

MINUTES**JANUARY 23, 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 23, 2010 at 9:07 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 23, 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 60-10

On motion by Mr. Chamberlain, seconded by Mr. Accetturo, the following resolution was adopted by the Board of Chosen Freeholders of the County of Warren at a meeting held on January 23, 2010.

RESOLUTION RE: AWARD OF CONTRACT WC1007R FOR THE WARREN COUNTY HEADQUARTERS LIBRARY SITE PLANNING REVIEW TO BARRY ISETT & ASSOCIATES, INC. OF ALLENTOWN, PENNSYLVANIA IN THE AMOUNT NOT TO EXCEED \$8,500.00

WHEREAS, there exists a need for the professional services of an engineer to provide site planning review for the Warren County Library Headquarters; 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 0407A701/5028 – Design Building Expansion Renovation.

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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 Barry Isett & Associates, Inc., of Allentown, Pennsylvania, for professional services for the above project, in the approximate amount not to exceed \$8,500.00 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 23, 2010.

Steve Marvin, Clerk of the Board

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

Mr. Olshefski planned to discuss budget matters concerning the Library, Open Space and the County in general.

Starting with the Library, the bottom line of Operating Expenses remained about the same as last year, actually decreasing a bit. Salaries and Wages were set to increase in anticipation of AFSCME settling in the coming year. The current computer system, Dynex, will be replaced this year and Mr. Olshefski said there is more than enough budgeted to cover the changeover.

The levy is currently 5.2 cents and has been the same for quite a few years. Mr. Accetturo asked what a penny was worth. While the precise answer is unknown until the numbers come in from the Board of Taxation, Mr. Olshefski estimated one cent would be equal to about \$1.3 million.

Mr. Accetturo asked how much is set aside in total capital funds for a new Library Headquarters Building. Mr. Olshefski said there is currently about \$5,044,000. Add to that the amount slated in this budget and that brings the total to about \$6.1 million. The \$1.1 million devoted to the purchase and renovation of the new Northeast Branch Building has already been taken out.

Mr. Accetturo proposed reducing the Library tax levy, saying there was more than enough in the Capital Account. Mr. Marvin said \$6.1 million is not going to build you a new library. Mr. Accetturo said there are other options. Maybe we don't need to build.

Details regarding various line items were then discussed. Telephone expenses went up markedly, but Mr. Marvin said they are required to pay for dedicated lines as part of the Statewide Library System. There is no alternative.

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The Printing and Advertising line increased in anticipation of a new security system for AV materials. Mr. Chamberlain wondered if that was necessary – do a lot of items get stolen? Mr. Olshefski wasn't sure. Mr. Accetturo questioned the increase devoted to Supplies. Mr. Olshefski agreed that might be a little high.

Funds are budgeted for a new van devoted to delivering materials between branches. Mr. Marvin said the time has come. The van currently in use is a "rattletrap".

It was eventually decided to bring a couple of line items back to or close to last year's level resulting in a total decrease in OE of \$81,500.

The amount budgeted for the Capital Fund for a new Headquarters was scaled back to \$850,000. Let this budget drive the rate, said Mr. Chamberlain.

Bob Goltz of the Warren County Regional Chamber of Commerce offered a couple of suggestions regarding refillable ink cartridges and Comcast technology, neither of which was feasible.

Attention then turned to the Open Space Budget. Mr. Accetturo asked how much flexibility was allowable. Mr. Marvin said the Freeholders can levy anywhere from zero to six cents. A resolution passed by the Township of Lopatcong and an accompanying letter from the Township Clerk requested the Board place a freeze on the collection of Open Space Tax for 2010. Mr. Gardner would have liked to have seen evidence of how the committee members voted. A roll call was not included in the correspondence.

Discussion ensued regarding whether or not it would be a good idea to decrease the Open Space Tax. Mr. Chamberlain pointed out that the tax was overwhelmingly passed by voters who apparently value open space and historic preservation. If Governor Christie doesn't issue bonds in 2010, this is all the money we'll have going forward. There is no more Garden State Trust Fund. If we cut the levy, are we going to limit ourselves down the road? The funds could be depleted very rapidly.

Mr. Gardner noted that a lot of properties are in the pipeline. He thought the matter should be discussed with leaders of the CADB, Board of Recreation and Municipal & Charitable Conservancy Trust Fund Committee. He pledged to schedule a meeting with them along with the Director of Land Preservation. He also suggested sending a letter to Trenton inquiring of its intentions for the program. Mr. Marvin thought the question may have already been answered; the new governor's transition team has put out a lot of recommendations that will take some time to read through.

If we go in that direction, said Mr. Chamberlain, he personally didn't want to see the levy reduced by more than one cent.

Mr. Marvin brought up the fact that while there would be less money available if the SADC were no longer a component, the process would become much simpler and quicker. Numerous property owners have pulled out due to the onerous and time consuming requirements of the SADC.

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Next to be discussed were the potential pitfalls of entering into the arrangement proposed by Warren County Community College at the last Budget Session involving Chapter 12 bonding. Mr. Houck distributed a memo from Gary Pulcini, the County's financial advisor. Mr. Pulcini wrote that restrictions in the tax code are particularly important when leases are involved. Generally, no more than 10% of the square footage may be leased to a for-profit entity. Ideally, the term of the lease should match the term of the bond, but 15 years is a long lease. Mr. Houck was concerned that with Phillipsburg School District being the largest tenant, what if they no longer need the space if and when the new high school is complete and a replacement non-profit tenant cannot be found? The bond would have to be called.

Mr. Chamberlain was concerned that this proposal had "taken on a life of its own" and appeared in the press. There are a lot of questions to be answered and bridges to be crossed. This Board did not agree to anything yet. There is a tremendous amount of risk here for the taxpayers, he said, and if the College assumes that risk, it could bankrupt the College.

Mr. Chamberlain also noted that there is a difference between appraised value and market value. In reality, he questioned whether the building was worth its appraised value.

Mr. Houck asked if the school district was to pull out and the bond is called, could the County use the building? Mr. Chamberlain thought that was worth considering. If we want the building, maybe the County should buy it outright (for what we think it's actually worth) and avoid the risk of Chapter 12.

Mr. Marvin said we're not in a time crunch. The deadline for Chapter 12 has already been extended twice; he saw no reason why another extension wouldn't be granted. However, this decision could conceivably influence whether or not the County cuts the College's appropriation which would impact the final form of the County Budget.

The meeting recessed at 10:13 a.m. for a 10 minute break.

Upon return to Open Session, attention focused on the County Budget. Mr. Olshefski explained that for internal accounting purposes, various copier leases were centralized through the Purchasing Department. Budgeted funds were moved from numerous departments into Purchasing. No additional costs were incurred. The current bottom line, the amount to be raised through taxation, decreased by more than \$501,000 as compared to the prior year.

Mr. Chamberlain noticed that the budget for the Prosecutor was slated to increase by \$30,000. He thought it should be brought back to last year's level, especially since the Prosecutor has access to a discretionary fund containing about \$400,000. Mr. Accetturo agreed and Mr. Olshefski thought this was reasonable.

Attention then turned to Special Services School District. Mr. Chamberlain said its enrollment has consistently gone down in recent years. About 37 students are currently enrolled: 12 or 13 of which are attending the Technical School. The District's former superintendent has left. Administration of the District should be practical and efficient and Mr. Chamberlain wondered if it is still practical for the District to continue to operate as it has in the past. Mr. Chamberlain was disappointed that the Executive County Superintendent of

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Schools has not provided any feedback. It was decided to invite Kevin Brennan and Bill Spencer to the next Budget Session to discuss the issue.

Regarding Warren County Technical School, there was some debate as to whether the Freeholders can reduce its appropriation. Mr. Houck said they could not. Mr. Marvin said if that's the case, what is the point of a Board of School Estimate Meeting? And what if enrollment were to dramatically drop? According to the audit, Mr. Chamberlain thought the school had more than adequate reserves.

It was agreed to schedule Budget Introduction for February 24 followed by adoption on April 14, both regularly scheduled meetings of the Board of Chosen Freeholders.

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 10:55 a.m.
Recorded Vote: Mr. Accetturo yes, Mr. Chamberlain yes, Mr. Gardner yes

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