

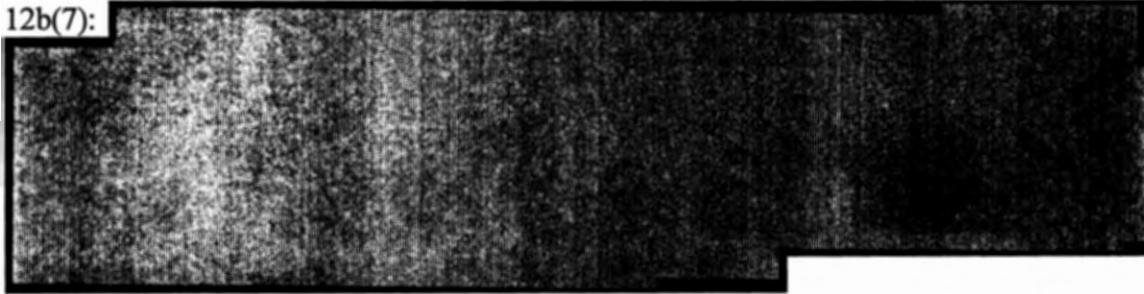
The Board met in Executive Session on Wednesday, October 23, 2013 at 7:40 p.m. with the following members present: Freeholder Jason Sarnoski, Freeholder Edward Smith, Freeholder Richard Gardner, County Counsel Joseph J. Bell and County Administrator Steve Marvin. The Board was joined by CFO Pete Houck.

Brief discussion was held on each of the following matters:

- (1) *Matters Relating to Litigation:* Items to be discussed include: "W.M." litigation and responses to RFP for 2014 insurance services.

Mr. Houck was asked to join Executive Session at the request of the Board who had asked him to look into the financial status of the NJIIF. Mr. Houck confirmed that he had spoken to the NJIIF Treasurer recently and received financial documents concerning the NJIIF's status. In brief, Mr. Houck believes that the finances of the fund are as secure as possible and there is no cause for concern going forward. We are aware however, that there are likely to be assessment increases based on the pay outs and claims relative to last year's Hurricane Sandy; that is an industry-wide situation, not particular to NJIIF. Mr. Houck left Executive Session at approximately 8:00 p.m.

PERMANENTLY REDACTED AS TO SUBJECT: LITIGATION,
NEGOTIATIONS AND THE ATTORNEY-CLIENT PRIVILEGE PER N.J.S.A. 10:4-
12b(7):



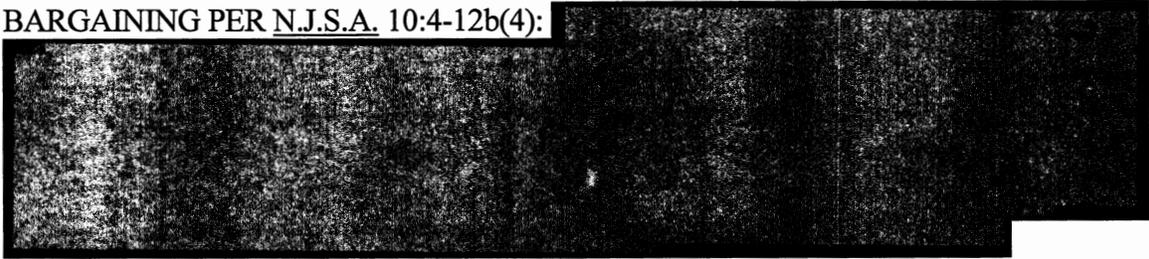
Mr. Bell told the Board about his recent discussion with Morris County Counsel regarding renewal of the agreement concerning juvenile detention. Mr. Marvin noted for the Board that the agreement will be for the same rate as established in 2008 which they have not adjusted since then. There are adjustments clauses built into the agreement for any future increases and we will continue to pay for a minimum of five beds. Resolution approving this agreement will be on a future Freeholder Meeting Agenda.

Mr. Marvin asked the Board to provide their responses to their reviews of the RFPs for 2014 for insurance services. The Board discussed their review findings, the merits of each of the proposals and the Board's history of selection of risk managers and insurance brokers. As of this discussion, Mr. Smith ranked the proposals as: 1. Wells Fargo, 2.

Otterstedt and 3. Bollinger. Mr. Sarnoski ranked them as 1. Bollinger, 2. Otterstedt and 3. Wells Fargo; and Mr. Gardner had not yet had an opportunity to fully review the RFPs and will be providing his input to Mr. Marvin in the near future. Mr. Marvin reminded the Board that if they are going to change risk managers for 2014, that will need to be done as soon as possible in order to accommodate the operational changes necessary prior to January 1st.

(2) *Matters Relating to Collective Bargaining:* Items to be discussed include: Impending negotiations with CWA-TASS, Corrections Superior Officers, Corrections Officers and negotiations with Prosecutor's Detectives.

PERMANENTLY REDACTED AS TO SUBJECT: COLLECTIVE BARGAINING PER N.J.S.A. 10:4-12b(4):



Mr. Smith distributed some information he had come across this date concerning Court House security and provided the Board with a lengthy description of his analysis of the Court's failure to abide by its own adopted and approved security plan, especially as concerns timing issues concerning the initiation of the drug court and start of the design of the Court House Renovation Project. In brief, the Court was already working at cross purposes to their security plan when they approved the Court House Renovation Project and therefore, Mr. Smith believes they will bear responsibility for any future liabilities. Mr. Bell is reviewing this concept and told the Board that he has drafted a complaint ready for their review which he will forward sometime in the next week.

(3) *Matters Relating to Purchase, Lease, Acquisition of Real Property, etc.:* Items to be discussed include: Cliffdale Center-Heritage Conservancy.

A memorandum from Land Preservation Director Corey Tierney concerning the Cliffdale Center in Mansfield Township was discussed. The Heritage Conservancy having obtained this property via a MCCTFC grant, is now preparing to sell the property. They are compelled to offer the Board Right of First Refusal to buy the property since there is a built-in conservation and access easement to the riverfront and confirmed the status of the building on the property. Currently, the Board is not interested in acquiring this property in fee. An action to waive their Right of First Refusal will be taken upon return to Open Session.

Mr. Marvin provided the Board with a copy of Mr. Coyle's letter affirming his retirement on February 1, 2014 and provided the Board a draft of an advertisement for a replacement Personnel Director which we will run on the League of Municipalities' website which has proven useful in the past. The Board approved the text of the advertisement and Mr. Marvin will have it placed on the website tomorrow. When resumes are received, Mr. Smith volunteered to be the Board representative for review, interview, selection, etc.

Mr. Marvin told the Board of the recent failure of Hunterdon County to host their scheduled 6 County Coalition Meeting and reminded the Board that pursuant to the schedule promulgated a little over one year ago, we are supposed to host the December 4, 2013 meeting. He told the Board that given the activities being undertaken, we cannot set aside the time and effort necessary to host this meeting. In addition, the Board isn't sure that continued participation in the 6 County Coalition is worthwhile any longer, especially as it is duplicative of the NJAC. Mr. Marvin will send notice to his counterparts in the other five counties that we will not be hosting the December 4th meeting and we will no longer be an active participant in the future.

With the passing on Sunday, October 20, 2013 of Road Supervisor Tom Kitchen, it is necessary for the Board to begin consideration for a replacement. Mr. Marvin outlined a reorganization plan he had been contemplating for the last few days which in brief, will establish a Director of Public Works position to be filled by Alex Lazorisak who will oversee three divisions of Public Works. These three divisions will be Buildings and Grounds, Roads and Bridges. It is likely that we would promote Liz Zukoski to the Superintendent of Buildings & Grounds' position vacated by Mr. Lazorisak and that we will then consider Rich Frinzi, currently Assistant Supervisor of Bridges and John Tate, currently in the Engineer's Office, as primary candidates to fill the two division head positions in Roads and Bridges. In the end, five positions currently staffed to oversee the three functions will be reduced to four positions and some needed reorganization will be accomplished. Considerably more work will need to be done to establish this reorganization with necessary resolutions prepared and approved by the Board. In the interim, Mr. Marvin will begin meetings with Mr. Lazorisak, Mr. Gleba, and retiring Assistant Road Supervisor George Melroy, etc. If necessary, Mr. Marvin is provided authority to appoint Mr. Lazorisak to the Public Works Director position prior to the next regular scheduled Freeholder Meeting if necessary to maintain chain of command, etc.

On motion by Mr. Gardner, seconded by Mr. Smith, the Board returned to open session at 9:12 p.m.

Recorded Vote: Mr. Gardner yes, Mr. Smith yes, Mr. Sarnoski yes