

MINUTES**JANUARY 16, 2010**

The Board of Chosen Freeholders of the County of Warren met in Budget Session in its offices in the Wayne Dumont, Jr. Administration Building, Belvidere, New Jersey on January 16, 2010 at 9:03 a.m.

The meeting was called to order by Director Gardner and upon roll call, the following members were present: Freeholder Richard Gardner, Freeholder Everett Chamberlain and Freeholder Angelo Accetturo. Also attending were CFO Charles Houck, Fiscal Analyst Dan Olshefski and County Administrator Steve Marvin.

The Pledge of Allegiance was led by Director Gardner.

Director Gardner read the following statement: **"ADEQUATE NOTICE OF THIS MEETING OF JANUARY 16, 2010 WAS GIVEN IN ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT BY FORWARDING A SCHEDULE OF REGULAR MEETINGS OF THE BOARD OF CHOSEN FREEHOLDERS TO THE WARREN COUNTY CLERK, THE STAR-LEDGER, AND DAILY RECORD AND BY POSTING A COPY THEREOF ON THE BULLETIN BOARD IN THE OFFICE OF THE BOARD OF CHOSEN FREEHOLDERS. FORMAL ACTION MAY BE TAKEN BY THE BOARD OF CHOSEN FREEHOLDERS AT THIS MEETING. PUBLIC PARTICIPATION IS ENCOURAGED. IN ORDER TO ASSURE FULL PUBLIC PARTICIPATION, THOSE INDIVIDUALS WITH DISABILITIES WHO WISH TO ATTEND THE MEETING SHOULD SUBMIT ANY REQUESTS FOR SPECIAL ACCOMMODATION ONE WEEK IN ADVANCE."**

RESOLUTION 58-10

On motion by Mr. Accetturo, seconded by Mr. Chamberlain, the following resolution was adopted by the Board of Chosen Freeholders of the County of Warren at a meeting held on January 16, 2010.

RESOLUTION RE: AWARD OF CONTRACT WC1005R FOR RADIO COMMUNICATIONS UPGRADE, PHASE IV AND V, ENGINEERING, DESIGN, PROCUREMENT MANAGEMENT, INSTALLATION AND MAINTENANCE SERVICES FOR THE WARREN COUNTY COMMUNICATIONS CENTER TO TUWAY COMMUNICATIONS OF BETHLEHEM, PENNSYLVANIA FOR THE WARREN COUNTY COMMUNICATIONS CENTER IN THE AMOUNT NOT TO EXCEED \$575,000.00

WHEREAS, it has been recommended that the county issue a contract for radio communications upgrade, engineering, design, procurement management, installation and management services for the Warren County Communications Center in an amount not to exceed \$575,000.00, Phase IV and V as outlined; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-5(1)(a) et. seq.) requires a resolution authorizing the award of contracts for "Extraordinary, Unspecifiable Services" without competitive bids and the contract itself must be available for public inspection; and

WHEREAS, this contract is awarded in accordance with N.J.S.A.1944A-20.4, as a non-fair and open contract; and

WHEREAS, Warren County has received all necessary documentation to allow award of this contract including the Business Entity Disclosure Certification, Certificate of Compliance With Campaign Contribution Law and the Determination of Value and these forms are on file; and

WHEREAS, the Director of Purchasing has certified that this meets the statute and regulations governing the award of said contracts,

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NOW, THEREFORE, BE IT RESOLVED by the Board of Chosen Freeholders of the County of Warren as follows:

1. The Director of Purchasing is hereby authorized and directed to issue a contract to TuWay Communications of Bethlehem, Pennsylvania for services for the above project, at a total contract amount of \$575,000.00 per letter of agreement which is on file in the Office of the Director of Purchasing and is made a part hereof by reference.
2. This contract is awarded without competitive bidding as an "Extraordinary, Unspecifiable Service" in accordance with 40A:11-5(1)(a) of the Local Public Contracts Law because the services defined cannot reasonably be described by written specifications to assure that the qualitative and quantitative assessment of the problems involved, which require expertise, extensive training and proven reputation in the field of endeavor are obtained.
3. A notice of this action shall be published in the Star Ledger.

Funding for this contract is provided in capital accounts 0407A701/5028 – 911 Radio Systems Upgrade and 0408A406/5054 – 911 Radio System Upgrade.

I hereby certify the above to be a true copy of a resolution adopted by the Board of Chosen Freeholders of the County of Warren at a meeting held on January 16, 2010.

Steve Marvin, Clerk of the Board

Recorded Vote: Mr. Accetturo yes, Mr. Chamberlain yes, Mr. Gardner yes

RESOLUTION 59-10

On motion by Mr. Accetturo, seconded by Mr. Chamberlain, the following resolution was adopted by the Board of Chosen Freeholders of the County of Warren at a meeting held on January 16, 2010.

RESOLUTION RE: AWARD OF CONTRACT WC1006R FOR PROFESSIONAL ARCHITECTURAL SERVICES FOR REVIEW, PLANNING, DESIGN AND PREPARATION OF BID READY SPECIFICATIONS AND DRAWINGS FOR THE RENOVATION OF THE NORTHEAST BRANCH LIBRARY TO RAYMOND E. O'BRIEN R.A. INC. OF BLAIRSTOWN, NEW JERSEY IN THE CONTRACT AMOUNT NOT TO EXCEED \$51,300.00

WHEREAS, there exists a need for the professional services of an architect to provide review, planning, design and preparation of bid ready specifications and drawings for the renovation of the Warren County Northeast Branch Library; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-5 et. seq.) requires that a resolution authorizing the award of contracts for "professional services" without competitive bids and the contract itself must be available for public inspection; and

WHEREAS, this contract is awarded in accordance with N.J.S.A.19:44A-20.4, as a non-fair and open contract: and

WHEREAS, Warren County has received all necessary documentation to allow award of this contract including the Business Entity Disclosure Certification, Certificate of Compliance With Campaign Contribution Law and the Determination of Value and these forms are on file; and

WHEREAS, the Director of Purchasing has certified that this contract meets the statute and regulations governing the award of such contracts; and

WHEREAS, adequate funds are available in capital account 0409B701/5061 – Library Northeast Branch Building.

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NOW, THEREFORE, BE IT RESOLVED by the Board of Chosen Freeholders of the County of Warren in the State of New Jersey as follows:

1. The agreement between the Board of Chosen Freeholders of the County of Warren and Raymond E. O'Brien R.A. Inc., of Blairstown, New Jersey, for professional services for the above project, in the contract amount not to exceed \$51,300.00 per letter of agreement currently on file in the Office of the Director of Purchasing, be made part of this resolution by reference and approved and entered into by the Board on behalf of the County of Warren.
2. The Director of the Board of Chosen Freeholders is hereby authorized to execute said letter of Agreement by signing same.
3. This contract is awarded without competitive bidding as a Professional Service under the provisions of the Local Public Contracts Law (40A:11-5(1)(a)(i) because the services are to be performed by a person or persons authorized by law to practice a recognized profession.
4. A notice of this action shall be published in the Star-Ledger, as required by law, within ten days of its adoption.

I hereby certify the above to be a true copy of a resolution adopted by the Board of Chosen Freeholders of the County of Warren at a meeting held on January 16, 2010.

Steve Marvin, Clerk of the Board

Recorded Vote: Mr. Accetturo yes, Mr. Chamberlain yes, Mr. Gardner yes

It was noted that the Communications Center upgrade was the final phase of ongoing changes.

Mr. Accetturo asked what kind of budget parameters Architect Ray O'Brien will be working within for the Northeast Branch Library Project. Mr. Chamberlain said Mr. O'Brien had submitted a detailed proposal that included plans for mechanical, heating, air conditioning and changes to the façade that would cost about half a million dollars. Last year's budget included \$225,000 for capital improvements to the old branch and an additional \$250,000 is in the 2010 Budget. Mr. O'Brien's cost estimate fell within that range.

Dr. Will Austin, President of Warren County Community College, was then invited to address the Board. He began by suggesting the meeting take place in Executive Session as it pertains to real estate. Mr. Marvin said at this stage, the issue is financing which is normally not for Executive Session. We know what piece of real estate we are discussing. Mr. Gardner agreed that the conversation should take place out in the open.

The college was requesting support in bonding through Chapter 12 for \$7,300,000 to secure and renovate a particular piece of property in Phillipsburg. The County's share of the debt would be \$351,649. In the event that the State of New Jersey would fail to keep its commitment in any given year of the 15 year bond, WCCC would assume the 50% State share of the debt service.

A handout was distributed by Dr. Austin that included specifics on the property including acreage; square footage; number of parking spaces and current tenants; appraisals, structural and maintenance studies; sale conditions and anticipated rental income.

The following benefits of the project, according to the College, were outlined:

- Allows WCCC to expand its continuing education opportunities and serve students in

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its largest target area (Phillipsburg) with job training/retraining opportunities.

- Locates job training activities in close proximity to social service agencies that assist students in these programs.
- Allows WCCC to free up additional space in the Washington facility to accommodate enrollment growth and assists the Phillipsburg School District by providing annual rent relief and relief from tax burden.
- Promotes stronger partnership between WCCC and its largest high school sending district (Phillipsburg).
- Assists the County by providing additional budget CAP relief (as the Chapter 12 debt payments are not included in the CAP and the County will adjust the appropriation to the College for the new debt cost).
- Assists the County with possible rental opportunity for the portion of the building at favorable rental rates.
- Provides another higher education location to expand programs to promote economic redevelopment throughout the region.

Rental revenue was anticipated. Dr. Austin said the College has put together a budget that takes expected drastic cuts in State funding into consideration. He said we need to diversify to be less reliant on public funds. The outlined plan presents a fiscally solid operation with various revenue streams, he said.

Mr. Gardner asked if WCCC has had to raise tuition. The short answer, said Dr. Austin, is that it will go up less if we do this project than if we don't. Our total enrollment has grown almost 90% in recent years. We need to have a moderate increase in tuition to keep the allotment we now get from the State. In 2003, Dr. Austin said, 37% of the cost was borne by the students, 31% by the State and 30% by the County. If we don't move forward with this plan, we expect the ratio to change to 59% from students, 20% from the State and 19% from the County.

Mr. Chamberlain noted that the State punishes fiscal responsibility. The model still exists that way, said Dr. Austin. If cuts from the State are going to be substantial, Mr. Gardner asked, how can we be certain the Chapter 12 funds will be there? Dr. Austin said he was certain enough that he put down in writing that if the State doesn't come through, the College will pick up the cost. However, we cannot access Chapter 12 funds without the County's support.

Mr. Chamberlain made it clear that a contract would have to be crafted in such a way that the County would be locked in at the cost presented here regardless of what the State ends up contributing or if details of the purchase do not come to fruition as presented here. Three years from now, he said, there could be changes in personnel at the College and a different attitude.

Doug Steinhardt, attorney for the Board of Trustees, said that could absolutely be done. This would be a contract like any other with certain conditions spelled out. Once accepted by all parties and put in force, any future changes in personnel would be irrelevant.

Trustee Craig Dana said the whole premise of this arrangement is to create a revenue stream so that the County will not be responsible for rising costs.

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Mr. Marvin wanted to make sure the town wouldn't turn to the County for payment in lieu of taxes as a result of taking the property off of the tax rolls. "No," said Dr. Austin.

Mr. Chamberlain expressed concern that while Chapter 12 is law, it does not guarantee a certain level of funding. Mr. Dana said if we don't get Chapter 12 funds, we don't go forward with the deal.

Mr. Accetturo inquired about remaining square footage in the building that is not slated to be rented out. Will it be devoted to educational purposes? Dr. Austin said that aspect is still open for discussion. A central part of the project is about building and developing businesses, then moving them out into other ratable spaces. Providing support services has to be part of the mission of this building.

Mr. Gardner asked if public/private partnerships were anticipated in the Business Incubator. Dr. Austin said yes; we have a great relationship with the Warren County Regional Chamber of Commerce. We hope to spin off businesses that then stay in the county. Mr. Gardner thought it was important for WCCC to pursue this venture as people that have a sense of dedication and the education are needed to stay in business in New Jersey. The concept was somewhat appealing to Mr. Chamberlain and he was in favor of the philosophy of WCCC becoming more self-sufficient.

More discussion followed on the crafting of a contract. Mr. Chamberlain wanted time to have County Counsel review it prior to the Board of School Estimate Meeting. The consensus was that it could be ready in about a week. Mr. Marvin said to get the contract to him as soon as possible and he would then forward it to both County Counsel and Bond Counsel.

Mr. Accetturo reiterated his question about educational opportunities at the site. Dr. Austin assured him there would be. Mr. Accetturo said the school has been so successful because of education; this is an important aspect.

Mr. Chamberlain asked if an audit had been completed on WCCC. Dr. Austin said yes and it would be included in the Board of School Estimate packet to be sent out in the coming week.

This portion of the meeting concluded at 9:49 a.m.

Warren Haven Administrator Laura Decker was then invited to come forward, primarily to discuss generator replacement and multi-year room renovations. Ms. Decker said an emergency generator is required to be installed by regulation. The current one was installed in 1978. Over the last four years, \$26,000 has been spent on repairs and parts for it are now obsolete.

Mr. Chamberlain asked how many hours the current unit has been used. While the generator takes a full load test each week, Ms. Decker could not detail exactly how many instances or hours, the generator had been put to use since 1978. We use it, she said. We lose power all the time. The unit currently in use is 300kw and the proposal is for 800kw.

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Mr. Chamberlain suggested investigating a lease-purchase arrangement. Mr. Accetturo noted that the landfill had obtained a used one through Foley Caterpillar and saved a huge amount of money. Mr. Marvin pointed out that there are no critical life support systems at the landfill and about \$250,000 of the estimate is due to site costs such as transfer switches and would not be covered by any lease-purchase or used arrangement.

Other capital improvement requests were then discussed including new mattresses, the need to replace a refrigerator that no longer maintains the proper temperature, another refrigeration issue on the tray line that needs to be rectified, sixty new bedside cabinets that would replace ones that are 34 years old, a tub replacement and patient lifts to comply with the Safe Patient Handling Act.

Renovations to 40 rooms in the 1950 and 1976 wings (the oldest part of the building) are requested. Ms. Decker said the floors are sagging in the 1950 portion which also encompasses dining rooms and core center hallways. Part of this renovation (eight rooms with tubs that need to be removed) was approved in 2007, but bids had come in too high to be covered by the budgeted funds. Mr. Chamberlain asked if there was a particular advantage to doing the two wings together. Ms. Decker said it is more cost efficient to renovate more rooms rather than less.

Ms. Decker also would like to enclose an area under the west side of the building leading out of the laundry room for additional storage. Over the years, space has been given over to technical systems. A storage shed on the property is full, some space in which is taken up by welfare records.

Warren Haven has 180 beds and the occupancy rate is currently 98%. The decreased occupancy is due to the poor real estate market. Mr. Marvin asked if any capital expenditures might not be recoverable through Medicaid. Ms. Decker said the reimbursement formula will be changing July 1. Part of the formula factors in the age of the building and renovations, but no one knows whether renovations will have a positive or negative effect on the rate of reimbursement.

Our maintenance department is very, very good at keeping things running, Ms. Decker said, but long-range needs keep coming up. Ms. Decker was excused at 10:35 a.m.

Mr. Houck announced that the Division of Local Government Services extended budget deadlines to March 12 for introduction and to April 15 for adoption. Regarding the Budget Session scheduled for January 20, Mr. Houck said both he and Mr. Accetturo had a conflict due to a PRMUA Meeting. With two additional Budget Sessions scheduled, it was decided to forgo this one.

On motion by Mr. Accetturo, seconded by Mr. Chamberlain, **CANCELLED THE SCHEDULED BUDGET SESSION MEETING OF JANUARY 20, 2010.**

Recorded Vote: Mr. Accetturo yes, Mr. Chamberlain yes, Mr. Gardner yes

Mr. Olshefski provided a summary of where the budget now stands. The amount to be raised by taxation is decreasing by \$500,000 compared to last year. The elimination of 14 full-time positions, many of which were in Warren Haven, saved \$400,000. Figures from the Board of Taxation have yet to be received.

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The County's cost share of State mental institutionalizations has increased from 12½% to 15%. However, a net credit of more than \$200,000 has been received to rectify past overcharges, resulting in a very slight increase overall. Mr. Olshefski cautioned that eventually the bills will be caught up and we won't get those credits.

The budget for the Prosecutor was briefly discussed. Mr. Marvin estimated that the new Governor would probably nominate a different person to be appointed as Prosecutor, a process that could take anywhere from two months to a year. A retirement is pending and it is doubtful that many of the department's grants will be fully funded going forward. Mr. Chamberlain said we have a policy that when the grant runs out, the program ends.

Mr. Chamberlain said he wanted to see a copy of the Technical School's audit as soon as possible. Mr. Olshefski said he would contact them.

For next week's Budget Session, Mr. Olshefski hoped to have numbers from the Tax Board and suggested the Library and Open Space Budgets be discussed. He reported that he had met with the Library Director and all things considered, it looked as if approximately \$1 million can be put toward the new Library Building fund, bringing the total "banked" to about \$6 million. Something to consider is what the operating costs of a new building will be and where that money will come from.

"It's in your hands now," said Mr. Olshefski, adding that he thought a pretty good budget was in place. In the future, however, unfunded grants are a concern, particularly in the Human Services and Prosecutor's Departments. Regarding the reduction in the amount to be raised by taxation, Mr. Olshefski said the Board may want to consider putting some of that money in the capital savings account.

Mr. Houck advised the Freeholders to bear in mind that when you reduce the amount to be raised by taxation, that becomes the base for the subsequent year's budget and hurts you in the CAP calculation. If you build your capital reserves, it helps eliminate the burden on future taxpayers. "It's unfortunate that it works that way," said Mr. Accetturo. It puts fear in leaders of cutting taxes too much. "You're absolutely correct," said Mr. Houck. "It's insane ... this year we were actually hurt by the fact that our debt service dropped by about \$800,000." Mr. Chamberlain disagreed, saying, we're not hurt at all; this is a benefit to the taxpayers of Warren County.

Costs of the Department of Corrections are driven by population which is high. Mr. Marvin noted that some recent lame duck bills were passed that may negatively affect the County on the revenue side.

Mr. Accetturo asked about accounting procedures on multi-use facilities. How are costs split up? Mr. Houck said an indirect cost allocation plan for buildings with various functions is done each year. There are established guidelines in terms of square footage, number of phones and so on. As expenses are incurred, they are allocated to the appropriate department.

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Bob Goltz, President of the Warren County Regional Chamber of Commerce, said the Chamber and their Legislative Government Affairs Council had put forth an agenda in an effort to assist state, local and county governments by offering ideas and trying to save businesses money. He wondered if Warren Haven's laundry could be taken to the Correctional Center and processed there. Mr. Marvin said that does not work. Mr. Gardner said Warren Haven's laundry personnel do a good job and rarely lose any clothing.

Mr. Goltz said a lot of hospitals have closed throughout the state. Perhaps that could be a good resource for some of Warren Haven's equipment needs. He also suggested speaking to BASF about a generator.

On motion by Mr. Chamberlain, seconded by Mr. Accetturo, and there being no further business to come before the Board at this time, the meeting was adjourned at 11:07 a.m.
Recorded Vote: Mr. Accetturo yes, Mr. Chamberlain yes, Mr. Gardner yes

ATTESTED TO:**Steve Marvin, Clerk of the Board**