approximately going forward, assuming SREC prices are actually lower than they are today on average over the next 15 years instead of the \$27M, give or take, is that the current projections are for your debt service. Your debt service would be approximately \$6 1/2M, if I'm correct on this. So, there's a huge spread here and even if you're off by a few dollars, you're not going to be off on your projections by \$22M.

That's a lot of money and that's a lot of play. You might be off by \$100,000.00 in your projections but I do not see how you can be off by \$22M over the 15 years. This is cost containment. This is trading off the potential for being right and still paying \$27M for moving forward and knowing that you have a cost contained project going forward.

It's not perfect, not everybody's making out like bandits, not everybody's getting what they want out of it, that's part of what a settlement is, some of its compromise and there's a lot of compromise in here from all the parties in order to try to get to a point where you can move forward and have the opportunity to recover your costs, instead of just paying for them.

### **Public Session from the Floor Regarding Solar**

#### **Comment by Mike La Rose**

Mike La Rose, former Freeholder, came forward; he said that he knew that this was a tough situation and no one is happy in how we got here, but he is personally grateful for how the Board is handling this issue; he gave his views on the three Counties working together to resolve this issue; he concluded by saying the balance the finished, completed producing facility is a good thing and the way to go. He asked the Board to consider being part of a team, being aware of the fact that although this is a really tough decision there are several people backing the Board to move forward with this project.

#### **Comment by Gary Larson**

Gary Larson, Mayor of Frankford Township, came forward; he said that the Board has been privy to a lot of information in regards to this decision and agrees that it is a very difficult decision; he spoke about the benefits that the Frankford School District has seen with its completed solar project; he summarized comments from the today's paper with regards to the decision by the Somerset Board. He concluded by saying that there are times as elected officials that you have to spend money to save money and this Board is in that situation and the Board has to look at the long term benefit of the decision that they are going to make as opposed to the short term effect and uncertainty if the Board takes its vote in a different direction.

#### **Comment by Dick Fitch**

Dick Fitch of Vernon Township came forward; he said he doesn't understand how we got in this situation; he feels that there was no oversight by anyone; he is not happy that information was not provided by the Somerset Board until after the vote and was wondering if it was the same here in Sussex and wanted to know why they weren't privy to information before hand.

Mr. McConnell advised that all of the documents that the Freeholders are voting on tonight, once approved, will be released this evening.

#### **Comment by Tom Walsh**

Tom Walsh of Andover Township came forward; he asked that the Board table the vote on this Resolution because the public is owed an explanation for everything and also for the public to have an opportunity to look at the documents that the Board is voting on this evening.

#### **Comment by Carl Lazzaro**

Carl Lazzaro, Mayor of Fredon Township, came forward; he said that he did not envy the Board on its decision this evening; Fredon Township has a solar project and has for the last year attempted to get an assessment of what it's done and has received no answers from Sunlight and no one will talk to him; he explained in detail how upset he is with the fact that he has to send a check to Sunlight every month and doesn't know what for and the taxpayers deserve an explanation as to how the County got into this situation. It's a mess. Mayor Lazzaro said he had to agree and ask the Board to set this issue aside for awhile and look at it before the County commits and burdens the taxpayers for the next 15 or 20 years.

### **Comment by Ed Szabo**

Ed Szabo of Stillwater Township came forward; he said he would like to see the vote delayed because he feels that the Board owes that much to the taxpayers of Sussex County; he had a chance to speak to Mr. McConnell who was kind enough to explain Authorities to him, but still feels the vote needs to be delayed.

### **Comment by Rosemarie Maio**

Rosemarie Maio, Mayor of Stanhope Borough, came forward; she said she also feels that this is something that should be tabled until there are some explanations; she said that how the County got into this situation is as important to her and the taxpayers as is how we get out of it.

### **Comment by Jack Burke**

Jack Burke, Andover Township Committee, came forward; he said he agreed with many of the comments made that the Board needs to slow down and table this issue and they also need to take the advice of the County leaders that have come forward tonight and are asking the Board to slow down and provide explanations and information as to how we got here and to make sure this doesn't happen again.

### **Comment by Jesse Wolosky**

Jesse Wolosky of Sparta came forward; he gave his reasons for why he thought the Board should delay its vote on this issue.

**MOTION** made at 5:45 p.m. by Freeholder Phoebus to close the meeting to the Public, seconded by Freeholder Vohden and passed unanimously.

## **14. FINANCIAL**

- B. RESOLUTION RE: RESOLUTION OF THE BOARD OF CHOSEN  
**109-2015** FREEHOLDERS OF THE COUNTY OF SUSSEX  
CANCELLING \$10,000,000 OF COUNTY GUARANTY,  
AUTHORIZING SETTLEMENT OF VARIOUS LITIGATIONS,  
AND AUTHORIZING THE AMENDMENT OF PROGRAM  
DOCUMENTS, ALL IN CONNECTION WITH THE SUSSEX  
COUNTY RENEWABLE ENERGY PROGRAM

After Freeholder Director read the Resolution above, Mr. McConnell said he wanted to make one comment with regard to the Resolution that's in front of you this evening. The Resolution has been slightly changed from the Resolution that Mr. McConnell provided to the Board last night via email, there were certain typographical changes that our Bond Counsel has made today and was signed off by the Morris County Improvement Authority Counsel and one of the most important revisions that our Bond Counsel has made to this document is in Section 4 on Page 9 that deals with the proposed "release of claims". Bond Counsel added language that the authorized officer, who is your County Treasurer, your County Administrator and the Freeholder Director have the ability to make any and all changes to the "release of claims" from the attached form as any such authorized officer, any of those three, in his or her sole discretion shall be determined to be necessary, desirable or convenient to promote the best interest of the County and in consultation with Counsel and the authorized officers execution and delivery of the "release of claims" shall be full and complete evidence of the authorization of County of any such additional changes. Mr. McConnell advised that we have a "release of claim" that's part of this entire document that releases Morris County and its professionals and in that release the professionals gave up approximately 20% of their outstanding professional billing, that was the Pearlman Firm and the other firm, Ingersoll and Miranda. Mr. McConnell corrected himself and said that firms were Pearlman and Miranda, is one firm and the other firm is Inglesino, which Pearlman was with that firm formerly and then split off from that firm.

Freeholder Phoebus asked if Inglesino was still a part of this, and Mr. McConnell replied, yes, Inglesino still represents the Morris County Improvement Authority.

Mr. McConnell said that this was a good thing for the County with regard to the ability to go back and ask for more; we have that 20% concession, but it leaves the door open, so this is a good thing.

There was a short discussion.

**MOTION** made by Freeholder Vohden to approve the amended Resolution 14.B., seconded by Freeholder Mudrick.

Freeholder Phoebus asked for a Motion to table this Resolution.

Freeholder Director Crabb responded by saying that there was already a Motion on the table with a second to move it.

### **Comment by Freeholder Graham**

Freeholder Graham said that he completely agreed with most of the mayors that said that this Board is discussing this issue quickly with proof being that they are looking at a Resolution that was just given to them yesterday and has already been changed; since Monday afternoon, he has seen three different Agendas, one that had no Resolution, another one had four Resolutions and this one now has a single Resolution, so that's moving around. He said he knows the Meeting Room is full right now, but there's a lot of people that have contacted him that they can't get off of work to discuss this. Freeholder Graham said his concerns with this settlement is, he thinks that we do need a settlement; there's no question in his mind that a settlement is needed; he does not believe this is the settlement, this settlement does not provide for accountability, at all. Freeholder Graham then read from a prepared statement which said:

"Somerset County had a very different set of circumstances last night when they did their settlement; their system was almost complete before Sussex County began building; we actually didn't come into the fold until the Autumn of 2011 where Somerset County had already been involved in this previous to that. I believe that we do need to settle this issue. I'll repeat that, I believe that we do need to settle this issue. I don't believe that this settlement is in the best interest of the Sussex County taxpayer. The absence of accountability, lack of independent audited figures, a continuation of the same players, MCIA, Pearlman, Pearlman, Pearlman, Pearlman, how many times he's in the mix, Gabel Associates and then go just right down. Sunlight is still there; MasTec is still there; they're all still there."

He addressed Jesse Wolosky and told him that he liked his comments.

Freeholder Graham continued with his statement:

"Continuation of the same players. Build out plan, constructed without an independent analysis and there are legacy costs of millions of dollars over the life span of this project that are all going to add up to a repeat of a plan that was poorly conceived years ago. The whole future of this project is mired in speculation; this SREC markets; this Federal grant policies; and this future electric rates. In conversations with many of the Sussex County people over the few days a common theme comes through; we want accountability and a plan that is fully vetted by independent, expert review. This is not the time to skip due diligence. The settlement provides for neither in my opinion. We are supposed to learn from our past mistakes; we're not supposed to repeat them."

### **Comment by Freeholder Phoebus**

Freeholder Phoebus remarked that she would have liked to have the opportunity to table this Resolution until March 11<sup>th</sup> because she has not had an opportunity to completely read this to understand this but obviously that is not going to happen. Freeholder Phoebus said that she believes, too, that there definitely needs to be a settlement, she's not saying that there shouldn't be a settlement, there should be a settlement, but she feels that the taxpayers have the right to go over all of this; she believes that she should have the right to be able to go back and go over all of this and have the ability to ask Counsel, paragraph for paragraph, to understand that properly.

Freeholder Phoebus read a prepared statement.

“Transparency is fundamental in any Government that wishes to call itself a democracy. We might have a lawyer’s opinion that this settlement is legal, but without the consent of the governed, it cannot be moral. The words, no taxation without representation, once echoed through these hills and valleys that made up Sussex County. How can we have representation, democracy when we, the people, elected representatives are barred from providing the people with the details of a settlement that their taxes will pay for. In good conscience, I cannot even begin to agree to this settlement tonight. Between the \$24M in bond payments, plus interest payments and ongoing legal proceedings, Sussex County taxpayers could conceivably be on the hook for as much as \$40M over the next 12 years. Rushing this vote through before everyone has the opportunity to ask questions and get them answered is wrong and I won’t support that. Questions like, where are the millions of dollars that Sunlight General received? How will the County ultimately pay for this settlement? Why weren’t the Freeholders, at the time of the original vote, given a more balanced assessment of the pros and cons of this project by the County’s paid professionals before the vote? The bottom line, for me, is clear. The taxpayers deserve an independent investigation of the facts that provide complete transparency before any settlement is agreed to. Any vote to approve this settlement before hand, is an outrage. Those who sold us this mess, have had their say in fashioning this settlement; the consultants, the counsels, the vendors, the County officials have all had their say on what this should be and what should be in it. The only people who have not had their say are the people who are having to pay this bill, the taxpayers. I can’t vote for this settlement because the taxpayers I speak for have not been given the opportunity to review and comment on this settlement.”

#### **Comment by Freeholder Mudrick**

Freeholder Mudrick thanked everyone who was in attendance and came forward to speak. Freeholder Mudrick read a prepared statement.

“I remain in favor of settlement and resolve. I am not in favor of financial uncertainty and I am not in favor of the potential for costly chaos for the taxpayers of Sussex County should there be no settlement. I am in favor of navigating through the management of the solar matter before us, moving forward with costs that are quantifiable. I am not in favor of trying to manage costs that are unknown to us should there be no settlement. I am in favor of a settlement which allows our Board of Chosen Freeholders to proactively manage our 2015 budget and subsequent budgets on a long term basis. I am opposed to our Board needing to work at managing budgets reactively from year to year for many years to come. I am in favor of the settlement and having unconstructed projects built by December 31<sup>st</sup> of this year; a settlement would allow us to do this. I am not in favor of having unconstructed projects shelved permanently should there be no settlements. I am in favor of having debt service payments managed moving forward in upcoming budgets with the settlement. I am not in favor of the potential for the taxpayers of Sussex County to face exorbitant litigation costs for years to come should there be no settlement.”

#### **Comment by Freeholder Vohden**

Freeholder Vohden also read from a prepared statement.

“When I first decided to run for elected office, I promised myself that I would never become one of those elected officials that are incapable of making the difficult decisions. I promised myself that I would never become one of those politicians that always need to have another review, another look at the facts, and never have enough information to make a decision. It’s so easy to politicize issues, all the issues, to find fault, to make accusations, to place blame and then claim political credit without ever offering solutions or making the decisions necessary to resolve a problem. Some elected officials base all their decisions on political expediency. It’s a big problem in this Country and, I think, in this County. As Freeholders, all of us, we’ve been elected to represent the residents of Sussex County and all our decisions should be based on what is best for Sussex County. That’s what I’m doing here. It’s unfortunate that we’re in this situation, but we are, we’re here and we’re here now to make a very, very important decision. We’re going to vote to approve or reject this settlement agreement. And, this last week, I’ve had a lot of telephone calls, I’m sure we all did about the articles in the paper.

I had a few suggestions; a lot of suggestions that I vote no and wait for a better deal. All the information and advice I received suggested a “no vote” would create a series of disastrous long term consequences. I did get two suggestions on how we could make a better deal. The first one was that any settlement agreement must be conditioned upon complete transparency and holding accountable those who are responsible for getting us to this point. Sounds pretty good politically, but are we naïve enough to think that any negotiation settlement would ever be agreed to, whatever go forward, that included a clause that says, we’re coming after you, I don’t think so. Another suggestion is that we revise the settlement to include language so taxpayers should not be forced to pay additional millions of dollars to bail out a failed solar developer or pay exorbitant fees to the attorneys. A “no vote” would give us exactly that. I reviewed all the information. If you have the time to do it, and I do, we read these. This is just a part of it. We’ve had piles, right from the beginning, when we were in a different economic and political climate. We went through reams of paper, this is a great project. Some things went bad. I’ve asked all along, do we see any criminal or indictable offenses here; nobody’s ever brought anything up. Recently there’s been a request for an investigation and I’m hearing here tonight that it hasn’t been included on Page 4, Item G, the last paragraph under the “release of claims”; it’s on the non-disparagement claim, if we agree to this, we can’t go forward with an investigation, but it says, “to be clear, the parties acknowledge and agree that the limitations of this paragraph shall not apply to disparaging communications or publications made by third parties or any non-party to this release of claims or by whom the parties hereto exercise” . . . anybody can check, anyone of you out there can ask for an investigation to find out what happened to do a post mortem, to find out where the money went. Personally, I don’t think there was anything criminal here, I think there was maybe poor management, bad decisions, economic disaster. There were problems, there were some . . . , but I don’t see and haven’t read everything going through, I see no, I saw no accusations, by two entities fighting with each other and I’ve reviewed all the information on the settlement agreement, and all of my questions, to the professionals, to the attorneys have been answered satisfactorily. I believe the settlement agreement is in the best interest of Sussex County and I’ll be voting in favor of the Resolution.”

### **Comment by Freeholder Crabb**

Freeholder Crabb read from a prepared statement.

“Nobody said that this was going to be easy. That’s how I opened up my discussion points when we were dealing with the Homestead. As I said then, all of us are sitting up here as a result of referendum. All of us are sitting up here with the expectation that we will make the best choices for the County of Sussex. And, there’s a lot of talk about the sense of urgency; there is a sense of urgency here, Counselor, right, with regards to if in fact, that this Resolution’s passed, part and parcel, is that these things have to be built out quickly.”

Mr. McConnell replied, yes, that’s correct. There’s a process you have to go through because the new subcontractor that needs to be retained and that contract language has to be worked out. Once that’s done, there’s additional engineering work because there’s redesigns of the systems. There are also submissions to the local Planning Boards, for D31 Applications that take significant time. All this has to be accomplished. We want this all done prior to the summer because when the schools close we need to construct these. So there is a sense of urgency to get all that work done, and there’s lots of lead time you’re dealing with Planning Boards, so there is a time constraint here.

Mr. Crabb continued his statement.

“I read in the paper the other day, how this County rushed headlong into this issue that we are addressing today. Four years ago, this Board was approached with an idea that allowed a multitude of public agencies in Morris and Somerset Counties to appreciate measurable cost reductions without having to risk a penny of their own capital. Those who would suggest that this is too good to be true ignore the fact that it had been an unmitigated success for some time when we were approached to consider participation. For that reporter who editorialized that this had been rushed into, well he wasn’t even here back then. For those reporters in the room, and those of us that were here at that time, we remember the meticulous process that ensued for over a year including multiple presentations to our municipal partners and several public hearings. The response was overwhelming from across this County.

For those agencies who made the final cutoff for project approval, there were an equal amount who wanted to participate, but for various reasons, could not meet the criteria for the first round. There has been a play on words over the County wanting to go green, but ended up in the red. Again, for those of us that were here at that time, going green had nothing to do with this decision process. It was an opportunity for the County to be the conduit for local, municipal tax relief which in this current day of population decline and economic strife holds its weight even more. Along the way, a conflict evolved regarding a private contract between Sunlight and MasTec. It has brought us to this decision that will be made today. This Board has been dealing with this in numerous Executive Sessions, at every step of this conflict, to find out ways to insert ourselves as much as law would allow to find early and quick resolution. For those of us who attended all of those meetings, we understood the complexity that grew exponentially as time went by. From the onset of difficulty, this Board focused on managing an unacceptable situation into a better result, in coordination with our partners from Morris and Somerset Counties. Some have suggested that we focus on blame and penalty. There have been campaign centric press releases calling for complete investigations and accountability. Yeah, no kidding. But, we are not the investigative agencies. We are not the Security and Exchange Commission. While some would think that carrying pitchforks and torches would be the best use of our time, in reality, our only true responsibility is to act on and protect the best interest of the Sussex County taxpayer. This agreement provides for the protection of taxpayer investment and to move forward on the remaining projects that will provide tax relief to those municipalities. The potential liability to the County, without a settlement, begins at \$21M and has no ceiling of continued litigation and precludes any build out of the remaining projects. This settlement will provide the known comprehensive costs going forward of \$6.5M and the framework to complete the projects. The County becomes the recipient of the solar revenue going forward and all legal uncertainties are removed. I was elected neither to run for office nor to seek political safe harbor. I was put here solely to act in the best interest of the Sussex County taxpayer. Much has been made of the perceived transparency issue. After all the work that has been done, this Freeholder had to choose a course that would and could not destroy the benefits of the settlement. The issue today, unfortunately, has brought a paradigm change. We all take an oath to follow the Constitution and the laws of the State of New Jersey. One investigation I will call for is how sensitive Executive Session documents were prematurely released to the Press causing great concern with our Improvement Authority colleagues and recklessly risking the closely coordinated sensitive negotiations that have transpired over the last several weeks. The collapse of these talks would have cost our taxpayers here in Sussex County millions and resulted in many more rounds of complex litigation and risk. To our colleagues in Somerset County, I thank you for your vote and for your participation in one of the most collaborative discussions that have ever been held. To our friends in Morris, now is your time to close the books on this complex issue. Residents from all three Counties are fortunate to have members of their Board who have seen this thing through and have put their taxpayers before their own personal ambitions.”

On Roll Call the vote was:

Freeholder Graham	No
Freeholder Mudrick	Yes
Freeholder Phoebus	No
Freeholder Vohden	Yes
Freeholder Director Crabb	Yes

At 6:10 p.m., Freeholder Director Crabb asked the Board, without objection, to consider a five minute break.

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At 6:23 p.m., Freeholder Director Crabb called the Meeting back to order.

## **7. PUBLIC SESSION FROM THE FLOOR**

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

**MOTION** made at 6:23 p.m. by Freeholder to open the meeting to the Public, seconded by Freeholder Phoebus and passed unanimously.

## **Comment by Jack Burke**

Jack Burke, Andover Township Committee came forward; he said he felt that some of the Board members were a little hostile this evening; he said that he was not trying to politicize anything, but is trying to do the right thing and just wanted a slower pace and to seek to understand the issue more. He said that no one disagreed with the decision, they just wanted to see it slowed down and let everyone absorb the facts.

**MOTION** made at 6:25 p.m. by Freeholder Crabb to close the meeting to the Public, seconded by Freeholder Graham and passed unanimously.

## **8. FREEHOLDERS' COMMENTS**

### **Comments by Freeholder Vohden**

- **Sussex County Community College (SCCC)**

Freeholder Vohden remarked that he attended the Golden Shovel Ceremony for the renovation project at SCCC.

- **North Jersey Transportation Planning Authority (NJTPA)**

Freeholder Vohden said he attended the meeting where they went over a list of hundreds of projects last week and one was approved for Sussex County.

Freeholder Graham asked Freeholder Vohden where they stood on the repaving of 206 and where did Freeholder Vohden think they needed to go in order to make strong language about the crosswalk here by this building.

Freeholder Vohden replied that the paving for 206 was supposed to happen this summer and, as for the crosswalk, which is a separate issue, there are sidewalk issues between Newton and Hampton that will likely stall any type of work on the crosswalk.

Freeholder Graham said the crosswalk issue right here in front of the building is extremely dangerous.

There was a short discussion.

### **Comments by Freeholder Mudrick**

- **Response to Jack Burke**

Freeholder Mudrick said that he would be remiss if he didn't respond to Mr. Burke's comments about the hostility coming from the Board; he asked that Mr. Burke please understand there is a passion that he and his four colleagues have for everything they do and touch; he stated that the five of them may not always agree on an issue, but they try to present their positions on issues passionately and if it comes across in a way the audience didn't see, it was not intended to be that way.

- **Congratulations to Sheriff Strada**

Freeholder Mudrick congratulated Sheriff Mike Strada, who also serves as Emergency Management Coordinator, for recently completing the Executive Leaders Program at the Naval Post Graduate School Center for Homeland Defense and Security on February 19, 2015.

- **12<sup>th</sup> Annual Grand Marshal's Dinner**

Freeholder Mudrick advised that he and Freeholder Director Crabb attended the Grand Marshal's Dinner Saturday night at Crystal Springs where Mary and Dennis Harrington were acknowledged as this year's Grand Marshals in a nicely attended event.

## Comments by Freeholder Phoebus

- **PBA 138**

Freeholder Phoebus remarked that she had the pleasure of attending PBA 138's Beef Steak Dinner at the Harmony Lodge; she reported that there was well over 300 people in attendance.

- **Transitional Health Care Program**

Freeholder Phoebus asked Sarah Balzano, Sussex County Department of Human Services, to come forward and give the Board a few comments on all of the good things the Transitional Health Care Program is doing right now.

Sarah Balzano, Transitional Care Coordinator, came forward and provided the Board with an update on the Transitional Health Care Program.

- **Sussex County Division of Social Services**

Freeholder Phoebus reported that Social Services has provided oil deliveries for 45 citizens of Sussex County during this very cold snap as of February 20, 2015.

## Comments by Freeholder Graham

- **Capital Budget Meetings**

Freeholder Graham reported that they held one more Capital Budget meeting and will be holding only one more and they are keeping to the number that was provided early on which is right around \$10M; he said that although all of the Capital projects are very important, he feels they are addressing one project that he feels is particularly important and that is the fireproofing underneath this building.

- **Sussex County Division of Facilities**

Freeholder Graham remarked that he also had a meeting with Facilities which included Joe Biuso, Ron Tappan and John Eskilson; they kicked around a lot of ideas from how things get done to the difficulties in the bid process.

- **Jail Study Group**

Freeholder Graham said that he and Freeholder Mudrick along with several members of the Sheriff's Department attended a meeting and the reality is that the County has to make some investments into the Jail and the Sheriff's Department and what this Team is going to do is guide this process and by keeping the decisions local so they don't get on an automatic pilot on a document that may have been written by somebody else.

## Comments by Freeholder Crabb

- **Introduction of Special Counsel**

Freeholder Crabb said he wanted to introduce and verify David Weinstein as Independent Counsel for Sussex County; all three of the Counties had their own independent Counsels to take an outside look at these issue.

## **Additional Comment by Freeholder Graham**

Freeholder Graham remarked that this Board has just gone through a very stressful hour or so and wants to go back to a comment made by Freeholder Mudrick. Freeholder Graham said that the Board had to make a tough decision and we all put our most into that decision; we all looked into it and researched it and he doesn't know anybody here who did not read the material.

Freeholder Graham just wanted to say that now the Board has to move on and put this behind them and get this thing implemented the best way they can and stand firm on that; he also said that anybody who throws any criticism regarding transparency, those are unfounded; this Board has done this in the most transparent way that we could and any documents this Board has had to hold back on had to do with things they really couldn't talk about.

### **9. APPROVAL OF CONSENT AGENDA**

- A. RESOLUTION RE: PAYMENT OF BILLS  
**110-2015**
- B. RESOLUTION RE: ADOPTION OF TEMPORARY CAPITAL BUDGET FOR  
**111-2015** 2015
- C. RESOLUTION RE: AMENDING RESOLUTION ENTITLED "AUTHORIZING  
**112-2015** CAP TO LIMIT COUNTY BUDGET APPROPRIATION INCREASE IN CY2015 COUNTY BUDGET TO 3.5% OVER THE PREVIOUS YEAR'S FINAL APPROPRIATIONS SUBJECT TO CERTAIN EXCEPTIONS AND TO ESTABLISH AN APPROPRIATION CAP BANK
- D. RESOLUTION RE: AUTHORIZATION FOR THE FILING OF AN  
**113-2015** APPLICATION TO NEW JERSEY DIVISION OF ELECTIONS FOR A GRANT NOT TO EXCEED THE AMOUNT OF \$25,000.00 UNDER SECTION 261 OF HELP AMERICA VOTE ACT OF 2002
- E. RESOLUTION RE: AUTHORIZATION TO PROVIDE FOR THE PURCHASE  
**114-2015** OF NEW OFFICE FURNITURE FOR THE SUSSEX COUNTY PROSECUTOR'S OFFICE
- F. RESOLUTION RE: AUTHORIZING THE PURCHASE OF ANNUAL SYSTEM  
**115-2015** MAINTENANCE AND SUPPORT SERVICES FOR THE COUNTY OF SUSSEX'S ONBASE ENTERPRISE DOCUMENT MANAGEMENT SYSTEM
- G. RESOLUTION RE: AUTHORIZATION TO PROVIDE FOR GIS SERVICES  
**116-2015** FOR THE COUNTY OF SUSSEX
- H. RESOLUTION RE: AUTHORIZATION TO PROVIDE SPECIALIZED BRIDGE  
**117-2015** ENGINEERING SERVICES FOR VARIOUS SUSSEX COUNTY BRIDGE PROJECTS
- I. RESOLUTION RE: AUTHORIZING THE EXECUTION OF A PROFESSIONAL  
**118-2105** SERVICES AGREEMENT BETWEEN THE COUNTY OF SUSSEX AND PREMIER HEALTH ASSOCIATES, LLC WITHOUT COMPETITIVE BIDDING AS A PROFESSIONAL SERVICE PURSUANT TO N.J.S.A. 40A:11-5(1) (a) (i)

- J. RESOLUTION RE: AUTHORIZING THE ISSUANCE OF PURCHASE  
**119-2015** 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
- K. RESOLUTION RE: AUTHORIZING THE EXECUTION OF A PROFESSIONAL  
**120-2015** SERVICES AGREEMENT BETWEEN THE COUNTY OF  
SUSSEX AND THE CENTER FOR PREVENTION AND  
COUNSELING FOR INTOXICATED DRIVER RESOURCE  
CENTER (IDRC) EDUCATION AND SCREENING  
SERVICES WITHOUT COMPETITIVE BIDDING AS A  
PROFESSIONAL SERVICE PURSUANT TO N.J.S.A.  
40A:11-5(1)(a)(i)
- L. RESOLUTION RE: AUTHORIZING THE COUNTY TO PERMIT THE NJ  
**121-2015** JUVENILE JUSTICE COMMISSION TO REDIRECT  
\$60,000.00 IN AWARDED 2015 STATE/COMMUNITY  
PARTNERSHIP AND FAMILY COURT SERVICES  
FUNDING TO THE NJ DEPARTMENT OF CHILDREN  
AND FAMILIES FOR THE PROVISION OF FAMILY CRISIS  
INTERVENTION UNIT (FCIU) SERVICES ON BEHALF OF  
SUSSEX COUNTY
- M. RESOLUTION RE: ALLOCATION OF \$29,621.00 TO THE SUSSEX COUNTY  
**122-2015** DIVISION OF SOCIAL SERVICES FOR VOUCHERS FOR  
TRANSPORTATION AND AUTHORIZATION FOR THE  
FREEHOLDER DIRECTOR AND CLERK TO EXECUTE A  
CONTRACT
- N. RESOLUTION RE: AUTHORIZATION FOR THE FREEHOLDER DIRECTOR  
**123-2015** AND THE CLERK OF THE BOARD TO EXECUTE A  
CONTRACT WITH THE GROTTA FUND FOR SENIOR  
CARE ALLOCATING \$90,000.00 IN FUNDING FOR THE  
PROVISION OF THE TRANSITIONAL CARE PROGRAM  
FOR THE CITIZENS OF SUSSEX COUNTY
- O. RESOLUTION RE: AUTHORIZING A PROFESSIONAL SERVICES  
**124-2015** AGREEMENT WITH SURESHBABU KURRA, M.D. LLC  
FOR THE PROVISION OF PHYSICIAN/PsYCHIATRIC  
SERVICES FOR THE INMATES WITHIN THE KEOGH-  
DwyER CORRECTIONAL FACILITY PURSUANT TO  
N.J.S.A. 40A:11-5(1)(a)(I)

**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 Graham to approve the Financial Consent Agenda, seconded by Freeholder Phoebus.

On Roll Call the vote was:

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

**10. APPROVAL OF MINUTES**

Regular Meeting February 11, 2015

**MOTION** made by Freeholder Graham to approve the Regular Meeting Minutes of February 11, 2015, seconded by Freeholder Vohden and passed unanimously.

**11. APPOINTMENTS AND/OR RESIGNATIONS**

There were no Appointments and/or Resignations.

**12. RESOLUTION**

1. RESOLUTION RE: REJECTION OF BID FOR THE AWARD OF CONTRACT  
**125-2015** FOR THE COCHRAN HOUSE RECORDS RETENTION  
RENOVATION PROJECT
2. RESOLUTION RE: PROVIDING TEMPORARY CLOSURE OF CR 519 IN  
**126-2015** HAMPTON TOWNSHIP
3. RESOLUTION RE: AUTHORIZING SUBMISSION OF THE  
**127-2015** PUBLIC LIBRARY STATISTICAL REPORT  
FOR 2014 BY THE SUSSEX COUNTY  
DIVISION OF LIBRARY SERVICES
4. RESOLUTION RE: SUPPORTING, RECOGNIZING AND HONORING THE  
**128-2015** SERVICE OF LAW ENFORCEMENT OFFICERS

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

**13. AWARDS OF CONTRACTS/CHANGE ORDERS/BIDS**

A. Awards of Contracts

1. RESOLUTION RE: AWARDED A CONTRACT EXTENSION BASED  
**129-2015** ON PROPOSALS RECEIVED THROUGH THE  
COMPETITIVE CONTRACTING PROCESS FOR  
ANNUAL ON-CALL ENGINEERING SERVICES  
FOR VARIOUS COUNTY PUBLIC  
INFRASTRUCTURE PROJECTS

B. Change Orders

1. RESOLUTION RE: AUTHORIZING CHANGE ORDER NO. 1 TO A  
**130-2015** CONTRACT EXTENSION TO CME ASSOCIATES FOR  
PROVIDING LICENSED SITE REMEDIATION  
PROFESSIONAL (LSRP) SERVICES FOR VARIOUS  
SUSSEX COUNTY ENVIRONMENTAL REMEDIATION  
PROJECTS
2. RESOLUTION RE: AUTHORIZING CHANGE ORDER NO. 1 TO THE  
**131-2015** CONTRACT BETWEEN THE COUNTY OF  
SUSSEX AND AMCO ENTERPRISES, INC. FOR  
THE COCHRAN HOUSE HVAC RENOVATION  
FOR THE COUNTY OF SUSSEX, DIVISION OF  
FACILITIES MANAGEMENT

**MOTION** made by Freeholder Vohden to adopt these Resolutions, seconded by Freeholder Graham.

On Roll Call the vote was:

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

**14. FINANCIAL**

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**A. INTRODUCTION FOR FIRST READING – CAPITAL ORDINANCE**

**CAPITAL ORDINANCE APPROPRIATING \$15,000.00 FROM GENERAL CAPITAL SURPLUS FOR THE ACQUISITION OF POSTAGE METER AND MAIL MANAGEMENT SYSTEM RELATED TO THE OPERATION OF THE CENTRALIZED MAIL SYSTEM BY THE COUNTY OFFICE OF CENTRAL SERVICES**

**MOTION** to adopt this Capital Ordinance on first reading made by Freeholder Graham, seconded by Freeholder Phoebus.

On Roll Call the vote was:

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

**MOTION** to authorize the Clerk to advertise this Capital Ordinance 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 March 11, 2015 at 5:00 pm prior to final adoption of this Capital Ordinance made by Freeholder Phoebus, seconded by Freeholder Graham and passed unanimously.

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**B. RESOLUTION RE: RESOLUTION OF THE BOARD OF CHOSEN  
HANDLED FREEHOLDERS OF THE COUNTY OF SUSSEX  
EARLIER IN CANCELLING \$10,000,000 OF COUNTY GUARANTY,  
THE MEETING AUTHORIZING SETTLEMENT OF VARIOUS LITIGATIONS,  
AND AUTHORIZING THE AMENDMENT OF PROGRAM  
DOCUMENTS, ALL IN CONNECTION WITH THE SUSSEX  
COUNTY RENEWABLE ENERGY PROGRAM**

**15. PERSONNEL**

A. Personnel Agenda

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

**16. ADMINISTRATIVE REPORT**

A. Other

Mr. Eskilson had nothing else to add this evening.

**17. COUNTY COUNSEL**

Mr. McConnell had nothing else to add this evening.

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

**18. UNFINISHED BUSINESS**

Freeholder Phoebus said that she needed to abstain from the Minutes of the Regular Meeting of February 11, 2015 because she was not present.

**19. NEW BUSINESS**

There was no New Business.

**20. PUBLIC SESSION FROM THE FLOOR**

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

**MOTION** made at 6:47 p.m. by Freeholder Mudrick to open the meeting to the Public, seconded by Freeholder Phoebus and passed unanimously.

There was no one present.

**MOTION** made at 6:48 p.m. by Freeholder Graham to close the meeting to the Public, seconded by Freeholder Phoebus and passed unanimously.

**21. EXECUTIVE SESSION**

There were no items for Executive Session.

RESOLUTION RE: REQUESTING EXECUTIVE SESSION

- 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                      March 11, 2015                      Regular Meeting – 5:00 PM

**23. ADJOURNMENT**

**MOTION** made at 6:50 p.m. by Freeholder Phoebus to adjourn, seconded by Freeholder Vohden and passed unanimously.

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John H. Eskilson, Clerk

**DATED:        FEBRUARY 25, 2015**