

**REGULAR MEETING HELD ON WEDNESDAY, MAY 13, 2015**

**5:00 PM**

**ORDER OF BUSINESS**

**Item**

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

5. **PUBLIC HEARINGS**

**PUBLIC HEARING – 5:00 P.M.**

**PUBLIC HEARING – 2015 SUSSEX COUNTY BUDGET AS APPROVED**

**MOTION** made at 5:02 PM. by Freeholder Vohden to open Public Hearing for the 2015 Sussex County Budget as Approved, seconded by Freeholder Graham and passed unanimously.

**PUBLIC HEARING IS NOW OPEN**

Is anyone present to be heard regarding the 2015 County Budget as Approved?

**Comment from Carl Luthman**

Mr. Luthman said if I understand it right, by closing down the Homestead, the County has closed the million dollar deficit so there is a million dollars here. As I understand from the last meeting the census of the County employees is down by 200. If the average employee's benefit package is \$30,000 a year that is another \$6 million. I know that the contributions to the County College and the Technical School are going down. So I am sitting here adding those numbers together and I see them in the newspaper and I want to say why are these not reflected in the budget because these are ongoing savings. I want to express that as to somebody that has been watching and has not said anything when I was here in February. The first time I have been to a Freeholder meeting in the 60 years I have lived in the County. The second piece I would like to point out is in Sussex County whenever Open Space Tax is introduced and voted on it is always passed. I would like all of you to go back and think about the history of Sussex County. There was a consensus at one time and why was it cut down to where it is today. The reason why is because the County tax went through the roof and therefore to keep everything down was to take the Open Space Tax. I think we are going to regret that and I think the Open Space Fund is going to run out of money. I think this is a time to think about where we are with Open Space. Thank you for letting me talk to you in February and come back and give you a follow up.

**MOTION** made at 5:06 p.m. by Freeholder Mudrick that the Public Hearing be closed seconded by Freeholder Vohden and passed unanimously.

**RESOLUTION: RE: AMENDING 2015 COUNTY BUDGET AS APPROVED.  
211-2015**

Freeholder Director Crabb read into the record the resolution regarding amending the 2015 County Budget as approved. Whereas the County Budget for the year 2015 was approved on April 8, 2015, whereas the public hearing on set budget has been held as advertised and whereas it is necessary to amend the said approved budget now therefore be it resolved by the Board of Chosen Freeholders of the County of Sussex, the following amendment to the approved Budget 2015 be made under the column of General Appropriations the County Administrator's office Salary and Wages will go from \$318,305.00 to \$286,505.00. Other Expenses will go from \$39,305.00. to \$35,405.00. The Clerk of the Board Salaries and Wages will go from \$0.00 this year to \$31,800.00 and other expenses under Clerk of the Board will go from \$0.00 this year to \$3,900.00. The overall change is zero. They will be going from \$357,610.00 to \$357,610.00. This was just to indicate the split of the two offices. Be it further resolved that two certified copies of this Resolution be filed forthwith the Office of Director of Local Government Services, for certification of the 2015 County Budget as amended and be it further resolved that certified copies of this Resolution be forwarded to the County Treasurer, Nisivoccia & Co., Mt. Arlington Corporate Center, 200 Balley Road, Suite 300, Mt. Arlington, NJ 07856 and the Division of Finance. Certified as a true copy of this Resolution adopted by the Board by John Eskilson, Clerk.

**MOTION** made by Freeholder Vohden to approve the Resolution to amend the 2015 County Budget, seconded by Freeholder Mudrick.

On Roll Call the vote was:

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

**RESOLUTION RE: FINAL ADOPTION OF THE 2015 SUSSEX COUNTY BUDGET AS  
212-2015 APPROVED**

**Freeholder Director Crabb:** "BE IT RESOLVED by the Board of Chosen Freeholders of the County of Sussex that the Budget hereinbefore set forth is hereby adopted and shall constitute an appropriation for the purposes stated of the sums therein set forth as appropriations, and authorization of the amount of \$81,581,022.00 for the County purposes to be raised by taxation and certification to the County Board of Taxation of the following summary of general revenues and appropriations."

**MOTION** made by Freeholder Mudrick to adopt the 2015 County Budget as Approved seconded by Freeholder Vohden.

**Discussion**

Freeholder Graham stated he looked at the budget line by line and I think there was a lot of work put into it by the Budget Committee and I appreciate the time and effort that went into it. The only line item I have a concern with is the line item having to do with the funding of the solar differential over the next few years. I know we can't talk about anything past 2015 but in 2015 I personally and I am not more qualified than our treasurer, but I personally feel it is a underfunded number and I think it will come back to haunt us but I believe the rest of the budget has been done in a very tight fashion and that is my comment.

Freeholder Director Crabb asked if there was a basis from the figure that you feel that way.

Freeholder Graham stated yes I do believe the slow down on the projects, not knowing if the projects will exist or not. What is going to be the differential between whether or not we build

out another 100% of what we are looking at or 75% or 50% or whether those projects are covered in the maintenance requirements that have been done. Whether or not the contracts we have with the Boards of Education going forward, financially make sense to them. All of these questions are things I believe should have been answered before the (I can't say settlement) I am going to say bailout before we did that in February of the 25<sup>th</sup>.

Freeholder Vohden said are you suggesting we not make the payment and we default?

Freeholder Graham said no, I think the money is in the budget and we will figure it out. I am saying it is not in the line item that is what I am saying.

Bernard Re, CFO said are you saying there is not enough money right now to pay the debt service that is going to come in 2015?

Freeholder Graham said I am not certain because I do not know how much the cost of the bond is that we are sending down this week. I don't know how much was taken off. I know you said there is a 1% interest rate that we are making.

Bernard Re said nothing was taken off that was kept separate. That whole deal was a kept separate transaction. Right now, I had the Trustee run a statement as of yesterday as to how much was in the accounts that we have and this is on the old projects.

Freeholder Graham asked if that was in the budget or is that off budget?

Bernard Re said no that is a trust.

Freeholder Graham asked how I would know that.

Bernard Re you are making an accusation.

Freeholder Graham said he is not making an accusation, I am expressing my opinion.

Bernard Re said you did not trust what the treasurer had given you.

Freeholder Graham said what I said was that I am not more qualified than the treasurer.

Bernard Re said as of June 30, I am gone. Right now there is \$1,946,963.34 as of yesterday. Do you happen to know what the debt service will be for next year?

Freeholder Graham said it was 2.7% plus I believe it goes up another 7 so it will be 3.3%.

Mr. Re said the debt service for this year is going to be \$2,772,000.00. Next year it will be up a little bit. That is why the \$900,000.00 is sufficient. There is \$2,772,000.00 plus the \$1,946,000 it leaves about \$850,000.00 so the \$900,000.00 is there to cover. There is additional SREC money that will be converted. It was converted. It is sitting with Sunlight General; they are getting ready to send it over to the trust. It goes through them and then to the trust. That is the way the transaction is set up. It has to go through the developer company and then it gets sent over. We have had conversations with them in terms of them converting it. The last SRECs from last month were converted at \$214.00 which is above our estimates that we had presented to you. Next month is it going out at \$214.00. As a matter of fact you can sell out right now, I was told, but again I am not an expert on SRECs I don't want anyone to think that I am, but the best information I have is you can go out to 2018 and sell for \$182.00.

Mr. Eskilson said as a hedge against the market increase. For the market investors expect SREC values three years tend to be greater than \$180 and our projected are around \$200 in 2018.

Someone from the audience asked Mr. Re to identify himself.

Mr. Re said I am Bernie Re, Chief Financial Officer for the County of Sussex.

Mr. Graham said the difficulty here is you are giving me information today that I could have gotten from you a few days ago and you didn't have it a few days ago. There are no accusations against you.

Mr. Re said I said I can try and give you accounting right up to the moment and I think I did.

Mr. Graham said so we are up to the moment with this. The real concern is that this is different from any budget I have been involved in. I have been involved with 10 budgets as a sitting elected official and many before that in other communities. I have never seen something that we have to decide if we have a hedge over here or a speculation over there. So I am voicing my opinion. I am not trying to over qualify myself over your opinion.

Mr. Re said I just don't want you to think that the budget was prepared without having enough money in there for this particular year. I can't forecast and we can go back and forth of who was for it, who wasn't for it; that doesn't do us any bit of good but I can only go with the best information I have in my hands. Nobody can predict what is going to happen with the banks and I like it straight forward. I like to know what we are going to have. I try to be conservative.

Freeholder Graham said my big concern going forward here is this is an off balanced number, it does not appear in the budget; it is something that is other revenue elsewhere.

Mr. Re said I think you are safe for another year. I think next year might even be better than this year. The potential of the 1603 money coming back from the arbitrated award again we are working on that right now with the Federal Government on trying to get the \$1,580,000. If I was sitting in this position next year, I would like to use part of it to pay down some of the newer investment that we took on. Again, it is an investment, we are buying cash. Instead of cash in the bank; it is an investment in serial bonds from the MCIA. It is permissible. The Division of Local Government Services director told us we can do that. Other counties have done it. I have done it when I was an auditor back in 1980 when I worked in a town that bought serial bonds from themselves as an investment in one fund and a liability in another. You can do it.

Freeholder Director Crabb said we all know that we are coming in at 0.78 this year. I can tell you that it made the decision easy to make it in an election year budget and come in at zero. We didn't want to pass anything on to the 2017 Board so we came in with a realistic budget one that only pays for what we plan to do this year but also keeps us in high regard with regards to the credit bureaus. That is very important. I would like to thank everybody for their work, for capital projects group, to the budget committee. It was not an easy year but it was something that we took heads up and took a realistic look at it.

Mr. Re said I would like to thank all of you. This is my last budget. Everybody worked hard on it. We worked through the capital projects to the last minute; even today we had to do something and to you on the budget committee it is not easy.

Freeholder Director Crabb said due diligent was not lacking.

Mr. Re replied correct.

Mr. Mudrick said as I have stated before with the settlements we had to build in approximately \$900,000 more specifically \$896,000 and change, into the 2015 budget. Had there been no settlement, our budget committee would have been put forward with the task of trying to find \$2.3million in 2015, approximately that amount in 2016, and 2017 and subsequent years. A daunting task considering that would have been an increase of 1.73% on top of what we have now and still work towards coming under cap. What programs would we have to cut? What would we have done to an already very lean budget as it is? I wanted to ask John if you will thank the department heads, the division heads, and the representatives from respective departments who came and put in tireless hours even back to last September in a very difficult year to do so.

Freeholder Phoebus asked Bernie, with the revelation that these schools may not do this at all. That is what I have heard?

Freeholder Director Crabb said where is that revelation?

Mr. Eskilson said they have not said that.

Freeholder Phoebus said let's just assume they don't want to do that.

Freeholder Director Crabb and Mr. Eskilson said why would we possibly do that?

Mr. Re replied, the numbers that were presented to you when the decisions were made were made on projections. This whole solar project is based on projections. When we did the additional borrowing one of the things we put into is if we don't need the money, we will pay ourselves back.

Director Freeholder Crabb said we buy our own bonds.

Mr. Re said the size, the dollar amount and the date is up to us. We have to give 5 days notice to MCIA. If we don't know need the money it goes back to us.

Mr. Re replied let me ask you, the interest we are going to pay do you know where that goes?

Freeholder Phoebus said the interest on the money of 1% supposedly goes back into the Homestead money which will earn interest. But my question is what about these SREC credits. If we don't get these extra SREC credits on this when the County agreed to do this settlement, it was based not only on what the build out would bring in the extra SREC credits and the extra 1603 money that was anticipated with this build out. If this doesn't happen or if it happens on a smaller scale than going forward to pay this debt going forward let's say two or three years doesn't that become a different figure for us?

Mr. Re replied yes it can change.

Freeholder Phoebus said that is all I have to hear.

Mr. Eskilson said the bond is callable. We can bring that back. The original debt is known. So if there are no additional projects then we go back to the original no settlement which was about \$28 million dollar that is what we know. With the settlement and with the participation and with SREC assumptions and 15 year SREC assumptions are what they are. We know the 3 year out assumptions are pretty good because the market and when I say a hedge it is not a county hedge it is the market buyers hedging their bet that the market will be greater than 180 and we around 190 to 200 3 years out so we pretty well know there so if the projects don't happen for whatever reason we don't have an indication from any Board or Superintendent to that point than we are back to the original no settlement.

Freeholder Phoebus replied correct, which brings us back to where we were.

Freeholder Direct Crabb said I hope we don't want that.

Freeholder Phoebus said correct but that is a possibility. I think the hardest thing is that I hear us hedging on this.

Mr. Eskilson replied but when I say hedge it is not our hedge it is the market hedging an increase in 2018 not the County taking a hedge position on anything.

Freeholder Phoebus replied we are still paying with the stock market or with SREC credits.

Mr. Eskilson said we are using that as offset revenue.

Freeholder Phoebus said we shouldn't be in the business of using offset revenue as SRECs credits. To me it is a little risky that we got in it. We got in it and we have to do the best we can.

Freeholder Vohden said and with no settlement we would get no assistance from SRECs. The 1603 credits would all be gone. We would still be liable to pay back the bonds that were promissory by us. Without the settlement, we would owe it all plus legal fees with no assistance in paying them back.

Mr. Eskilson said surplus is up and debt service is down, and the financials are stable and Moody's has not moved the bar. Yes this is a big number and we all wished it would have turned

out otherwise but the bottom line is the underlying foundation of the County is stable. The surplus is up. We are using less of our surplus so we are building our surplus. Our debt service profile has not been moved since we adopted your debt management plan almost 14 years ago. The debt service has been managed. Capital investments have been made against that debt service at a rate of between \$8 and \$12million a year which paves about 22 miles of road, builds bridges.

Bernie Re replied and two rating increases that the County has received over that period in time.

Freeholder Director Crabb replied in spite of all this.

Mr. Eskilson said so the message in all this is the foundation is strong and you will weather this storm.

Mr. Re said this was a blip.

Mr. Eskilson said I don't want to characterize it as a blip but the foundation is strong and that has not changed. We have worked collectively for 14 years to build that strong foundation with a lot of hard decisions. A county budget is complicated.

Freeholder Director Crabb replied there are all different dynamics that go into any year's budget but if you follow the line on how this Board has budgeted over the years we have done it with respect to what shape is the County going to be in going forward not what shape the County is going to be in this year.

Mr. Re said we have been through some rough times. I would ask that whether you agree with it or not we work together to get to a happier ending for everybody.

Freeholder Director Crabb replied that is the only way possible. He thanked Bernie.

With no further discussion,

On Roll Call the vote was:

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

## **6. PROCLAMATIONS/CERTIFICATES/PRESENTATIONS**

### **A. Proclamations**

1. Proclamation in recognition of May as being "Older Americans month".  
**213-2015**
2. Proclamation in recognition of NORWESCAP celebrating its 50<sup>th</sup> Anniversary.  
**214-2015**
3. Proclamation in recognition of the "New Jersey Clean Communities" Environmental Event at Waterloo Village.  
**215-2015**

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

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

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

**MOTION** made at 5:39 pm. by George Graham to open the meeting up to the public, seconded by Freeholder Phoebus and passed unanimously.

**Comment from Rose Ann Salanitri**

Rose Ann Salanitri came forward and said you put together a plan based on assumptions, what you felt were logical and solid assumptions and those assumptions are based on the participation of the schools is that correct? Did anyone do a survey because I heard some discussion that the schools might not want to participate?

Freeholder Director Crabb replied we are in touch with the schools that have not yet been built out and not just schools but other entities on a day to day basis. We are at the point where we are going to hit the ground running with this thing.

Ms. Salanitri stated my question is as you were putting together this plan and you were making these assumptions, were the schools surveyed?

Mr. Eskilson replied that we have a license and access agreement from the original program. One of the schools is Sussex Tech, they are our partner in county government. The Kittatinny project is really a completion of the project that had already been started. The Hardyston Project is a new project and the Sparta is the largest and that went before the Sparta Facilities Committee about two or three months ago and had a very good reception there. There needs to be a meeting with the architect to discuss particularly the winter roof floating with the Sparta Board of Ed. They had a facilities meeting yesterday. Superintendent Tobin and I are going back and forth trying to communicate by phone. There has been contact both from staff here and prior with consultants.

Ms. Salanitri replied so you are presuming they will come on board?

Mr. Eskilson replied I am not presuming anything. We are moving forward.

Ms. Salanitri said so whether or not this flies or fails will depend on the participation from the schools, am I correct will that determine whether or not this project succeeds?

Mr. Eskilson replied no. The additional revenue to come in to offset relies on completion. That would generate 1603 which is a fancy way of saying revenue from the Federal Government. It will generate SREC money, Solar Renewal Energy Credit which is money that comes off the State Government. There is possibility of tax equity that could be coming in and sale from electricity at roughly 9.9 cents per kilowatts hour with a 3 percent escalator and yes if those projects are build out there is additional revenue into the program that helps offset costs that was part of the settlement, however, if it doesn't happen there are additional monies that are callable and we are back to where we would have been had there been no settlement more or less. So it isn't like it blows up we are just back where we started.

Ms. Salanitri said my real question is why are these meetings at 5 PM and not at 7 PM when more people can attend.

Freeholder Director Crabb replied and said I have been here for 8 years and that question has been raised 30 times. We found that even if we changed it as you can see the room in full so holding it at 5 has not necessarily precluded people from their attending when they wanted to. This allows us to keep our local professional staff here to have continuous time with them before we go into the meeting. Changing the time has never resulted in more people coming. That is why we hold a 2<sup>nd</sup> public session at the end of the meeting to a lot of these organizations only hold one public session.

Ms. Salanitri said if there was a lot interest from the public would you consider changing it?

Freeholder Director Crabb said we have and we have talked about moving the meetings. But even that would not be practical. What if we had the meeting up in Vernon Township and we had a very controversial meeting with regards to Hopatcong, we couldn't be farther away from Hopatcong so there ups and downs. We have found that we haven't had too many flaws with the way it is now. As you can see the room is full now.

**Comment from Dave Amades**

Mr. Amades, Sparta came forward and said he wanted to follow-up on the meeting times. I did a survey to see when the other counties have their meetings. Morris County is 7:30 PM, Passaic County is 6:00 PM, Essex County is 7 or 7:30 PM depending on where the venue was, Union County is 7:00 PM; Berger County is 7:30 PM. Obviously there might not be a difference if we change the time but working people do have a hardship getting here at 5:00 PM; they wouldn't have a hardship at 7:00 PM. I think it is a worthwhile experiment. I know for me it is a hardship to get here at 5:00 PM; not so much at 7:00PM. This is the primary vehicle that we get to speak to you and you get to speak to us. It is the highest level of government that we get to address directly. It is a wonderful thing. It may be a better vehicle if we had a more practical time. I would like you to try it or do an experiment.

### **Comment from Harry Dunleavy**

Mr. Dunleavy, Augusta came forward. He said it is absolute nonsense to say that you wouldn't get more people if you had the meeting at 7 PM. I have brought this up on numerous occasions and I believe the real reason you are holding it at 5:00 PM is so people will not see what is happening. There are a lot of questions.

Freeholder Director Crabb replied that we didn't just start holding meetings at 5:00 PM. It has been that way as far as I can remember. It is not something we are doing consciously to hide anything.

Mr. Dunleavy said I don't believe you, but that is another issue. The big crowd tonight is unusual. It usually is not like that maybe because it is a special meeting and budget night.

Mr. Dunleavy said regarding the solar energy. I am not qualified in the financial industry that is why someone assisted me. I do have a Master's in Mathematics and the only budget I ever had to run was at Tech when I was President there. The first thing I did was get the attorney fired. My question is: there are three people retiring now. The attorney, Mr. Re and Mr. Eskilson and I would love to know what they were doing when this first solar project was being evaluated. You had an advisor in here. He is my neighbor, he has a solar company of his own and he gave advice that the company you were dealing with was not a reliable company. I am actually glad these three people are resigning and I think they should have been fired because it was a ridiculous conflict to get involved with in the beginning without proper evaluation on the facts involved.

### **Comment from Paul Johnson**

Paul Johnson, Sparta came forward. He said he supports the comments that have been made regarding changing the meeting time. I have lived in the county for over 30 years. I been to many township meetings, many Board of Education meetings, I have been to three Freeholder meetings because it is difficult to get here at 5:00 PM so I support the sentiments of looking to change and make it more accessible. Regarding the Solar Program, I am finding myself somewhat confused. I have been in business for a long time, big companies, small companies and the primary purpose of an attorney is to protect you, protect the body, to protect the agency. The primary purpose of the head of that agency is to analyze the issues and provide good information to the management or Board of Trustees. Both of these issues have failed to occur in this solar program. One of the things an attorney does is saying here is the risk, you can't do that and I don't get the sense that that took place here. I don't know what went on behind the scenes. A hold harmless agreement for a vendor to you, it doesn't make any sense to me. There has been a failing here and aside from the structure of the program, I think it has to do with the way it was managed, directed and brought to your attention. I am not blaming you folks particularly for the failure of the Solar Program the Freeholders because you are not experts but you need to ask the questions and you need to be able to rely on your experts. They are there to protect you and the extension of the county population. It did not happen here. The last thing that I have heard and there is some allusion to it in the papers so I don't give it all that creditability until I hear it myself, but I understand that a Freeholder requested information regarding some aspect of this and the information that was provided to the Freeholder was redacted, there was information struck from it? Did that occur?

Freeholder Phoebus said yes.

Freeholder Director Crabb replied and said that was because the information requested was via an OPRA. I just heard my Freeholder colleague say that she could not get the information and that concerns me greatly. The fact that it went to OPRA concerns me.

Mr. Johnson said it doesn't matter if it was an OPRA request, an OPRA request says you shouldn't hide it from the governing body.

Freeholder Director Crabb said the fact that it went to OPRA concerns me.

Freeholder Phoebus said she wanted to know in the last 2 ½ years how much money did this County pay Steven B. Pearlman?

Freeholder Director Crabb said who did you ask?

Freeholder Phoebus said Bernie Re, Dennis McConnell, I think I asked John and I never got it.

John Eskilson said sorry Gail you did not ask me.

Freeholder Phoebus said \$500,000, \$600,000 then it was \$400,000 and I wanted to see what we have paid Steven B. Pearlman for. I ended up with 101 pages of redacted information with the amount and the total but not what each one was for.

Freeholder Director Crabb said but that was based on the OPRA request..

Freeholder Phoebus said then she got an email and said she could get it if she asked for so I asked again and I still have not received it.

Richard Vohen said I am Richard Vohen a Freeholder elected by you. I take total responsibility for every decision I ever make up here. I don't drink Koolaide. Every question I have ever asked of these three people you are talking about I was answered in full. We had power point presentations, we had reports, It was Phil Crabb, myself, Parker Space, Rich Zeoli, and Sue Zellman. We made that decision. You elected us to make that decision. Monday morning quarterbacking is easy. I was asked by a reporter if I had that chance to make that decision again would I vote in favor for the solar project, and I said that is a stupid question that is like asking a guy who is laying on the side of the road on Rt. 80 after an accident you think you might have been better off staying home today, of course. Things went bad. SREC's dropped, there was probably some bad management, or had an investigation which we would have had anyway. But these three individuals gave us every piece of information we asked for in detail. I never went away looking for an answer. I made that decision. That is what you elected me to do. We could have put it up for a referendum, what referendum ever gets knocked down in New Jersey? And I hear if it went up for referendum it would have succeeded because you voted for it? You voted for us it went bad, if you voted on the referendum and it was passed it still would have went bad, there is no guarantee that the public is going to get it right. I just want to say that I truly respect these guys; they have done a great job in informing us. I never once left with a question.

Freeholder Director Crabb said the immediate concern here is that if something liked this happened, Gail if you could forward me the requests that you made to these guys that were not responded to, we will deal with them.

### **Comment from Paul Johnson**

Mr. Johnson came forward and asked if they felt the residents and taxpayers of the County of Sussex were adequately protected in this structure?

Freeholder Director Crabb replied and said this process started early in 2011. The process before we decided to go forward was almost a full year. What happened here is that we presented it to the communities. Actually it was Morris County that approached us on this thing. We looked at it. There was a group that included Richie Zeoli, Parker Space, some of our people, and some of people from MCIA. They came back with a recommendation that we should look at this. While looking at this took a process that took almost a year. We invited communities to come in and hear an orientation on it. That happened over two nights.

We had far more applicants that wanted to participant in this than we could accept because for things like roof structures, for things like age of the roof. So we ended up with a list of those we were going to go forward with. It went fine for a while. The ones that have been built out, you can ask Franklin, you can ask Frankford, you can go around and they are happy. Franklin is ecstatic with their solar system. But what happened was there was a disagreement between the developer and the contractor. That went to court. By virtue of the framework that we are in this relationship with the MCIA neither of us had a seat at that court hearing. The court astonishingly ruled in favor of MasTec for a huge number. We bore a responsibility for part of that huge number. It was at that point that we were going to take it into our own hands. These guys here went autonomously to MasTec and said lets work this out because we were looking at a total of \$28 million. They ended up with their settlement of \$6.5 to \$6.7 million dollars and that was not in addition to \$28 million. I have heard figures last night of \$40 million dollars. The \$6.5 million settlement is in place of the \$28 million exposure that we would have had and it eliminates any potential ligation any potential things like this and we were able to do it by financing we were able to this by virtue of the difficult decision we had a couple years back to sell the County nursing home. We were using the funds from that to buy our own bonds. It is not consuming that money from the Homestead; it is putting it into a different financial instrument to the point that the settlement not only eliminates future ligation we know exactly what we are on the hook for dollar wise. It allows for these projects to only be built out which will benefit these towns that these projects are in and in the outer years it provides revenue back to the County. Those are the facts of the case. But it was the Freeholders that made that decision. I can assure you that solar was not the impetus for us going forward. It was saving towns' money.

Mr. Johnson stated I am aware of the structure, I am aware of solar energy. The market place has changed, what I am talking about is not having the foresight to say here is a clause in the agreement that says if Morris County, or the developer or whomever and saying this cuts our liability if this things goes south. That was not in there.

Freeholder Graham said I'll stipulate to almost everything you have said but then we divert; where we divert is I am not going to accuse the people who worked in this County, Mr. Eskilson, Mr. McConnell, and Mr. Re of doing anything that was wrong. There was some bad management and I think they were misled in some ways. My big problem with this is what we did in 2014 to 2015 and that the lack of accountability on the person who wrote the documentation long before we were ever involved in this and is the person who wrote the documentation at the back end of all this. He was the guy who invented the whole thing, he was the guy who walked in the door, he invented the model called the "Morris Model" and then at the very end of that document that we had to disagree on, on February 25, 2015 was also authored by Mr. Pearlman.

Mr. McConnell said the documents were not entirely written by Mr. Pearlman. He had a lot to do with drafting the document but there were three separate counties involved in that and he also represented Somerset County Improvement Authority but all the counties were involved at the table negotiating with MasTec and Sunlight.

Freeholder Graham said Mr. McConnell and I had a disagreement that I would like to put out there. This disagreement did not have to do with the fact that I felt he was inadequate with his representation but my feeling was that we needed clean, fresh eyes; someone from the outside who had nothing to do with this. In the State of New Jersey, that is becoming extremely difficult to do. Everybody is connected with somebody else but in the end you follow the money. You take a look at our website you find out who got those big six or seven figure dollars. Those were the people that were there in the early part, those are the people who hoodwinked the people here and those are the people who walk away with the money today still today. This is not about solar energy. This is about money.

Freeholder Vohden said we do not know if that is a fact.

Freeholder Graham said it is a fact.

Freeholder Vohden said show me who made out with what.

Freeholder Graham said Mr. Gable made out with 150 pages of redacted numbers, we don't know what it is but we know that he made a lot of money and then you multiple that by three.

Freeholder Vohden said making money is not a bad thing.

Freeholder Phoebus said it is when it is their money.

Freeholder Vohden said if he did something wrong he should be prosecuted. This is contract law. We did everything by contract. When I start a construction job, I sign a contract and if half way through things start going bad I would like to change the contract but when you get into a problem you hire people to help you solve the problem. These people were always in place. I keep hearing things that people made off with the money, people are crooks; no one is showing me anything. The State comptroller's office is not looking at it. There are arguments against it. I see nothing, I've heard nothing. I keep hearing a lot of accusations. Not once have I heard a name mentioned where there was criminal or indictable activity. If someone can show me something criminal or indictable I would take another long hard look at this. Bad management decisions are not criminal.

Freeholder Director Crabb said one of the other things is there will be tons of post mortems on this. But what the fact is this Board has worked very hard to make a bad decision better and we have a settlement.

Mr. Johnson said I wanted to point out that in my business experience your in house staff is there to protect you. I believe that did not happen as effectively as it could have or should have and that is what I am holding onto. I can promise you that if you do change to a more amenable meeting time I will be here more than three times in the past 30 years.

### **Comment from Bob Walker**

Mr. Walker came forward and said he has lived in the County since 1967 and had the opportunity to serve the regional community at Kittatinny and the regional community of Walkkill. I have had a lot of support over the years from the parents, the communities, freeholders and I am here tonight for two reasons. I look forward to your putting the pipe line in at SMUA in Lafayette and the SMUA in Hamburg and Hardyston because it will reduce the truck traffic and make the road a little safer. But the pipe line that you want to put in is a good idea, it will go by my property, but I hope you don't put a pumping station in front of my house. Does anyone know how often they will pump the sewage?

Freeholder Director Crabb replied I believe it is a forced main so it is constantly moving. You should not hear it.

Freeholder Vohden said there is going to be one pumping station but it is going to be a lot further south of you.

Mr. Walker said I have heard a lot about the solar energy and I would like to know how much did the schools contribute if anything.

Freeholder Director Crabb said nothing.

Mr. Walker said because Walkkill put their own on.

Freeholder Director Crabb replied correct, they did not participate in this.

Mr. Walker said if you are going to be short money, why don't you get the school districts to contribute since they are getting the benefits.

Freeholder Graham said if there was no financial incentive to the schools then they would not have done it. Everything about the solar projects really the brightest times for the solar projects were between 2005 to 2009 and then things starting falling off after that.

Mr. Walker said along the same line of things because I like to have the County spread the money around evenly. I am very disappointed that about three years ago you instituted a hidden tax and the hidden tax was what? You don't want to call it a tax but it was a user fee and the user fee was on the technical school so the communities three years ago that had children going there now have to pay tuition. The voters don't actually vote on that tuition. They don't vote at all on it because it comes out of their classrooms. Andover for example has to shell out

hundreds of thousands of dollars, Montague, High Point has to shell out hundreds of thousands of dollars. Walkkill, \$270,000 that comes out of our classrooms. You were misinformed. Three years ago I heard this from Mr. Eskilson and I verified it. You were misinformed; you were told by the County Superintendent that the local public schools that have children got state money for the vocational kids that went to the Tech school.

Freeholder Director Crabb replied I am aware of this mistake.

Mr. Walker said you were told that and then you voted on it. We should get some of that money. That was the premises of the tuition but as it turns out when I asked John when I went back into business representing Hardyston and Walkkill I told him we don't get any money and John said you do he said the County Superintendent told you you get the money. So we want some of it. Freeholder Graham was there and he wanted to know where the money was going. There was an understanding at the Freeholder level that roughly \$7 to \$8 thousand dollars was given to us for each of the kept children. We got nothing, never have in 40 years. The money goes directly to Tech. Then I heard Tech got cut off money, they lost \$1,000,000 with the cuts that they made three years ago. Walkkill lost 8 teachers, everybody got cut. Worse than that the tuition was so high they didn't get \$1million, they got \$1.5million in tuition.

Freeholder Director Crabb said so this tuition comes from the district that the student comes from. The tuition follows the student.

Mr. Walker said no, it doesn't. He said the taxpayer whether they have children or not you pay to operate the school. The amount of money that you pay is based on our actual enrollment. That is what you paid on the actual enrollment. Not on the kids that go to Tech that is where the misnomer comes in. Tech has two sources of funding. One is the State; and one is the County (taxes). We don't get county money.

Freeholder Director Crabb said if we cut tuition off, Walkkill would not have to pay \$270,000 so who is going to walk down to Sparta Township and tell them they have to pay 18% of your \$270,000?

Mr. Walker said you shouldn't be worried about Sparta Township; you should be worried about the County as a whole. The County as a whole used to pay the entire freight of the County school. It doesn't say Sussex County Technical School-Walkkill or Sussex County Technical School- Montague. It is a Sussex County facility like the County Library which is paid by you. It should be like it always was a county facility supported by the county. You went to a \$1.5 million allowing the tuition to be that high because other people do it.

Freeholder Graham said the tech school receives funding on three levels; local taxes, state funding and the tuition coming in. You have to write a check for \$2100 for every student that goes out but you are still receiving the full amount of local taxes. The state money goes with the student, the tuition goes with student but you don't receive a deduction from your local taxes for that balance of the money which is the lion's share. For example, if you are at \$20,000 per student and you are sending \$2,000 out to the tech school, that brings it to \$18,000 and you are losing \$6,000 for the state component. Where is the other \$12,000?

Mr. Walker said you are wrong on the part that we are sending money out that belongs to Tech because our cost per pupil is based upon our children that enter the school. If you take \$270,000 out of our district every year, and we only have a 2% cap that is 2% less the \$270,000.

Freeholder Graham said you are not answering my question. Where is the other \$12,000?

Mr. Walker said the other \$12,000 what?

Freeholder Graham said you are taking the money from the local tax. You are taking the state money and it is moving over to the student and you are taking the \$2,000 and it is moving over to the student, your per student is \$20,000 where is the other \$12,000. So you held on to \$2,000 more so instead of the \$12,000 it was \$14,000.

Mr. Walker said we never got a dime for those kids. You are missing the point. We still are not getting a dime from what we are getting though we are getting the transportation cost to transport them even though Tech runs its own transportation business for other schools.

Freeholder Graham said I am all in favor in sitting down and trying to figure this out beyond our five minutes here. But I do believe we are all interested in discussing the issues but we all have to be open minded about it.

Mr. Walker said I have been going to Townships and I have had no township turn me down. I have had 11 approve the resolution.

Freeholder Graham offered to go with Mr. Walker.

Mr. Walker said I have been doing it but nobody has been coming from Tech. They don't even have a 2 percent cap.

Freeholder Graham said yes they do. That was something we spoke about very heavily.

Mr. Walker said we have to prove the 2% cap. You may have discussed it but I have never read a thing in the paper.

Freeholder Director Crabb said I have heard nothing but great things about you from your Boards of Educations. They think the world of you. He said we are going to have to agree to disagree.

Mr. Walker said I just want you to think about it and since we are still giving tuition far in excess of the million they lost they should cut it back a couple hundred dollars. Maybe in the next five years we can get it down to a number that you and I can live with but right now we cannot afford to lose \$300,000. We have more Special Ed children in our school than any other school in the county. We pay an outside place \$1.5 million and I want to bring them back. I don't want those kids bused down to Chatham.

### **Comment from Glen Hull**

Mr. Hull from Layton came forward. He said he is in favor of a later meeting. He would love to see it at 7 PM. He said it will bring more transparency. Two things on the solar, first, Europe went green back in 2005, 2006. Spain and Germany are now bankrupted because of the solar problem. It is becoming a real issue. Companies are leaving Germany to come to the United States for cheaper electricity. Germany thought they could get rid of their nuclear power and create solar energy, but the problem is when you hit the switch you need instant generation constant generation. What they found out is Germany is the dirtiest electricity producing nation in the world because they have had to add coal fossil fuel coal plants to produce electricity because when someone hits the switch they have to have electricity. It does not get stored. It is instant generation. He handed out some information that he printed off the internet and he said you can see where this could lead us to this being a debacle down the road. Any capital industry that you have to finance with government it will not last. You will have to tax the people. It will cost too much. This is what I am seeing and I am afraid of what it will do to our County. The second thing is solar energy has its draw backs for safety. What I am seeing in these schools is we are putting all this electric equipment on the roofs. The worse thing that can happen is a solar fire on a roof and it will burn down to the ground because you cannot put out that electricity. The fireman cannot address it. They can be electrocuted. It is a whole new industry. He handed a number of articles relating to fire safety and solar panels. In South Jersey they let a building burn because they could not address it.

The other thing Mr. Hull talked about was electromagnetic force (EMS). It can hurt people. A lot of us who have worked for the phone company now have heart regulation problems. We were up on the power lines. It is amazing how many of us the same age as me that have irregular heart rates from working in that industry. He said are we going to subject our students to this radiation that is on top of the school? I hope you consider this because this should not be on top of our school buildings.

## **Comment from Neil Kenny**

Neil Kenny from Green Township came forward. He agreed that the meeting time should be changed. He asked what the availability of these meetings being video graphed is.

Freeholder Vohden said they are on audio right now. You can listen to the unedited meetings online right now.

Mr. Kenny said that video graphing would be better. He said his last item is the solar energy debacle. He said he is new to Sussex County and feels he is stuck with the debt and no one told him about it prior to buying his house. No one told me I will get screwed by the taxes. I didn't elect any of you so I am stuck with that. I formerly worked for the New City Department Investigation Fire Department and then Tax and Limousine Commission. One thing I have always learned is where there is smoke there is fire. He said the panama of this going back and forth. It doesn't pass the smell test. It needs to be pushed. I would urge this Board of Freeholders to push the issue that somebody needs to be held accountable. Then I go with follow the money. Did we have to pass it before we read it? Is that what happened with the contract? They passed the contract before they read it? It doesn't smell right to me. The other item he brought up was he noticed that when one of the women was speaking he said a gentleman was speaking over her. I would advise you to really study the Robert's Rules of Order. Just look at that.

Freeholder Director Crabb said that is out of the ordinary. We are dealing with a lot of high energy topics and it is my responsibility and I am trying to keep an open discussion and as part of those discussions people will jump in but on regular bases it does not happen.

Freeholder Vohden said Phil is being very courteous and respectful tonight. This period is for public comment only and if I am not mistaken the Freeholder Board does not have to hold a public comment period. Normally this is for public comment only. Questions no dialogue should be committed in writing and we get back to you.

Freeholder Director Crabb said typically that is how things work at our meetings and not only at this one but at other ones it is not for a dialogue but we have opened it up a little bit tonight but Freeholder Vohden is right whatever did not fit into the 5 minutes you would submit through questions or additional comments that would go into the record that is standard operating policy. We have opened it up little bit tonight because you all have taken the time to come tonight.

Freeholder Vohden said it is good to hear what you all have to say.

Mr. Dunleavy came forward and said I did get a little disturbed when Mr. Re said and I quote from what Mr. Re said, "I will be gone in June." That is some pretty tough language and I think he should be held accountable on that. He is retiring but for him to say he will gone in June shows a lack of sensitivity. As far as solar, I agree with Mr. Vohden, where were all these people when it was voted on three years ago? No one was here saying you should do it. The solar energy thing doesn't bother me what bothers me about it is the management. If you run a payroll company you make sure that the payroll company is bonded. Whoever was advising the freeholders on that should have been held accountable.

Freeholder Director Crabb asked you worked at Selective Insurance Company for many years did they bond their payroll company?

Mr. Dunleavy said yes, then no because we did our own payroll.

Freeholder Director Crabb said because I can tell you we looked around including all the entities that were in Sussex County that got hung up with same AmeriPay they did not have bonding either.

Mr. Dunleavy said all I know is at the municipal and county level the top officials should be bonded?

Mr. Dunleavy said I would also like to know if your insurance agent is also your insurance administrator, isn't that an inherit conflict? If a claim comes up, whose side is he on?

Mr. Eskilson said I understand what you are saying. The claims administration is through the fund. It is not our administrator, there is the funds administrator, claims processor and we are part of the fund. I am not trying to take away from your point or confusion, but just trying to clear up the confusion.

Freeholder Crabb said we have had nothing but upsides since we formed this new relationship.

Freeholder Vohden said Sussex County had 9% for years of unemployment, gas was heading to \$4 a gallon, we had a serious budget crisis, and we were looking for anyway to save money for the residents of Sussex County. We voted for this because we thought it was the best thing at the time with the best information available to save the schools; to cut taxes. We did it for the best of Sussex County. We were losing population, losing residents; thousands of homes in foreclosure. We did it for the best of Sussex County.

Mr. Dunleavy said I think I supported you. But all I have heard is the county tax went up 0.78%; that is true because the library, the health, and one other tax went down.

Freeholder Director Crabb said there have been sacrifices everywhere.

Mr. Dunleavy said I think when I came in here I congratulated on the 1%. The operation of the County Budget went up 1%.

Discussion continued with Mr. Dunleavy.

Freeholder Vohden said if the revenues would stay the same it would look a lot better. But our revenues keep decreasing. The County Clerk's office used to bring in \$4 million dollars a year; now it is a couple hundred thousand.

Freeholder Crabb said I think the hallmark of this Board is looking at expenses and the difficult decisions that we had to make. We have taken \$1million from everywhere; we do not have anymore \$1million dollars buckets left.

Freeholder Graham said this year we took \$2 million out of capital; we don't want to do that because that affects things like the roads, the condition of the buildings. The hard decisions are that everything needs to be shaved. I appreciate what you are saying about when the income goes down the expenses need to go down. I was looking at where the numbers went up. Some of the sizable numbers that went up are from insurance. When those numbers go up you need to make that up in another direction.

Freeholder Crabb said there is nothing about the budgeting process at least over the 8 years that this Board has not taken complete due diligence and a complete comprehensive sweep of options.

Freeholder Graham said when it comes to the budget we all work as a team to make sure we don't miss anything.

### **Comment from Susanne Kimble**

Ms. Kimble said she agrees with a 7 PM meeting. She agreed with Freeholder Vohden that there is no law against making money. She said she is retired and has no way of making money and I live on a fixed income. When you live on a fixed income and everything is going up what do you do?

Freeholder Crabb said you cut back like we have.

Ms. Kimble said so have I; so the next thing is moving out of Newton. That is the last thing I want to do. This is home.

Freeholder Director Crabb said we have 19,000 senior citizens many if not all are having challenges staying in their own home.

Ms. Kimble said when we are talking about the whole solar project and finishing it; are we finishing what was begun and was stopped? Are we talking about the whole thing what was projected?

Freeholder Director Crabb said we built out 39% and we are talking about building out the remaining 51% so that was originally proposed back in 2011. We don't have anything started and not completed out there. So what is left would be from the beginning.

Ms. Kimble said so we are not talking about what was started and not completed we are talking about finishing the whole project.

Freeholder Director Crabb said yes I don't think we have anything out there that we started and did not get completed. Everything we started got completed. So what is left would have been from the beginning.

Ms. Kimble asked did we put a bid for a company to come in and finish this.

John Eskilson said no, because we can't. If the public entity takes over the project we are not eligible for the 1603 federal grant. That is 30% of the project cost or roughly 4 to 5 million dollars on what remains. Public entities are not eligible because we are not taxed. The 1603 federal money comes in the form of a tax credit but you have to have a tax liability in order to qualify but as a public entity we don't have any federal liability so we are not eligible for that money.

Ms. Kimble asked who is paying the company to finish this.

Freeholder Phoebus said we are.

Ms. Kimble asked who is choosing the company to finish this. Freeholder Phoebus said that is where it gets tricky. But the other problem to this is that the Morris County Improvement Authority the two entities Steven B. Pearlman, the attorney that had been on this thing from the beginning and is still involved but not after June 1<sup>st</sup>. He will be leaving the MCIA the first of June. As will another company called Gable Associates. They will be leaving the first of June. They also were on this entire project all the way through. Has MCIA determined who is taking their place?

John Eskilson said I have seen their RFP or RFQ for services. I don't know if responses are back.

Ms. Kimble stated so we don't know who is finishing the project?

Freeholder Graham said we know there is a company Vanguard that is being brought in by the former contractor.

Ms. Kimble said and that is who we are paying?

Freeholder Graham said the money goes to the bond, they draw from the bond, the contractor is still the one in play and he hires a sub-contractor. We have nobody overseeing the project if that is what you are asking.

Freeholder Vohden said the developer had an agreement with the Federal Government and they hired a contractor. We approved the bonds. We guaranteed the bonds that were to be paid back by the developer with federal grants, SREC monies; energy savings they defaulted. They are still there and we have to have them there because we have to pay back the bonds no matter what whether we settle or not. Those bonds we will be paying back with the same sources the developer would be paying them back. But that funding is coming through the developer.

Ms. Kimble asked who maintains these solar panels.

Freeholder Graham replied the contractor.

Ms. Kimble replied for how long?

Freeholder Director Crabb replied 15 years.

Ms. Kimble said for sure?

Freeholder Director Crabb said that is in the contract.

John Eskilson said Sunlight is still at this point responsible for maintenance and operation of the existing systems. Vanguard will take over the maintenance and operation from Sunlight.

### **Comment from Mike Vealey**

Mr. Vealey came forward and said we have the bridge on Stempert Road. He also thanked everyone for coming out tonight because the meeting we came to a couple of months back you were voting on the eminent domain process. He said the reason he is here today and he has only been to two of your meetings and it is because I have neighbors that call up and say you made the paper again today. My point is (he showed the audience a picture of a bridge and asked them if it was a single lane or two lane bridge). He said his point is and he addressed Freeholder Vohden saying how you try to keep informed. When we came to the first meeting, your Board voted on the eminent domain process and in that process we had two no votes that night. The reason why we were told from Susan Delmar from the County Road Department the reason why they were widening the bridge was because it was FEMA federal money. The night we were here you all sat here and I think Freeholder Mudrick said if we don't vote on this thing tonight we are going to lose the funding. Right? Is that true?

Freeholder Mudrick replied I don't recall truthfully the meeting you are talking about.

Mr. Vealey said it was in January or February, you voted yes for eminent domain to go through because it was FEMA money, it was free money. Today I read in the paper after my neighbors call me, it says "County Engineer Walter Cramp said the bridge was narrowed to reduce the amount of property needed to be taken for the project yet still met with the minimum requirements for the Federal Government. The County had been approved for FEMA funds to restore the old bridge but engineers determined it would be cheaper and get a longer life to build a new bridge." Now FEMA is providing \$243,750.00. Susan Delmar told me this whole project was costing \$1million. That is to restore the bridge, am I right?

Mr. McConnell said if we had Mr. Cramp here he could better address that.

Walter Cramp, Head of the Engineering Department, came forward and replied that this is an old masonry bridge which was built about 80 years ago and it was built out of stone rubble partially for the substructure. The substructure, the depth, is narrow and does not meet federal design standards. When you replace a bridge, this bridge was built back in the time of horse and buggy and small cars and so those days are gone. We now have trucks, vehicles that use this bridge so it needs to be designed for modern standards. A bridge this old, we have already done things we have done modifications to the bridge. It is not cost effective to try and keep and put bandages on it. So to spend the tax dollars wisely the most appropriate thing is instead of repairing it and getting another 20 to 30 years out of it, we should can take the federal money and put county money with it and get a new bridge that will last 75 to 100 years. Ideally the last thing we do is replace a bridge. The most valuable thing we can do is to rehab or repair the bridge. This bridge is past that time it needs to be replaced. The idea of using federal money to repair a bridge that will last 20 to 30 years doesn't make sense in my opinion and if we work with FEMA we can get a new bridge and get 75 to 100 years out of it. When we build a new bridge it needs to be built per federal safety standards and the road is a two way road. The bridge is being designed per federal standards and statutes at the absolute minimum we can go and not have it declared on federal standards which are called functional obsolete. When you have an old bridge designed for horse and buggy and it is very common that they are deemed as obsolete. They are too narrow and don't meet current standards. The new bridge will be able to carry full loads, it will not be called insufficient or in bad condition and it will meet all of the minimum federal standards so that it does not fall onto obsolete. This is why this bridge is replaced and not repaired.

Mr. Vealey said if FEMA offered you this money was it for you to restore?

Mr. Cramp replied they suggested we repair it but we felt it was not a valued option for us.

Mr. Vealey said that Susan Delmar lied to us from the first day. They said the reason why they needed the piece of property around the bridge was for access for maintenance. But once we started questioning them on it we caught them in a lie. The thing is we were lied to right from the start on this project. I then find out this today but Susan Delmar told us it was FEMA money, it was free money and everyone here said it was free money.

Freeholder Director Crabb asked what is the issue?

Mr. Vealey said the issue is because I have a septic that is within an area of where the bridge is going. My point is you were informed about my septic and the problems and issues we have until that night that we came here.

Freeholder Vohden asked what is the problem with the septic?

Mr. Vealey said it is a 20 year old septic when you were doing the eminent domain you were taking property away and I had to get a variance on the septic when I put it in because it runs through the center of the property so if we decided to sell the house and I have to get a new septic what do I do with it?

Mr. McConnell said there were two separate takings. Once was a temporary easement for construction purposes and there was a much smaller easement a permanent easement which I think is about 300 sq. feet.

Mr. Vealey said my point is there is a lot of buffaloeing going on around here. We were lied to from the start. Susan Delmar said it was FEMA money, the county does not have to put up any money that is why we have to do this, that is why we need the property.

Mr. Vealey said my question to you is when they approved this FEMA money it was for the repair of the bridge.

Mr. Cramp said that is not true. What they said in the initial conversation was they want us to take the money to repair the bridge. The answer is it is not a viable option to take that kind of money and repair it which will last 20 to 30 years when I can take the FEMA money and some county money to replace it and it will last 75 to 100 years.

Mr. Vealey said the county came out and cut trees on my property, they put up a telephone pole, I haven't received a nickle from this. I haven't received a phone call from you.

Mr. McConnell said you are correct but it is not I that contacts you. The money has been posted with the State of New Jersey, the State Treasurer with regard to the compensation that was offered to you through the condemnation process. There are also three commissioners that have been established. One of the commissions appointed recently had a conflict and they just recently appointed another commissioner. The commissioners will be contacting you with regard to the hearing to establish value. You have the right like we told you before to hire an appraiser, hire an attorney and put forth your case before the commissioners to establish the loss that you have occurred as a result of this taking. You have the right to present those facts to the commissioners. Those commissioners are independent entities and they make the decision as to whether the offer we made to you is adequate or not. If it is not adequate they will compensate you more.

Mr. Vealey said are you saying that when you vote tonight on the contract to give the money to whatever contractor that they can't start work within a week without me being compensated?

Mr. McConnell said they can start work immediately because money has been posted with the treasurer of New Jersey for what we believe is adequate compensation. You do have the opportunity to argue that point before the commissioners.

Freeholder Vohden said I am not an attorney but your septic has a value and you should fight for that value.

A gentleman from the public asked what type of road is it. He said you might be putting a bridge on a private road.

Mr. McConnell said that is something you can check out through the engineering department or through the Clerk's office.

### **Comment from Barbara Ames**

Ms. Ames came forward, she is from Morris County. I appreciate this conversation on solar. I am a resident who has been following the solar project very closely with the Freeholder Board and the MCIA. They have been asking a lot of the same questions. I appreciate the conversation tonight in public, it is healthy and I appreciate it. She wanted to mention something that was mentioned earlier about Pearlman and how much he had been paid. The Freeholder Board of Morris County pushed the MCIA on the expenses- what it cost the taxpayers where had the money gone, who had been paid, etc. On April 1, 2015 the MCIA came out with a document and one of things that I noticed was Pearlman's name is not listed on it. We know that Pearlman and Inglesino is one of the same firm and they separated around fourteen months ago. All the vendors that got money are listed there except Pearlman. I did ask this question.

Freeholder Phoebus said you get the amount and hourly rate but not what he did to obtain it. Which I think all of us here in this County should see. Ms. Ames said what I am saying is his name does not show up on that document at all.

Freeholder Graham asked Ms. Ames do you recall who gave you that document.

Ms. Ames said John Bonanni.

Freeholder Graham said it was Mr. Miranda, his partner. He is the one who gave the document that didn't have his name on it.

Ms. Ames said Pearlman is a player and why his name is not showing up on that document just based on the conversation here I think we all need to do a little more homework as to why his name does not show up there because everybody's name is there except Steve Pearlman so I think that is worthy of doing a little digging on that.

Ms. Ames said there is parent company and when you settled and we all knew it through texts but when that happened we really don't know who is responsible. The same folks who negotiated the settlement are advising us all along and it all kind of smells a little bad and I guess that is why folks are leaving. My suggestion is why we didn't go after the big daddy company that had money. Maybe it is something that can't be done but in Morris County a lot of folks are concerned that that settlement precludes us from doing that and the tax payers are on the hook for that.

Ms. Ames said something that also affects, Morris, Sussex, Somerset and 10 other counties in North Jersey which is the Together North Jersey Plan. When did you vote on that?

Freeholder Vohden replied: I am on the Transportation Planning Authority. It is a draft plan. There are no regulations, no requirements to abide by that. We took a grant that gave us a lot of information on an economic development program and plan led by Dean Hughes of the Bloustein School of Planning, no strings attached we got so much information out of that demographics, economic statistics that we did not know existed in Sussex County. It was well worth our while. I am involved with that. I don't know if you have seen Volume 1 and 2 of the draft plan. There are no regulations in there. I don't like what they are trying to do. We are part of a regional plan. In every regional plan Sussex County is the no growth area. If we tie in with Morris, Morristown is a growth area. Northern New Jersey the 13 counties Hudson, Essex they are the growth area. We need our own regional plan. We have to be vigilant. Warren Country has not signed onto to this. They can follow us.

Ms. Ames replied that you are already restricted so I am thinking that the urban areas don't have a lot of money unless it comes from our pockets to pay for all these plans and I am wondering, this is the same question I asked my Freeholders, the Freeholder Board is not being asked to vote on this plan.

Freeholder Graham said we just had a presentation on this at our last Planning Meeting and they did not ask for any type of a vote. Your comment about who is going to pay for this and I was thinking the same thing. I don't think we actually vote on this.

Freeholder Vohden said we don't. Just like we are talking about the bridges, the roads I don't use most of these roads but I still pay. Warren County opted out. They decided not to participate. Warren County will still have to pay.

Ms. Ames stated that we are all going to have to pay for this and we are not being asked. Why is it that the counties and municipalities don't know about it and yet this big plan funded through HUD and the Bloustein Center at Rutgers with \$5million of taxpayers' money which is not free comes out of the taxpayer? We are going to pay for it and we are not being asked and I think to suggest or think that it is not going to be mandatory and we are not going to be forced to pay for it.

Freeholder Vohden replied I get beat up over this constantly. It is a plan. You have regional plan associates and they have lots of ideas. They have lots of restrictions and regulations; they can't do anything without the legislative. We have to be vigilant that it does not go.

Ms. Ames said it is not going through legislative. It is all the bureaucracy.

Freeholder Vohden said I am on the Highlands Council we had a regional master plan committee meeting today. That is a situation that we don't have a vote.

Ms. Ames said I just suggest that the Highlands is the same kind of stuff that has been going on for a long time. This is more the same and unless we pay attention to it in Sussex County and Morris County we will be paying for and I don't think it will be possible for it not to go through unless organizations like you and my Freeholders stand up and say No and we are not paying for it.

### **Comment from Rose Ann Salamitri**

Rose Ann Salamitri came forward and said when Suzanne Kimble came up I think I was living in an alternate universe when she asked who is the contractor on the solar matter. But before I get to that who negotiated the settlement?

Freeholder Phoebus said according to what Dennis said it was Steve Pearlman.

Rose Ann Salamitri said I do have a little bit of legal background and you have a contract and a developer defaulted on the contract and you are bound by the contract to pay the person who defaulted on the contract and hold them harmless. Who signed that?

Freeholder Vohden said that was part of an agreement signed by a group of attorney's, three counties, 17 Freeholders were involved in the decision, two Municipal Improvement Authorities sat down and worked out this agreement to save Sussex County from years of litigation and tens of millions of dollars in additional costs. They hammered out this agreement.

Ms. Salamitri said the bottom line of the agreement that you hammered out was you were legally, contractually, to remain bound to pay a developer who defaulted on a contract.

Freeholder Vohden said legally we do not pay the developer and if the developer goes away we lose all our federal funding and there is a payback also.

Freeholder Director Crabb said there is the albatross including the hold harmless that if you made the wrong decision and the talks collapsed there would be a \$22million incremental charge to the County and we were not willing to roll the dice.

Ms. Salamitri said that somebody needs to be held accountable. You need to trace this back because you were led down a road you should not have been led down this road.

Freeholder Director Crabb said there will be lots of post mortems on this. I hear there will be a state investigation and we are welcoming that. We are going to open up the books completely we are just waiting for it to happen.

Ms. Salamitri brought up the meeting time. It didn't deter people from coming here tonight well since there are a lot of people that came here tonight, why don't you ask these people if they would prefer to come tonight?

Freeholder Direct Crabb replied I think we have heard the message.

**MOTION** made by Freeholder Graham to take a 5 minute break, seconded by Freeholder Phoebus and pass unanimously.

Freeholder Director Crabb brought the meeting back from the 5 minute break.

### **Comment from Gail Hull**

Ms. Hull from Layton, NJ came forward and asked I would like to know which part Dennis McConnell played in advising the Board on all the legal aspects and how come some of the important issues about this debacle seemed to have been overlooked even by someone who I would think their heart would be to advise this Board in all of this.

Freeholder Director Crabb stated that Dennis is our legal counsel. We rely on his advice. He is probably arguably the most highly respected legal counsel in the state of New Jersey but the end the day it is the Freeholders that make the final decision that take the action on whatever the recommendations or lack thereof or whether we take the recommendation or not, the bucks stop here.

Ms. Hull replied and said all too well I know about political connections in the County and the State and I have a feeling there is a big part of that going on with the project, I am sorry to say that but that is the truth.

### **Comment from Anne Smulewicz**

Ms. Smulewicz, Wantage, NJ came forward and said I have been coming to your meetings forever. I must not be aware of something but I am not aware of any corruption. I would like to address the solar issue going back to 2011 when Parker Space first voted for it then, I campaigned against that Space brought the project to the Board to discuss it. He did the right thing. It was 2011. Gas was 4 dollars a gallon. It did not look like there was any relief in sight. We were being choked by energy bills and then it appeared that there might be some relief. It was intelligent to entertain that thought and explore it. Now we are 2015 and we have a crossroads. We could continue to be involved in ligation, costly ligation we would have probably lost grants, funding, etc. I would like to commend Rich Vohden, Philip Crabb, and Dennis Mudrick that you put your political aspirations in the back seat and you made the intelligent vote to cut your losses and to move forward and to address serious issues in this county. Thank you. Furthermore, I do believe that John Eskilson will be exonerated and we are losing a tremendous treasurer in Bernie Re and I am sorry that this is how it is ending and it shouldn't be.

I would like to say that I heard something very refreshing from someone that is not in our county, Barbara Ames and she seemed to be very well informed and could articulate our means. We send people to Trenton who are supposed to be representing us. We need to send people to Trenton who can articulate our issues and have a nice way about them to get our issues addressed. We need to make sure we have the right people in office. The right people on the Freeholder Board who have courage and who will do the right thing. I want to thank you. It has been very rough on you. I so admire you John and thank you all.

### **Comment from Harry Dunleavy**

He said he wanted to apologize because he interrupted Freeholder Vohden and he does agree with him that there is nothing wrong with making money. Regarding the funding for the Tech came from the State and County and also a lot of grants. We got a lot of federal grants because we had a good person doing that for us. There is another issue that the previous woman brought up about our legislators in Trenton. I did a survey on the schools in the County. The amount of managements in the schools is very high. The state is \$800 million in debt from what I have heard. I have spoken twice before the legislature about this and they asked me to get somebody to introduce a bill and I could not get anywhere. I think the Freeholders would have a

better chance of addressing the legislative. They should look at all the money that is wasted in the schools.

**MOTION** made at 7:37 PM by Freeholder Vohden to close the public session; seconded by Freeholder Phoebus and passed unanimously.

## 8. **FREEHOLDERS' COMMENTS**

### **Comment by Freeholder Vohden**

- **Veterans Fundraiser**

Freeholder Vohden attended the fundraiser at the Newton VFW. There were over 100 attendees.

- **The Vernon Vietnam Veteran's meeting**

Freeholder Vohden stated that both Congressman Frelinghuysen and Scott Garrett have signed letter for support of a veteran's clinic to be established in the Sussex County area. He said that John Harrigon reported that the first burials in the veteran's cemetery could happen as early as May or June. If anyone is interested I have the charges, rules and regulations for the cemetery.

- **Sussex County Board Agricultural Meeting**

It was announced that the conservatory buildings are getting the much needed restrooms. They will be in place prior to the fair opening.

- **Economic Development**

Freeholder Vohden attended a meeting on Economic Development on May 28th. Over 180 people signed up for this meeting. There was a long list of presenters. There are a lot of opportunities for people to get financing for their start up businesses.

- **The Arts and Heritage Council**

Freeholder Vohden attended the event on May 2nd and stated that these events are good for Sussex County.

- **Sussex County Fun Day**

Freeholder Vohden attended the event along with the other freeholders.

- **New Jersey of Association of Counties Convention in Atlantic City**

Freeholder Vohden attended event and said they had a record high turnout of attendees as well as vendors. He said it is a great networking event. There were representatives from all 21 counties that we would not get to meet at any other level. There was a vendor booth manned by the New Jersey Housing and Mortgage Finance Agency. I brought back some of their brochures. They do deal with foreclosures which is a problem here in Sussex County. They are aware of our foreclosure problem in Sussex County. They are willing to come up here and help us with people who are having problems. I received a note today from Steve Gruchacz saying our foreclosure program is moving along with a focus on preserving home ownership as well as presenting other options for residents. They are setting up a program on June 10<sup>th</sup>. The Housing Partnership, local realtors, banking representatives and attorneys and they will be here to do confidential counseling for people who need help.

- **Corretta Farm**

Freeholder Vohden went on a tour with the Agriculture Development Board members of the Corretta Farm in Green Township. They submitted an application for farmland preservation. This is just another example of what Sussex County has to offer, maintaining our rural character. We will be working on three or four farms to be preserved tonight.

- **Boy Scouts Tribute to Woman Awards**

Freeholder Vohden attended the award luncheon at Lake Mohawk County Club. Six outstanding county women were honored for their contributions and accomplishments. Freeholder Phoebus handed out some of the awards.

- **North Jersey Transportation Planning Authority Meeting**

Freeholder Vohden attended the meeting in Newark. The keynote speaker was the President of the Regional Plan Association, a group that advocates for regional planning for New York City, Southern Connecticut and northern New Jersey. His comments focused on the transportation and the infrastructure of the region in relation to economic, development and stability. It was a good presentation because there are problems with our infrastructure and our transportation in the region especially out here in Sussex County with public transportation. His main topic was the Trans Hudson Crisis. He explained the need for another rail tunnel to New York City, the old art project that fell apart. He said the number of commuters from New Jersey to New York is expected to increase by 65 thousand over the next few years and the damage caused by Hurricane Sandy and the existing rail tunnels will require they be shut down one at a time for repair. When they shut one down the people are expected to use ferries to get to New York which will create a lot of problems. One question was asked of him if we are going to have 65 thousand new commuters to New York, how is New York going to handle that bottle neck with the increase of commuters at the train stations, bus stations, it will back up to us up here. That question led to a discussion about the new supertankers that will be coming to our ports. The supertankers carry 18,000 containers and they will be coming in weekly and how do we get these containers out which will be traveling on the roads so that is another problem with transportation. As much as I am opposed to regional planning, there is some place where regional planning does work. It has to be considered on a regional plan, Rt. 80 does not stop at the Morris County line.

Also, it was announced that the Together North Jersey Comprehensive Economic Development Study draft is posted online now. There is a lot of good information from these studies and we need to take the good parts and apply them. I have had a lot of calls on the North Jersey Together and their transportation studies. There is a lot of good information there. We need to take the good information and be vigilant and what we don't want doesn't get implemented. It all depends on how we vote. I hope we all vote the right way to keep the people out of office who would shove this down our throats.

### **Comments by Freeholder Director Crabb**

- **Bridges**

We are here today to recognize the beginning of the repair and replacement of the last of 154-155 bridges that were either damaged or destroyed by Hurricane Irene and Tropical Storm Lee. We went through a period where the 100 year storm came through every two years. That is a tremendous accomplishment. There are about 400 bridges in the County. We should have about 16 people in our engineering department and we have about 5 full time engineers. The way they brought it and it wasn't a catastrophe to the budget because it was 11.5 million dollars in damages and we got just over 4 million dollars from FEMA. FEMA only makes available any kind of money whether you replace or repair up to the condition of the bridge before the storm hits.

A lot of people don't realize that we were able to get through that because our engineers did most of the planning inside. It was a real management exercise to get their arms around so many concurrent projects at the same time. He congratulated Walter Cramp and his crew.

Freeholder Director Crabb recognized Elaine Morgan, Former Clerk and acknowledged Diane, Trish and Linda in the audience.

### **Comments by Dennis Mudrick**

- **Personal Action Report**

Freeholder Mudrick congratulated the four retirees effective April 30, 2015, Jeffrey Riker, Edward Nemeth, Randy Pierce and Patricia Kantenwein on their years of service with the County.

- **Vernon Coalition Meeting**

Earlier today, Freeholder Mudrick attended a Vernon Coalition meeting at Vernon Township High School. Present at the meeting was Rebecca Dorney, the Vernon Coalition coordinator and a Center of Prevention individual agency staff person Gema Chalky. We have said this before at previous meetings, substance abuse continues to be an issue in our County. It was a very good meeting. Also in attendance was the Principal of Vernon Township High School and the director of campus security up at the Vernon Schools, Jim Barta, as well as the student assistance's counselor.

- **Center for Prevention Alcohol Awareness Night**

This event was held at the Newton Municipal building. I and Freeholder Vohden attended the meeting. Senator Oroho and Chief Mike Richards were there at well. With the Prom and graduation season right around the corner, Parents Who Host Lose the Most signs will be popping up throughout the County and we need to be role models for our children. Sometimes the siblings of the older children in the grades 5 to 12 could have a positive or not so positive effect on the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> graders that I have the privilege of working with every day. There are many of these coalitions throughout the county and I am sure they are doing exactly what Vernon was trying to do today which is to address the issues of our drug problems throughout the county. Hopefully there will be more of that throughout the upcoming months.

Freeholder Mudrick congratulated Steve Gruchacz and the Sussex County Department of Human Services. The five freeholders in the last 24 to 72 hours got numerous emails that the Atlantic Health System was nominated for a 2015 Empower Award. These awards are annual opportunities for us to highlight our departments, staff, physicians and community partners like our Department of Human Services for their outstanding collaboration over the previous year. There will be a ceremony and Steve and his delegates will be going to the College of Saint Elizabeth in Morristown on June 3, 2015.

### **Comments by Freeholder Phoebus**

- **Food Pantry**

Friday I was with Freeholder Vohden and I was honored to hand out awards to three outstanding women in the county, Rita Oroho, Lisa Parrott and Joan Cougar for their work they do with the food pantry located in the Cochran House. Those three ladies started it and the manual labor they do is immense. They push carts; they have food coming in. NORWESCAP is a huge contributor and has helped us tremendously and to be able to feed all of the different families that are being fed in Sussex County currently. There is a gigantic need. The amount of food is measured in tons that go out of there. The most wonderful thing is it is done with such dignity.

No one has to come in and register for it; there are no forms to be completed. It is a place that if you need it you go there and they will give you food. When there is a need in this county everyone gets together and helps one another, neighbor helping neighbor.

### **Comments by Freeholder Graham**

- **New Jersey State Fair**

Freeholder Graham met with Barbara Wartman from the fairgrounds and I would like to ask the Board to go ahead with a Proclamation for the 75<sup>th</sup> anniversary of the fair this year. I would like to do this on June the 24<sup>th</sup>.

- **Records Management**

Freeholder Graham met with Ron Tappan and Dan Freed to discuss records management as well as the initiating to allow more public access to more documentation. One of things as we go forward as this stuff comes online; we can allow online ability to see the resolutions online before the meeting in lieu of after the meetings. They will know what we are going to speak about.

- **Waterloo Village**

The Friends of the Waterloo Village had a meeting and we dedicated a new building. The building was there but we have rehabilitated it. It is called the carriage house and that is where we will be raising funds to keep the Waterloo Village up and running.

- **The Cochran House**

The air has improved tremendously. We had some issues in the building because of roof work done last year. Thanks to Ron Tappan, Joe Biuso and their staff and John Eskilson. We have gone there a lot, we have spoken with a lot of people; we have listened to a lot of people; everyone is working well together. They understand and the air is clear. Melissa in Tax, Marge in Elections, Carol Novrit, Jeff Parrot has all been very instrumental in helping us get through these times.

- **Sussex County Fun Days**

Said, yes I was hit with 72 pies in the eyes.

- **New Jersey Together**

Freeholder Graham said I originally opposed the Grant. Actually they went to some long effects of bringing down the planner and explaining it to me about what it was really about. I have to agree with Rich Vohden there were a lot of thing we learned. I am just as interested in eco-development. Rich is interested from another direction. We all are interested from different perspectives. This gave us some very good detailed information. I too agree with anyone who thinks who is going to pay for it and are they going to jam it down our throats anyway. Yes probably but at least we know what the facts are. This important data is important for us to know what is true and they did do that.

- One last thing and that is Dan Coranoto, Deputy Major Hampton Township passed away on Sunday, May 10<sup>th</sup>. Daniel was our representative for the League of Municipalities for our state for many years. He was very passionate. He gained respect for us in Trenton. He made us aware of the information we needed to be aware of. He was a gentleman and he was a good guy. Somehow or another he did something positive for everyone in this room because of something he said and made us aware of so God Bless Dan Coranoto.

## Comment by Freeholder Vohden

### Sussex County Fair

For their 75<sup>th</sup> anniversary celebration if anyone has anything they can borrow they would like it. He said he has programs from 1946 and 1948 so I think I will donate them.

## 9. APPROVAL OF CONSENT AGENDA

- A. RESOLUTION RE: PAYMENT OF BILLS  
**216-2015**
- B. RESOLUTION RE: AUTHORIZING THE ISSUANCE OF PURCHASE 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 (*Services include flu vaccines from FFF Enterprises, Inc.*)
- C. RESOLUTION RE: FINAL APPROVAL FOR THE PETER ANN MARCYGIANATTASIO FARM IN FRANKFORD TOWNSHIP SUBJECT TO AVAILABLE FUNDING (*County share will be approximately \$40,320+/-*)
- D. RESOLUTION RE: FINAL APPROVAL FOR THE MOUNTAINVIEW FARM IN FRANKFORD TOWNSHIP SUBJECT TO AVAILABLE FUNDING (*County share will be approximately \$58,500+/-*)
- E. RESOLUTION RE: FINAL APPROVAL FOR THE PALADINO FARM IN  
**220-2015** *approximately \$43,240+/-*)
- F. RESOLUTION RE: FINAL APPROVAL FOR THE DOUBLE "D" FARM IN LAFAYETTE TOWNSHIP SUBJECT TO AVAILABLE FUNDING (*County share will be approximately \$48,900+/-*)
- G. RESOLUTION RE: AUTHORIZING AN AGREEMENT BETWEEN THE COUNTY OF SUSSEX AND PULMONARY MEDICAL ASSOCIATES, LLP FOR THE SUSSEX COUNTY TRANSITIONAL CARE PROGRAM FOR CALENDAR YEAR 2015 (*Pulmonary Medical Associates, LLP will provide funding in the amount of \$50.00 to cover Transitional Care Management billables, and after six months \$25,000.00 for SCTCP services in 2015; term of Agreement is from May 13, 2015 to May 12, 2016*)
- H. RESOLUTION RE: AUTHORIZATION FOR THE SUSSEX COUNTY DEPARTMENT OF HUMAN SERVICES, DIVISION OF SENIOR SERVICES TO APPLY FOR GRANT FUNDS FROM THE NEW JERSEY DEPARTMENT OF HEALTH, DIVISION OF FAMILY HEALTH SERVICES FOR THE ADMINISTRATION OF THE SENIOR FARMERS MARKET NUTRITION PROGRAM FOR THE PERIOD OF JUNE 1, 2015 TO SEPTEMBER 30, 2015 (*The funding will go toward promoting and enhancing the Senior Farmers Market Nutrition Program for seniors at the Congregate Nutrition Sites, Senior Housing Facilities and with the Senior Clubs in Sussex County. Amount of grant funds sought: \$500.00*)

- I. RESOLUTION RE: PAYMENT OF DEDUCTIBLE LITIGATION COST IN THE MATTER OF HAWKINS V. COUNTY OF SUSSEX  
**224-2015**
- J. RESOLUTION RE: AUTHORIZATION TO PROVIDE FOR THE PURCHASE OF NEW RADIO EQUIPMENT FOR THE OFFICE OF THE SHERIFF *(The purchase of the new radio equipment is for the upgrade of the 9-1-1/OEM radio communications system. This purchase is provided by New Jersey State Contracts #83927/83917 using Atlantic Communications, in the amount of \$85,078.42)*  
**225-2015**
- K. RESOLUTION RE: AUTHORIZATION TO EXECUTE AN AGREEMENT FOR ELECTRICITY GENERATION SUPPLY SERVICE UNDER THE PASSAIC COUNTY ENERGY COOPERATIVE PRICING SYSTEM TO VARIOUS BUILDINGS WITHIN SUSSEX COUNTY *(Pricing for this agreement is \$.0869 per kilowatt for a 24 month period beginning June 1, 2015 and ending in May 31, 2017)*  
**226-2015**
- L. RESOLUTION RE: AUTHORIZATION FOR THE COUNTY OF SUSSEX TO TRANSFER FUNDS IN THE SPECIAL CHILD HEALTH SERVICES GRANT DFHS15CSE012 FOR THE CONTRACT PERIOD OF JULY 1, 2014 THROUGH JUNE 30, 2015 FROM SALARIES TO OFFICE EXPENSES FOR A TOTAL OF \$16,832.00  
**227-2015**
- M. RESOLUTION RE: AUTHORIZING THE EXECUTION OF A SETTLEMENT AGREEMENT AND GENERAL RELEASE OF ALL CLAIMS IN THE MATTER OF ALLISON MURRAY V. SHERIFF'S OFFICE OF SUSSEX COUNTY, ET AL.  
**228-2015**

**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 George Graham to approve Resolutions A-L but vote on K separately, seconded by Gail Phoebus.

Dennis McConnell stated Resolution M will be voted on after the closed session.

On Roll Call the vote was:

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

**MOTION** made by Freehold Vohden to approve Resolution K and seconded Dennis Mudrick.

### **Discussion**

Freeholder Graham said I understand this is for an agreement on electricity for all of the County buildings. I do understand it is done through an auction. I feel the company that is doing that has not gone through any bid process and that is my disagreement with this.

Freeholder Vohden asked what company you are talking about.

Freeholder Graham said if you read the paperwork it comes from a company called Concord Engineering.

Freeholder Vohden said we deal with Passaic County Energy Cooperative.

Freeholder Graham said the backup paperwork comes from Concord Engineering and from a Vicky Malloy.

Freeholder Vohden asked have we signed anything with Concord Engineering.

John Eskilson said a number of years under New Jersey State Contract Concord Engineering did some energy audits on county buildings other than that I do not believe we had a relationship with Concord. Concord does represent Somerset County in this Passaic County Energy Cooperative which we have been a member for a number of years. I believe they have always represented Passaic.

Freeholder Director Crabb said if I am not mistaken this is the same agreement that this Board has passed for a number of years. And other than the energy audit that apparently went through Concord Engineer are we doing anything else with them?

John Eskilson replied I do not believe so.

Freeholder Director Crabb stated that is some indication in the local Blog that maybe I should step back from this as it involves Wendy Molnar and the illusion in the Blog is that Wendy Molnar was my campaign manager. She was nothing of the sort. Richie Zeoli was my campaign manager and you can see in my D1 statement. Wendy is a friend who helped me set up my spaghetti dinner. Steve Oroho and Alison Littell helped me. There were a lot of people who helped me with that dinner.

Freeholder Graham replied it is strictly on merits and I just wanted to vote on it separately.

Freeholder Phoebus asked and said there was no bid?

John Eskilson stated there was an online auction which is comparable to a bid. There was a seven lot auction, there are about 20 members in Sussex County, members are Fredon Township, Franklin Borough, Andover Borough, and County of Sussex, and the different lots represent the different utilities that serve the various members of the co-op. I think our lot is 5 or 6. There were four registered bidders for the online auction, three participated in one or more of the lots, and two participated in the lot for the sale of the Sussex County piece Jersey Central region. There were two online auctions. One was for general service, electricity to the buildings, second was for street lighting. Street lighting was not recommended because the numbers were not competitive but the general service contract was recommended the net savings were about \$50,000 against the Jersey Central regulated rates.

Freeholder Director Crabb asked John: Is there any significant framework difference to what we passed last year?

John stated: I think it was natural gas last year. I believe the last electrical cycle was 24 to 36 months. I don't think it was for a single year. There was a 12 month bid and a 24 month bid and 36 month bid in our lot and on the two pieces, the general service and the street lighting. The recommendation was the 24 months.

With no more discussion Cathy Williams called the rolled on Resolution K.

On Roll Call the vote was:

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

**10. APPROVAL OF MINUTES**

Special Meeting September 18, 2014

**Executive Session Minutes**  
Special Meeting September 18, 2014

**MOTION** made by Freeholder Vohden to approve the minutes as stated above, seconded by Freeholder Phoebus and passed unanimously.

**11. APPOINTMENTS AND/OR RESIGNATIONS**

- 1. RESOLUTION RE: APPOINTMENT OF CATHERINE M. WILLIAMS AS CLERK TO THE SUSSEX COUNTY BOARD OF CHOSEN FREEHOLDERS PURSUANT TO N.J.S.A. 40A:9-26

**MOTION** made by the director, Freeholder Crabb to appoint Catherine M. Williams as Clerk of the Board, seconded by Freeholder Mudrick.

**Discussion**

Freeholder Graham stated I think right now we need an interim. We are in a transition period. There are a lot of things changing in the clerk’s office. We are behind on minutes. We need time to get it right. I am not making any motions against any particular person; I just think we are in a transition period. I would like to see an interim till the end of this year. Also I don’t it is fair to put a clerk of the board in the middle of an election cycle. This will come up in 3 years in front of a primary. I think it is better if we leave it alone. I would like to solve the challenges on the minutes, OPRA’s, calendar things that are going on right now and let’s get through it and see where we go as we go forward.

Freeholder Phoebus asked if there was a salary increase for this.

Freeholder Director Crabb stated it should come from the Personnel Agenda.

Freeholder Vohden stated he feels with the caucus, the turmoil that has been created in the County and our Administration, the offices, I think we need to make a strong decisive decision now. Get people in place and move on with our business and get things under control somebody that is experienced with the job. I definitely don’t think we should wait for a new freeholder board. If I would go for advice, I would go to people with experience, with knowledge, who understand the process. Jeff Parrott, Sue Zellman, Gary Chiusano that type of experience. I would like them to come forward and help us work through the problems that we have been going through recently. I am in favor of this.

On Roll Call the vote to approve Catherine M. Williams as Clerk of Board for a three year appointment was:

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

**12. RESOLUTION**

- 1. RESOLUTION RE: PRELIMINARY ADOPTION OF THE SCMUA WASTEWATER PLAN AMENDMENT FOR CONVEYANCE OF LANDFILL LEACHATE  
**230-2015**

2. **RESOLUTION RE 231-2015** PROVIDING TEMPORARY CLOSURE OF CR 517 IN OGDENSBURG BOROUGH (*5K race between Passaic Street and Brooks Flat in the Borough of Ogdensburg. The requested closure is to occur on June 20, 2015 from 8:00 AM to 10:00 AM*)
3. **RESOLUTION RE: 232-2015** PROVIDING TEMPORARY CLOSURE OF CR 644 IN VERNON TOWNSHIP (*Memorial Day Parade between Church Street and County Route 517 in the Township of Vernon. The requested closure is to occur on May 25, 2015 from 10:00 AM to 12:00 PM*)
4. **RESOLUTION RE: 233-2015** AUTHORIZING ENTRY INTO AN AGREEMENT WITH THE BOROUGH OF HOPATCONG TO ADVANCE A STREETScape IMPROVEMENT PROJECT ALONG A PORTION OF COUNTY ROUTE 607, A.K.A. HOPATCHUNG ROAD IN THE BOROUGH OF HOPATCONG
5. **RESOLUTION RE: 234-2015** AUTHORIZATION FOR THE BOROUGH OF HOPATCONG, A MUNICIPAL GOVERNMENT, UNDER THE DIRECTION OF THE COUNTY ENGINEER, TO IMPLEMENT TEMPORARY TRAFFIC CONTROL MEASURES INCLUDING THE CLOSURE OF A SECTION OF CR 607 AS DEFINED WITHIN PLANS ENTITLED "PLANS OF HOPATCHUNG ROAD – PHASE II REDEVELOPMENT & BEAUTIFICATION PROJECT" DATED APRIL 2014, PREPARED BY JOHN RUSCHKE, P.E., OF HATCH MOTT MACDONALD FOR THE BOROUGH OF HOPATCONG
6. **RESOLUTION RE: 235-2015** AUTHORIZATION OF PLANS ENTITLED "PLANS OF HOPATCHUNG ROAD – PHASE II REDEVELOPMENT & BEAUTIFICATION PROJECT" DATED APRIL 2014, PREPARED BY JOHN RUSCHKE, P.E., OF HATCH MOTT MACDONALD FOR THE BOROUGH OF HOPATCONG
7. **RESOLUTION RE: 236-2015** AUTHORIZING THE EXECUTION OF A DEED OF EASEMENT FOR RIGHT OF WAY TO RAPOSO & PEREGRINO, LIMITED LIABILITY COMPANY 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
8. **RESOLUTION RE: 237-2015** AUTHORIZING A TERMINATION OF A SHARED SERVICES AGREEMENT BETWEEN THE COUNTY OF SUSSEX AND THE BOROUGH OF FRANKLIN FOR FINANCIAL ASSISTANT SERVICES PURSUANT TO THE PROVISION OF THE SHARED SERVICES ACT N.J.S.A. 40A:65-1 ET SEQ.
9. **RESOLUTION RE: 238-2015** PROVIDING TEMPORARY CLOSURE OF CR 517 IN OGDENSBURG BOROUGH (5/25/15 MEMORIAL DAY PARADE)

**MOTION** made by Freeholder Vohden to adopt Resolutions 1, 2, 3, 7, 8, 9 (4, 5, 6 pulled), seconded by Freeholder Mudrick and passed unanimously.

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

A. Awards of Contract

- 1. **RESOLUTION RE: AWARD OF CONTRACT FOR THE  
239-2015** REPLACEMENT OF SUSSEX COUNTY BRIDGE D-12 IN FRANKFORD TOWNSHIP, NEW JERSEY
- 2. **RESOLUTION RE: AWARD OF CONTRACT THROUGH THE  
240-2015** COMPETITIVE CONTRACTING PROCESS FOR PROFESSIONAL TEST SERVICES FOR THE DEPARTMENT OF ENGINEERING AND PLANNING 2015-2016 FOR THE COUNTY OF SUSSEX

B. Change Orders

- 1. **RESOLUTION RE: AMENDMENT TO THE PROFESSIONAL  
241-2015** SERVICES AGREEMENT WITH SKYLANDS RISK MANAGEMENT INC. TO PROVIDE RISK MANAGER CONSULTING SERVICES AS A PROFESSIONAL SERVICE PURSUANT TO N.J.S.A. 40A:11-5(1)(a)(i) (Amendment to correct term date from 11/30/15 to 12/31/2015)
- 2. **RESOLUTION RE: AWARD OF CONTRACT AMENDMENT BASED  
242-2015** ON PROPOSALS RECEIVED THROUGH THE COMPETITIVE CONTRACTING PROCESS FOR DATA PROCESSING SOFTWARE/SERVICE TO PROVIDE INTERCONNECTED MODULES FOR PAYROLL, TIME/ATTENDANCE AND HUMAN RESOURCES INFORMATION SYSTEM

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

On Roll Call the vote was:

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

**14. FINANCIAL**

**A.**

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**INTRODUCTION FOR FIRST READING – BOND ORDINANCE  
243-2015**

BOND ORDINANCE PROVIDING FOR THE UNDERTAKING OF 2014-15 CAPITAL IMPROVEMENTS AT AND FOR CERTAIN FACILITIES OF SUSSEX COUNTY COMMUNITY COLLEGE, LOCATED WITHIN THE COUNTY OF SUSSEX, STATE OF NEW JERSEY; APPROPRIATING \$3,200,000 THEREFORE AND AUTHORIZING THE ISSUANCE OF \$3,200,000 BONDS OR NOTES OF THE COUNTY OF SUSSEX, STATE OF NEW JERSEY, FOR FINANCING SUCH APPROPRIATION, THE PRINCIPAL OF AN INTEREST ON THE AGGREGATE PRINCIPAL AMOUNT OF WHICH WILL BE ENTITLED TO STATE AID, PURSUANT TO CHAPTER 12 OF THE LAWS OF NEW JERSEY OF 1971

**MOTION** made by Freeholder Vohden to adopt this Bond Ordinance on first reading, seconded by Dennis Mudrick.

On Roll Call the vote was:

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

**MOTION** made by Freeholder Vohden to authorize the Clerk to advertise this Bond Ordinance as introduced for first reading, and also post same on the bulletin board in the lobby of the County Administrative Center, together with Notice of Public Hearing stating that a hearing will be held on May 27, 2015 at 5:00 pm prior to final adoption of this Bond Ordinance seconded by Freeholder Graham and passed unanimously.

**15. PERSONNEL**

A. Personnel Agenda

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

**16. ADMINISTRATIVE REPORT**

Mr. Eskilson called for a closed session to discuss collective bargaining agreement with PBA 138 Prosecutors Unit and the other is to recognize Steve Gruchacz and his team Christine Florio and Christina Marks who did a presentation at NJAC and they did a fantastic job and you could tell they were so excited about their work and it was a shining moment for the County and the few people that were in the room were taking notes and talking and a great effort by the entire team. It was a great afternoon.

**17. COUNTY COUNSEL**

Dennis McConnell said that he had three items for closed session. Potten vs. County of Sussex, ongoing ligation, Allison Murray vs. Sussex County Sheriff's Office with regards to a proposed settlement they are in and the third is a prior settlement in the matter of O'Connell vs. County of Sussex and potential litigation.

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

**18. UNFINISHED BUSINESS**

Freeholder Phoebus would like to ask that all of the Freeholders are able to get a complete nonredacted set of Mr. Pearlman's bills and what he charged us for. I think we are all entitled to them.

Dennis McConnell said if we have the bill that is unredacted you will get it. Unfortunately there were a lot of bills that we received that were in redacted format because it is inter-agency communication and it also involves other counties, i.e., Somerset County Improvement Authority. If there is information on those entities, those entities have to waive off their privileges. If we don't have it in that format you need to get the permission from those entities to waive their privileges and that is the complicated part of it. But as I said, if we physically have those bills unredacted then you will get them.

Freeholder Phoebus said will you mark down what we can get.

Dennis McConnell said you will get everything if we have it.  
Freeholder Phoebus said it is just curious now that obviously the MCI doesn't have any record either. I would just like our Freeholders to be able to look at those invoices.

Freeholder Vohden said we have discussed this before the Open Space and Farmland Preservation Plan that expires at the end of year. We need to pass a resolution before August to get it on the ballot. Both the Open Space Committee and the Farmland Preservation Development Committee recommended a continuation of the existing plan. I did receive a sample resolution and I have filled in some blanks and we have preserved almost 18,000 acres on 178 farms and 2500 acres of open space. I would like Cathy to complete this and get us each a copy and we can look at it at the next meeting to get it on the ballot.

## **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 8:41 PM by Freeholder Graham to open the meeting to the Public, seconded by Freeholder Vohden and passed unanimously.

### **Comment from Glen Hull**

Mr. Hull, Layton, NJ came forward and said I am coming to this Board to ask this Board for your help on a very serious issue. I am asking for transparency, I am asking for an investigation. On June 16, 2008 a quick claim deed was filed that did not meet the state requirements to be filed in this Hall of Records. There was no Lot and Block and no price and the Deed stated no consideration. It was stated on the Deed interest of any. The Deed was recorded but it didn't meet the state statute for evidence of transferred of property. It was recorded as a transfer of property for this county. The former clerk vacated the property that was supposedly in this Deed. She was told that Deed was rejected in 1989 but in 2008 it was recorded as a sale in Sandyston Township to the United States. In this Deed, it did not have a Lot and Block. You need to have a Lot and Block for evidence of transfer of property. I spoke with Dennis McConnell on this. There was no consideration written on this Deed. This Deed stated interest if any, no consideration. But a price was created at the Hall of Records that day and a reality transfer tax was paid and charged to the person who bought it. I did a lot of investigation. What I am getting at is I want this Board to investigate how this happened and why was this Deed used as evidence as a transfer of property in Sandyston Township to the United States. Sandyston Township wrote me in October of last year that the Deed did not represent the transfer of property. With that said, I brought this forward to Erma Gormley which she retired right after this. I talked to her right after she retired and when she retired the evidence of who brought this Deed in, the cover letter created by the County, and the receipt which was ordered prematurely to be destroyed. I was lucky enough to get copies of it but it was still destroyed. I asked Dennis McConnell to save the material and it never happened. My point is this was used in Exhibit A in a federal lawsuit to make my son surrender his property to the United States. I want a complete investigation by this county. I am asking for your help. These are very serious allegations. I have the receipt; I have the cover letter and a lot of letter from Sandyston Township. They refuse to deal with it and there has been a huge cover up of this. As far as I am concerned no one will tackle this so I am asking for your help.

Dennis McConnell said the problem you have is the Deed has been recorded some time ago. It goes back a while and I did have a conversation but I don't recollect what it was at this point in time. I had a conversation with Brian McNeily because he was the intern between Erma and Jeff. This happened in 2009 and Brian was in at that time. Apparently during that point in time there were some records under records retention act that were destroyed. The problem we have is it is private property and they have an interest and I think I suggested at the time that it should be pursued privately through the courts. You could try to go back and recreate what happened.

Freeholder Director Crabb said I don't think you want this Board doing it because it is raises

a conflict for everyone.

Mr. Hull stated: I need disclosure on this. I need transparency on this. No one will give me how this happened.

Freeholder Vohden asked who holds the title.

Mr. Hull replied my sons are the Lot and Block owners but the United States supposedly owns the title that the government wants my sons to sign the road over to them. There was no transfer of property because Sandyston said the Deed did not have it in it. Sandyston Township never shows as owner. The Reality Index does not show Sandyston Township. There is no Lot and Block showing Sandyston Township as owner. There is no Deed recorded conveying property to Sandyston Township in the Hall of Records.

Freeholder Vohden asked if he ever went through a personal lawyer.

Mr. Hull replied I have gone to several lawyers.

Freeholder Director Crabb my fear is if you have this Board investigate it and we come back with an answer that you do not like; you are going to think this Board was in on it.

Mr. Hull replied I am asking you as a Board to ask the Attorney General's office to investigate this.

Dennis McConnell stated I think what we need to do let me go back and recreate as much as I can from a prior file and maybe a discussion with Brian McNeily to refresh my recollection.

Freeholder Phoebus replied and said I think it would be beneficial for Dennis to go ahead with this through Brian McNeily.

Mr. Hull said the interesting part of this was after this Deed was recorded they crossed out the price and put zero and then sent it on to the US Attorney.

Dennis McConnell said our facts limited to exactly what transpired at the Clerk's office from the documentation we have available.

Discussion ensued on the issue.

Freeholder Director Crabb said the one thing we cannot do is hold court here and we will have Counsel do some discovery on it and see where the process goes. We have heard your issue and we will make sure Counsel County follows up on it.

Mr. Hull what I am asking for is an investigation.

### **Comment from Skip Danielson**

Skip Danielson, Byram Township came forward and said my mother said when I got back from New Jersey Boy State back in 1959 that it changed me. It did. I became very intensely interested in government and I have had my entire career in government in Sussex County 45 years ago. One of my highlights with Sussex County was to be part of an elected member of the Sussex County Charter Study Commission back in 1988 and 1989. We spent two years going through all the various opportunities to us and the various forms of government we could have and we settled on the County Administrator form of government allowed. What I want to say is it is an important position. John has done a reasonably good job at it and in my past as a mayor and when I had the chance to hire a township manager on a search, and I have hired three managers under my time as Byram Township Mayor, when I was on the school board both Lenape and Byram school boards we hired superintendents and we never did it in six weeks. Go slowly, read the Herald there was a nice editorial this past Sunday and take your time and get us a worthy replacement for John Eskilson.

**MOTION** made at 8:40 PM by Freeholder Graham to close the meeting to the public seconded by Freeholder Phoebus and passed unanimously.



Monday  
Wednesday

May 25, 2015  
May 27, 2015

Holiday – Memorial Day  
Regular Meeting – 5:00 PM

**23. ADJOURNMENT**

**MOTION** made at 9:14 PM by Freeholder Phoebus to adjourn, seconded by Freeholder Vohden and passed unanimously.

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John H. Eskilson, Clerk  
County of Sussex Freeholder Board

DATED: May 13, 2015