

HUNTERDON COUNTY BOARD OF CHOSEN FREEHOLDERS

71 Main Street, Freeholder's Meeting Room, 2nd Floor

Flemington, New Jersey 08822

September 17, 2013

The regular meeting of the Hunterdon County Board of Chosen Freeholders convened at 1:25 p.m. in accordance with the provisions of the Open Public Meetings Act.

PRESENT: MR. WALTON, MR. KING, MR. MENNEN.

ABSENT: MR. MELICK, MR. HOLT.

OPEN PUBLIC MEETINGS ACT

Director Walton announced: "This meeting is being held in accordance with the provisions of the Open Public Meetings Act. Adequate notice has been given by posting throughout the year a copy of the notice on Bulletin Boards on the First and Second Floor of the Main Street County Complex, Building #1, Flemington, New Jersey, a public place reserved for such announcements. A copy was mailed on or before September 12, 2013, to the Hunterdon County Democrat, Star Ledger, Trenton Times, Courier News and the Express Times, newspapers designated to receive such notices and by filing a copy with the Hunterdon County Clerk."

EXECUTIVE SESSION

Mr. King moved and Mr. Mennen seconded these:

See Page 09/17/13-1A RESOLUTION

RESOLVED, Executive Session to interview potential Human Resource Director Candidates.

See Page 09/17/13-1B RESOLUTION

RESOLVED, Executive Session to discuss certain Information Technology security measures.

See Page 09/17/13-1C RESOLUTION

RESOLVED, Executive Session to discuss final negotiations in connection with the realignment of County Bridge E-174, in East Amwell Township.

See Page 09/17/13-1D RESOLUTION

RESOLVED, Executive Session to receive an updated concerning the CWA rank and file union contract.

See Page 09/17/13-1E RESOLUTION

RESOLVED, Executive Session to discuss litigation involving the Prosecutor's Office.

ROLL CALL: (AYES) MR. KING, MR. MENNEN, MR. WALTON.
(ABSENT) MR. HOLT, MR. MELICK.

The Hunterdon County Board of Chosen Freeholders went into Executive Session at 1:27 p.m., recessed at 5:15 p.m. and reconvened in Open Session at 5:30 p.m.

PRESENT: MR. WALTON, MR. HOLT, MR. KING, MR. MELICK, MR. MENNEN.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Director Walton opened the meeting to the public.

Barbara Suchau, Raritan Township resident doesn't understand why the County needs to hold a shredding day in November since there are many shredding days that go on in Hunterdon County. Why does the County need to have a \$600 payment to shred documents.

Ms. Suchau advised Readington Township sent a copy of a resolution they adopted opposing S-1085 which is a bill to log the lands that the taxpayers pay to protect. The legislature wants to log the protected lands. She asked the County to take a similar action as Readington Township.

Gaetano M. DeSapio, Esquire, Borough of Frenchtown, came before the Board as counsel for Kim Browne, Margaret Pasqua and Megan Youells. He advised his clients received Rice Notices indicating there was going to be a discussion concerning them today. Mr. DeSapio asked that he and his clients be allowed to comment after any discussion by the Board prior to the Board making a decision regarding them.

Mr. DeSapio stated Item #8 on the Consent Agenda this evening; he and his clients object to the award of an amendment to the accounting firm for additional services, increasing the amount by \$50,000. It is felt the contract for these services was not procured appropriately and they are providing services which they are not entitled to provide; basically displacing duly appointed people who have been approved by the Division of Local Government Services to service in the positions which they were appointed. Mr. DeSapio asked that the amendment not be approved.

Lois Stewart, Flemington Borough resident, informed the Board that she is concerned about the amount being spent on the County's financial matters. These people are being paid and no one has stated if there have been any misdeeds by these people. Ms. Stewart feels the Freeholder Board owes the public some sort of explanation why all this money is being spent on financial services when the people who had been doing the job have not been made aware of what they did wrong.

COUNTY AUDIT

Dave Gannon of Wiss and Company came before the Board concerning the 2012 Hunterdon County Audit.

Director Walton reported this Board was recently admonished, and continues to be admonished that it is digging itself into a hole and it should stop digging and that is half right; the hole is being dug but the Freeholders are neither digging nor standing in it. This Board first discussed the findings, of some of the people involved, both from Wiss and Company, and from Donahue, Gironda and Doria, (DGD) the operations review firm, stating this is the worst assessment they had ever seen of a Finance Department. This audit contains the worst admonitions he has ever seen in his time as an elected official. He suspects his colleagues could say the same. Earlier this year, against the vehement vocal opposition of the County's Finance Department, the Freeholder Board hired Wiss and Company, LLP to be the County's new auditor. Very early in Wiss' examination they discovered irregularities that grew worse the deeper they dove. As the gravity and severity became more apparent, the County Administrator brought these matters to the Freeholders' attention and at the same time, advised the County Prosecutor of what was discovered. With consultation, County Counsel and Labor Counsel are here these evening, and the Prosecutor and his office, with the full knowledge and consent of this Board of Chosen Freeholders, the County Administrator moved three individuals to other responsibilities to allow a complete operations review to be done. Director Walton advised, as soon as these incongruities and malfeasances were discovered, the County Freeholder Board and County Administrator took immediate action to protect the taxpayers money and safeguard the integrity of this County's government. It was the Freeholders' hope to perform this investigation internally but unfortunately external elements did not allow that to happen. The County then hired the firm of Donahue, Gironda and Doria, CPA's on an emergency basis to run the day to day operations of the Finance Department and conduct an operations review to ascertain exactly what was being done wrong or possibly unlawful. These last few months have not been without errors; the County staff has together worked through that. The Freeholders thank its employees for their patience and understanding throughout.

Director Walton stated tonight the County has both a complete audit and the DGD report. These documents are public and will be posted online shortly. He provided definitions: CMFO-Certified Municipal Finance Officer license, which the County has two is charged with the following, per the Department of Community Affairs, State of New Jersey: to assist in the preparation of the annual budget; to supervise the posting and maintenance of all book original entries of all funds; Compliance with the local bond law, local budget law, fiscal affairs law, local public contracts laws, community affairs law; to provide the preparation of monthly reports for the treasurer, tax collector and investments; to be in compliance with all Department of Community Affairs, Division of Local Government Service directives; compliance with single audit requirements; development of an internal control system to safeguard assets; to revise petty cash and change funds; preparation and signing of the annual financial statement, annual debt statements, coordination of all back reconciliations, custody of all public funds, end of fiscal year report, all revenues and expenditures, supervision over the maintenance and separate account budget appropriations, and suggest recommendations for better management of municipal or county finances.

Director Walton stated that a Material Weakness is a deficiency or combination of deficiencies in internal control shows that there is reasonable possibility that a material misstatement on the entity's annual financial statements will not be prevented, detected or corrected on a timely basis. This is as bad a citation as exists in an audit. Significant deficiency, is a deficiency or combination of deficiencies or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance, an only slightly better admonition but still great.

Director Walton reported that Hunterdon County has several of both, specifically this audit confirms a material weakness in internal control; the auditor reports. During the audit, several instances were noted in which, the December 31, 2011 audit account balances were required to be restated because they were materially inaccurate: Revenue Accounts receivable, price tag of \$160,564; Revenue Accounts Receivable – Golf Course - \$1,836,041 wrongly recorded; Revenue Accounts Receivable – Engineering Fees - \$24,000 wrongly recorded; Revenue Accounts – Agency – Golf Course - \$125,000 mistake; Reserve Receivables reported to be \$2.4 million should have been \$274,000; County Clerk Trust Fund – Cash and Reserve, misstatement of \$457,000; Planning Board Developers Cash Fund – misstatement of \$5,000; Guardianship Account Cash – Reserves were reported to be \$3.8 million and they should have been \$4.4 million; Case and Reserves reported was \$55,000 but it should have been \$0.

Director Walton continued, the next citation for Material Weakness and Internal Control; ongoing monitoring built in through independent reconciliation staff be backed by supervising review and management review reports was not done. During the audit, the auditor noted several incidents which individuals that should have not been included in the County's health benefit program were billed for by the County's Health Benefit provider and the County was paying for those individuals to receive health benefits; dead people getting benefits.

Director Walton stated the auditor continues with other recommendations; there are three instances in which the County did not procure or properly encumber funds prior to placing a purchase order. The New Jersey Code states that there are requirements for the Certified Finance Officer (CFO) to perform in order to certify the availability of funds prior to the County entering into a contractor or purchase order. That was not done. Director Walton reported the audit revealed that wire transfer revealed that the initiation and authorization process resided with the County's Chief Financial Officer. That should be done by two different employees to insure appropriate segregation of duties and adequate internal controls.

Regarding payroll, the testing of payroll revealed that the County paid one employee for waiving health care coverage while being covered under the County's health care plan. Director Walton stated this was money paid out that should not have been paid.

Director Walton reported through inquiries with County employees and through testing performed it was noted that employees that take an unpaid leave of absence through Family Medical Leave Act (FMLA) or the New Jersey Family Leave Act (NJFLA) do not pay their respective share of health care costs.

Also, the auditor noted that the Finance Department canceled a 2012 appropriation for matching grant funds in the amount of \$139,328 without an approved resolution from the Board of Chosen Freeholders. Plus, the audit revealed that transactions related to the Golf Course showed that the Finance Department was not recording the gross Golf Course revenues and expenditures each month rather the Finance Department was recording the net cash activity each month and grossing up the actual revenues and expenditures at year end. The audit also showed in Parks and Recreation, funds accumulated from prior years of approximately \$25,000 that have not been turned over to the County's Finance Department. It is not clear as to whether those funds should be retained by the Parks and Recreation Department or the Finance Department.

Director Walton continued by saying the State requires all monies received from any source by or on behalf of any local unit or department be deposited within 48 hours of receipt. The audit testing of the Engineer's Department revealed several instances in which funds were not deposited within 48 hours.

In accordance with Federal OMB Circular A-133, organizations receiving federal grant awards are prohibited from entering into a procurement contract utilizing federal funds that exceed \$25,000 with an organization that is suspended or debarred by the federal government. Currently, the County doesn't have a process in place to check this.

Director Walton stated the comments and resulting recommendations of this audit are indicative of an ongoing need for improvement in the areas discussed here and for administrative action, the Hunterdon County Board of Chosen Freeholders and the County Administrator, will take that action. This is corroborated and reinforced by the Donahue, Gironde and Doria report. DGD corroborated the findings of the audit but they also noted other instances, such as there are no written policies and procedures in the Finance Office; employees are not cross trained in all or some of the other finance functions. It is apparent that no one has a good understanding of the payroll system or what it is capable of offering. Either the County was not utilizing the reports, edits and checks that are available with the new Payroll vendor. No one made use of the checks and balances in the system. The County originally issued checks to transfer funds between accounts, including payroll; a manual check would have to be written and rushed by hand to the bank to cover payroll. Director Walton noted that in this day and age, it is most common to do this type of transaction by wire or electronically. There is also a lack of internal control with these transfers; certification of funds is not being performed; all revenues are being recorded manually not electronically as is the case in most modern firm.

Director Walton stated this has been going on in the County's Finance Office for many years. He reminded the public, that these findings are not those of the County Administrator or any one Freeholder rather they are the findings of two disinterested, objective, third party, neutral, unbiased and dispassionate investigations. It is within the purview of the Administrator, as the Appointing Authority to dispense the appropriate administrative action to address these findings. Director Walton suggested that be done.

Mr. Melick moved and Mr. King seconded a motion to acknowledge receipt of the County Audit for 2012.

ROLL CALL: (AYES) MR. MELICK, MR. KING, MR. HOLT, MR. MENNEN, MR. WALTON.

Director Walton recognized Gaetano M. DeSapio at this time.

Mr. DeSapio stated that once he and his clients have the opportunity to look at these two reports, they will be addressing them, point by point. He believes that the introductory statement made by the Freeholder Director was extreme. It is curious to find that after years of auditing, by previous auditing groups, that all of a sudden there is a major crisis. That doesn't necessarily mean that the crisis exists but if it does exist it doesn't necessarily mean that these three individuals were responsible for it. For example, the Freeholders cited and the auditor's cited that there was a discrepancy in regard to health insurance payments. Mr. DeSapio challenged the County's auditor to report to the Freeholders as to who is responsibility that is to verify. He believes that is typically a responsibility of the personnel department to prepare those statements, submit them to the Freeholders for approval and the function of the Finance Department is to pay bills which are authorized by the Freeholder Board. Blaming these individuals violates the principal of segregation of duties, which Mr. DeSapio stated Director Walton mentioned. Segregation of duties means they don't perform the function of the personnel department. Personnel performs

the function of the personnel department and makes reports about the payroll and the health insurance payments and personnel also certifies the vouchers and gives them to the Freeholders to approve. The same goes for issues concerning pay; unpaid leaves of absence; that all comes through the personnel department. Attempting to blame these three individuals for functions which would have been performed by other departments is wrong and unfair.

Mr. DeSapio said he doesn't want to criticize unnecessarily other departments but the same goes for checking as to whether contractors are debarred. He challenged the auditor to report to the Freeholders as to who does that. It isn't typically a Finance Department function; it is a function of the Purchasing Department.

Mr. DeSapio said regarding no policies and procedures in the Finance Department; he questioned if they were ever directed to prepare them. The County has a uniform policy manual that the Freeholders approve for the County and now to say that Finance should have prepared one for the Finance Department when their role is covered by the statutes and Administrative Regulations of New Jersey is an inappropriate criticism. For the Donahue, Girona and Doria to state that there are no present employees who are trained in payroll without interviewing the Payroll Administrator before issuing the report, is inappropriate. Are they interviewing the people who are still in that office in determining they are not trained to do payroll. They are not the person whose job it was to be the payroll administrator. Mr. DeSapio believes that once they are able to go through the two reports, they will be able to point out to the Freeholders why there is a great disservice to these three people and why the Freeholder Director's statement goes beyond what is appropriate.

Mr. DeSapio stated typically when there are concerns that an auditor discovers and there is an existing Finance Department those concerns are discussed with the people who were involved to see if there is an explanation. To place them elsewhere and have the auditors continue their work without having a discussion with those people, again is not performing completely the duties of an auditor. Mr. DeSapio said they will obtain those reports and they will address them. It is felt it is inappropriate for the Freeholders to take any action or direct the Administrator to take any action until these employees have an opportunity to address the concerns which serve as the basis for the proposed action.

Director Walton advised he will be asking the County Administrator to take necessary administrative action, as is her purview as the Appointing Authority.

FARMLAND/OPEN SPACE PRESERVATION

Mr. Melick moved and Mr. Holt seconded this:

See Page 09/17/13-4A

RESOLUTION

RESOLVED, Approving a contract for a development easement from Marjorie and Richard Yard, on Block 44, Lot 15, in Delaware Township, estimated 33 acres, (SADC-\$174,900; County-\$0; Township-\$0; FRPP Grant -\$153,450), total amount of \$328,350.

ROLL CALL: (AYES) MR. MELICK, MR. HOLT, MR. KING, MR. MENNEN, MR. WALTON.

Sue Dziamara, Planning Board Manager brought before the Board a request from Readington Township for an increase in the Cooperative Open Space Acquisition funding, towards the "Round Mountain Natural Area Parcels", Block 63, Lots 66 and 68, in the amount of \$47,342.75. This application was previously approved with an up to amount of \$43,000. The appraisals came back at a higher level and Readington is asking the County to match the 50%, which is a difference of around \$5,000.

Mr. Mennen confirmed with Mrs. Dziamara that the Open Space Advisory Board discussed this and chose not to make this recommendation. He confirmed this is not time sensitive.

After further discussion, the Board directed Mrs. Dziamara to take this back before the Open Space Advisory Committee for consideration and report back to the Board. This group has been charged with making recommendations to the Freeholder Board for this purpose.

Mr. Holt moved and Mr. Mennen seconded this:

See Page 09/17/13-4B

RESOLUTION

RESOLVED, Approving a contract for a development easement from Joel and Rosemary Gross, on Block 5, Lot 4.03, in Kingwood Township, estimated 58 acres, (SADC-\$82,998; County-\$0; Township-\$0; FRPP Grant-\$377,000), total amount of \$459,998.

ROLL CALL: (AYES) MR. HOLT, MR. MENNEN, MR. MELICK, MR. KING, MR. WALTON.

Mr. Holt moved and Mr. Mennen seconded this:

See Page 09/17/13-4C

RESOLUTION

RESOLVED, Approving the acquisition of a development easement from Mark Mulligan, for Block 33, Lot 24, in Kingwood Township, (SADC-\$221,100; FRPP (Federal Farmland)-\$132,660; County-\$88,440), total amount of \$442,200.

**ROLL CALL: (AYES) MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.
(ABSTAIN) MR. KING.**

PURCHASING

Mr. Holt moved and Mr. King seconded this:

See Page 09/17/13-5A

RESOLUTION

RESOLVED, Approving Requisition #CountyClerk.1547, NJSA 40A:11-5(1)L, with Sky Printing, for ballots, for the County Clerk's Office, in the amount of \$50,728.80.

ROLL CALL: (AYES) MR. HOLT, MR. KING, MR. MENNEN, MR. MELICK, MR. WALTON.

Mr. King moved and Mr. Holt seconded this:

See Page 09/17/13-5B

RESOLUTION

RESOLVED, Approving Requisition #26815, GSA contract #GS-30F-0008N, with Farber Specialty Vehicles, for SWAT/CSI/Evidence Collection vehicle, for the Public Safety/Health Services Department, in the amount of \$89,623 (Homeland Security Grant).

ROLL CALL: (AYES) MR. KING, MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.

Mr. King moved and Mr. Melick seconded this:

See Page 09/17/13-5C

RESOLUTION

RESOLVED, Approving Requisition #400034386, Somerset Coop Contract #CC-9009-12, with Powerco, Inc., for a backhoe, for the Roads and Bridges Division of the Public Works Department, in the amount of \$72,844.

ROLL CALL: (AYES) MR. KING, MR. MELICK, MR. HOLT, MR. MENNEN, MR. WALTON.

Mr. Walton moved and Mr. Melick seconded this:

See Page 09/17/13-5D

RESOLUTION

RESOLVED, Approving Requisition #400034390, State Contract #A75553, with Independence Constructors, for fuel management and tank upgrades at 4 sites, for the Public Works Department, in the amount of \$103,483.29.

ROLL CALL: (AYES) MR. WALTON, MR. MELICK, MR. HOLT, MR. KING, MR. MENNEN.

Mr. King moved and Mr. Holt seconded this:

See Page 09/17/13-5E

RESOLUTION

RESOLVED, Authorizing the award of County Bid #2013-16, for maintenance, service and supplies for County Copier Equipment, for various departments, with Ditto Copy Systems, Inc., through the Office of Central Printing/Mail/Information Technology, in an amount not to exceed \$40,333.20.

ROLL CALL: (AYES) MR. KING, MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.

ROADS AND BRIDGES UPDATE

Tom Mathews, Director of Public Works came before the Board to provide an update of various County road and bridge projects.

- County Route 513, a 2013 Transportation Trust Fund project, bids will be taken on September 19, 2013.
- County Route 519, High Risk Rural Road (HRRR) project, plans and specifications were submitted to New Jersey Department of Transportation (NJDOT) for federal highway authorization.
- County Route 614, Union Township, HRRR project, and specifications were submitted to NJDOT for federal highway authorization.
- 2013 Surface Treatment program, the chip sealing of roads and parking lots has been completed; punch list items along those roads are being addressed. The roads that are being milled and paved are 90% complete. County Route 614 is currently being milled and paved this week.
- County Bridge E-140-M on County Route 518, Hunterdon/Mercer Counties, the stay in place coffer dams have been completed.
- County Bridge Q-168, on Pennsylvania Avenue, the final plans and specifications are under review and a soil conservation permit is currently being applied for.
- County Bridge RT-116, the historic and archeological Phase I study has been received by the County and is under review.
- County Bridge T-36-S, contracts are due back on September 23, 2013.
- In House projects: County Culvert HA-11, on Sweet Hollow Road, in Little York, the guiderail installation has started. The culvert is now open. The County is waiting for a utility pole to be relocated.
- County Bridge K-138, on Union Road, in Kingwood Township, the superstructure has been designed; the substructure is currently under design.
- County Culvert U-18, on Race Street, in Union Township, the wingwall and parapet construction is complete; the backfilling is completed; and the stone facing work begins.

- Local Lead/NJTPA (North Jersey Transportation Planning Authority) projects: County Route 519/Warren Glen Hill, the Green Acres application has been submitted.
- County Bridge F-45, on White Bridge Road, in Franklin Township, is currently closed and under construction; shop drawings have been resubmitted and re-reviewed and revisions are still necessary.
- County Route 579, over the Lehigh Valley Rail Road, the County has received municipal support for the project.
- County Bridge E-174, final plans and specification and engineer adjustments were submitted to NJDOT for comment and the right of way negotiations are ongoing.
- County Route 513, Exit 15, on Interstate 78, the County is advancing the right of way authorization and right of way parcels have been reviewed and approved by the Engineering Office.

Mr. Mathews reported to the Board that lightning struck a tree in Oldwick, in Tewksbury Township and knocked down one of the County's Traffic lights into the middle of the road.

Mr. Mathews reported a formal request was received from South Hunterdon Regional High School to purchase fuel at the South County (Mount Airy) Garage. South Hunterdon has been purchasing fuel on a temporary basis and now would like to make it a permanent arrangement, to fuel their buses at the Mount Airy Garage.

Director Walton confirmed with Mr. Mathews that the County can handle this additional volume.

Mr. Mathews informed the Board that improvements to the fuel/gas tanks at the garages will assist in keeping records up to date and allowing the County to know how much fuel is being used and how much is on site.

After further discussion, Mr. King moved and Mr. Mennen seconded a motion granting permission for South Hunterdon Regional High School to purchase fuel at the South County (Mount Airy) Garage.

ROLL CALL: (AYES) MR. KING, MR. MENNEN, MR. HOLT, MR. MELICK, MR. WALTON.

COUNTY Update

Registered Environmental Health Specialist position/vacancy

Cynthia J. Yard, County Administrator advised the Board that a request was received to backfill a vacancy/position of a Registered Environmental Health Specialist in the Health Services Division of the Public Safety and Health Services Department. This vacancy was created by a promotion that was approved by the Board in the 2013 County Budget which created a vacancy of a Senior Registered Environmental Health Specialist. Mrs. Yard reported at the height of Health Services the County had 15 Registered Environmental Health Specialists and the County is now down to 6. Health Services had been asked to look at how things could be done more efficiently and effectively. Freeholder Holt was part of a review of Health Services a few years ago, and changes were made in how things were done.

After further discussion, Mr. Holt moved and Mr. King seconded a motion to backfill the position of Registered Environmental Health Specialist in the Health Services Division.

ROLL CALL: (AYES) MR. HOLT, MR. KING, MR. MENNEN, MR. MELICK, MR. WALTON.

Hunterdon County Schools/300th Anniversary of the County

Mrs. Yard reported she and Director Walton went to the Kingwood Township School yesterday, as the first school of 50 which the Freeholders will be going into, in the County, to introduce the 300th Timeline Challenge to the students of Hunterdon County's schools. Director Walton and Mrs. Yard were in custom. Tomorrow the Freeholders will be visiting five school to make the challenge to the students to participate in the 300th Timeline challenge.

CONSENT AGENDA

Director Walton announced: "All matters listed under the Consent Agenda are considered to be routine by the Board of Chosen Freeholders of the County of Hunterdon and will be enacted by one motion in the form listed below. There will be no separate discussion of these items. If discussion is desired that item will be removed from the Consent Agenda and will be considered separately."

Director Walton opened the meeting to the public with regard to items on the Consent Agenda.

Lois Stewart, Flemington Borough resident questioned the Board regarding an item on the Consent Agenda.

Director Walton explained that the AFSME Agreement, is the long negotiated agreement with the County's Supervisors Union.

Check #1695 on the Claims Register was held at this time.

Mr. Mennen moved and Mr. Melick seconded a motion to approve the claims in accordance with the Claims Register dated September 17, 2013.

See Page 09/17/13-6A

CLAIMS REGISTER

ROLL CALL: (AYES) MR. MENNEN, MR. MELICK, MR. HOLT, MR. KING, MR. WALTON.

Mr. Mennen moved and Mr. Melick seconded these:

See Page 09/17/13-7A **RESOLUTION**

RESOLVED, Tom Mathews, Director of Public Works, appointed Acting County Engineer, due to a leave of absence.

See Page 09/17/13-7B **RESOLUTION**

RESOLVED, Elizabeth Razas, Senior Account Representative in Social Services reassigned to the Finance Department.

See Page 09/17/13-7C **RESOLUTION**

RESOLVED, Cynthia Gould appointed provisional, Social Worker Aging, Division of Social Services, Human Services Department.

See Page 09/17/13-7D **RESOLUTION**

RESOLVED, Susan Ehlert appointed temporary, as needed Librarian, Library Headquarters.

See Page 09/17/13-7E **RESOLUTION**

RESOLVED, Carl Ondrak, Senior Bridge Repairer, Roads and Bridges Division, leave of absence without pay.

See Page 09/17/13-7F **RESOLUTION**

RESOLVED, Approving a joint agreement with Somerset County and the Greater Raritan Workforce Investment Board for the Greater Raritan Workforce Investment Area.

See Page 09/17/13-7G **RESOLUTION**

RESOLVED, Approving an amendment to the professional services agreement with Donahue, Gironda & Doria, CPA, for professional accounting services, increase of \$50,000.

See Page 09/17/13-7H **RESOLUTION**

RESOLVED, Approving agreements with the artists participating in the Cultural and Heritage Commission's art exhibit in the Sawmill Gallery of Prallsville Mills in Stockton, New Jersey, holding the County harmless.

See Page 09/17/13-7I **RESOLUTION**

RESOLVED, Approving a contract for the sale of a temporary construction easement for the replacement of Bridge E-174, from Christopher and Christin Thompson, for a portion of Block 25, Lot 10.06, in East Amwell Township, in the amount of \$5,650.

See Page 09/17/13-7J **RESOLUTION**

RESOLVED, Approving a contract for the sale of property in fee simple and a temporary construction easement, for the replacement of Bridge E-174, from The Ridge at Back Brook, LLC, for a portion of Block 25, Lot 10, in East Amwell Township, in the amount of \$10,000.

See Page 09/17/13-7K **RESOLUTION**

RESOLVED, Approving a contract for the sale of property and a temporary construction easement, for the replacement of Bridge E-174, from Todd and Karen Russo, for a portion of Block 33, Lots 17 and 18, in East Amwell Township, in the amount of \$4,800.

See Page 09/17/13-7L **RESOLUTION**

RESOLVED, Approving a contract for the sale of property and a temporary construction easement, for the replacement of Bridge E-174, from Terry Ann Ragolia, for a portion of Block 33, Lot 19, in East Amwell Township, in the amount of \$1,400.

See Page 09/17/13-7M **RESOLUTION**

RESOLVED, Approving a revised renewal application for the 2014 County Environmental Health Act Grant (CEHA), for the period of July 01, 2013 through June 30, 2014, in the amount of \$150,200.

See Page 09/17/13-7N **RESOLUTION**

RESOLVED, Approving an agreement with AFSCME Council 73, Local 2087, for the period of January 1, 2011 through December 31, 2014.

ROLL CALL: (AYES) MR. MENNEN, MR. MELICK, MR. HOLT, MR. KING, MR. WALTON.

Mr. Mennen moved and Mr. Holt seconded a motion to approve Check #1695 on the Claims Register dated September 17, 2013.

**ROLL CALL: (AYES) MR. MENNEN, MR. HOLT, MR. MELICK, MR. WALTON.
(ABSTAIN) MR. KING.**

PROCLAMATIONS/RECOGNITION

Mr. Walton moved and Mr. Holt seconded this:

See Page 09/17/13-8A

PROCLAMATION

RESOLVED, Declaring September 2013, as "September is Go Gold Month" recognizing Pediatric Cancer.

ROLL CALL: (AYES) MR. WALTON, MR. HOLT, MR. KING, MR. MENNEN, MR. MELICK.

GRANTS

Mr. Holt moved and Mr. Melick seconded this:

See Page 09/17/13-8B

RESOLUTION

RESOLVED, Approving the 2014 State/Community Partnership and Family Court Award from the Juvenile Justice Commission for funding in the amount of \$282,056, (SCP funds-\$135,567; Program Management Funds-\$47,667; Family Court Funds-\$95,615; and \$3,197 in Juvenile Accountability Block Grant Federal Allocation).

ROLL CALL: (AYES) MR. HOLT, MR. MELICK, MR. KING, MR. MENNEN, MR. WALTON.

CORRESPONDENCE

A memorandum was received from the Hunterdon County Clerk, requesting permission to hold a "Document Shredding Day, on Saturday, November 02, 2013, from 9:00 a.m. until 1:00 p.m., at a cost not to exceed \$600. The Main Street County Complex parking area would be closed from 8:30 a.m. until 1:30 p.m. for this event. Mr. King moved and Mr. Holt seconded a motion granting permission.

ROLL CALL: (AYES) MR. KING, MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.

A request was received from the Hunterdon County Chamber of Commerce, requesting permission to use the County's Electronic Sign Boards, Outdoor Light Towers, Barricades and Traffic Cones during their 25th Annual Business and Home Expo, to be held on Tuesday, October 15, 2013. (Items to be used from October 11, 2013 through October 15, 2013). Mr. King moved and Mr. Holt seconded a motion granting permission for the Chamber of Commerce to utilize the County's equipment provided this is coordinated through the County's Public Works Department.

ROLL CALL: (AYES) MR. KING, MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.

A letter was received from the Milford N.J. Fire Co., requesting permission to hold a Coin Toss on Saturday, October 12, 2013, from 8:00 a.m. until 4:00 p.m., in front of the fire house, at the intersection of County Routes 519/619 and at Bridge Street, in Milford Borough. Mr. King moved and Mr. Holt seconded a motion granting permission provided this event is coordinated through the County's Public Works Department.

ROLL CALL: (AYES) MR. KING, MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.

Correspondence was received from the Fairmount Fire Co. No. 1, requesting to hold a Coin Toss on Saturday, September 28, 2013, from 9:00 a.m. until 3:00 p.m., at the intersection of County Routes 512/517. Mr. King moved and Mr. Holt seconded a motion granting permission provided this event is coordinated through the County's Public Works Department.

ROLL CALL: (AYES) MR. KING, MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.

A request was received from the Tewksbury First Aid and Rescue Squad, asking permission to hold a Coin Toss on Saturday, October 26, 2013, from 10:00 a.m. until 1:00 p.m., at the junction of the Oldwick Light and County Route 517. Mr. King moved and Mr. Holt seconded a motion granting permission provided this event is coordinated through the County's Public Works Department.

ROLL CALL: (AYES) MR. KING, MR. HOLT, MR. MENNEN, MR. MELICK, MR. WALTON.

A letter was received from the Center for Education, requesting permission to use the Main Street County Administration Building parking area, to place port-a-johns during the CEA/Johanna Foods Turkey Trot to be held on Thanksgiving. The units will be delivered on Wednesday, November 27, 2013 and removed on Friday, November 29, 2013. Mr. Mennen moved and Mr. Holt seconded a motion granting permission provided this event is coordinated through the County's Public Works Department.

**ROLL CALL: (AYES) MR. MENNEN, MR. HOLT, MR. MELICK, MR. WALTON.
(ABSTAIN) MR. KING.**

FREEHOLDERS COMMENTS/REPORTS

There were no reports by the Hunterdon County Board of Chosen Freeholders.

OPEN TO THE PUBLIC

Director Walton opened the meeting to the public.

Lou Reiner, Raritan Township resident came before the Board to make comments concerning the Hunterdon County Audit and doesn't feel the taxpayers should be on the hook for these costs and that Human Resources should be brought into this.

Director Walton reported that the Human Resources Director retired a while ago and the County is currently interviewing for that position.

Ms. Stewart also made comments regarding the Hunterdon County Audit, the Finance employees and the County's Open Space Cooperative Advisory Board.

Shana Taylor, County Counsel advised the Freeholder Board and those present, that any discussions taking place with regard to the legally permissible actions to be taken would be covered by attorney/client privilege and the Freeholder Board cannot discuss this matter.

A resident questioned how much the County's recent surplus sale brought in for the County.

Denise Doolan, Clerk of the Board reported that the County's Surplus Sale brought in a little more than \$107,450.

Chris Phelan, Hunterdon County Chamber of Commerce thanked the Board for its support of the 25th annual Business Expo, and extended an invitation to County Departments to be a guest and have a display at no cost at the event. Also, the Tri-Centennial Committee will be at the Expo with the County Library System.

Andrea Bonnet, East Amwell Township resident questioned the County's current recording system.

Director Walton advised Ms. Bonnet, that at the next meeting, the Freeholder Board will be having a presentation on a recording and meeting system which will allow all the documents currently in their agenda books to be done digitally and to be placed on the County's webpage. visually paperless system and an updated recording system for the County.

Ms. Bonnet questioned if the County will be paying for the Special Election in October 2013.

Director Walton reported the state will be reimbursing the County for the special election costs.

Barbara Suchau, Raritan Township resident confirmed that the County, on its last agenda, agreed to spend \$162,000 for maintenance equipment for Heron Glen Golf Course. Ms. Suchau stated she has looked at Heron Glen's report and they lost \$50,000 in the second quarter.

Director Walton explained while that was a second quarter loss; it does not mean the golf course has a loss for the year. The golf course is in the black; it brings in more money than is spent for it.

Mr. DeSapio came before the Board, again on behalf of the County's employees, Kim Browne, Margaret Pasqua and Megan Youells. He asked to spend a few minutes to discuss process from a logical point of view, a management point of view and a legal point of view.

Mr. DeSapio stated the presentation made about the audit, that there had been a rush to judgment. From a management point of view, he doesn't think that is appropriate. When you manage an organization, you don't make a judgment without talking to the people you criticize and inform them what the concerns are and then hearing their side. Anyone can make a mistake including auditors because according to the present auditor the auditor for the last three years made a lot of mistakes and the auditors for the last ten years made a lot of mistakes. To rush to judgment without talking to the people who are being criticized both directly and obliquely is not good management.

Director Walton said the Board of Chosen Freeholders is a public entity and therefore the employees are entitled to basic due process and that means not making a judgment about their work performance or their careers without giving them the opportunity to be heard. He urged that any judgment not be made and no action taken until they are afforded basic due process. That means the County gives them the basis for the criticism and give the them opportunity to respond. A lot of things mentioned in the audit are not necessarily criticisms of the Finance Department; it is an audit of the entire operation of the County; for example, deposits within 48 hours. He asked if there is a detail as to who did not do that. It may prove to be that the Finance Department deposits all money it receives within 48 hours but there are ancillary departments – the golf course being one and if they fail to deposit money within 48 hours, it's going to appear in the audit but there should not be a judgment about the Finance Department, the judgment should be made about the people who manage the golf course.

Mr. DeSapio urged the Freeholders, after taking weeks to develop this information, to give these employees enough time to look over the two reports, to look over Director Walton's comments and give the Freeholders a reckoning or a response.

Mr. DeSapio said it sounds as if these employees have been discussed by the Freeholder Board prior to tonight by the question put to the Board by Ms. Stewart. These individuals received a Rice Notice prior to tonight, a few months ago and asked that the discussion be held in public but it was cancelled. As far as they understand legally, they should not have been discussed before tonight. If the only discussion you had about their performance, is the one held in public, than it is much too quick to rush to judgment. If a discussion was held prior to tonight, then you haven't followed the law in regard to giving them notice.

Mr. DeSapio said this is a serious situation for the County and for these individuals and he requested copies of the audit and the report and Director Walton's statement and they would like to receive those on an expedited basis. If it can be available tomorrow or the next day, he requested to have it picked up in order to quickly respond to it in a timely fashion, so the County can have their version and then the Freeholders can make a fully informed judgment.

Director Walton advised there have been no Board discussion on these three employees. The Freeholders have not violated the Open Public Meeting Act or the rules of the Rice Notice. The Freeholders have been compliant with the law throughout this matter.

Director Walton reported the Audit and the Donahue, Gironda and Doria report should be online now. If the report isn't online yet, it will be shortly. The Freeholders are not rushing to any judgment. He agreed the audit does touch on many departments in the County and the Freeholders will be dealing with all of this. As per the County Employee Policy Manual, the individuals who are dealt any kind of disciplinary action will be entitled to due process as prescribed in that manual. Director Walton stated that Mr. DeSapio helped write this manual. The County will make sure they are protected and that their rights are secure. The Freeholders will be careful and cautious in whatever decision is reached by the Administrator. Ultimately this will come back to the Freeholder Board.

Director Walton told Mr. DeSapio that he will email him his statements and the Donahue report should be online with the Audit.

Mr. DeSapio believes that the County acknowledged receipt of the audit but hasn't voted to approve it; so he still believes the Freeholders should be asking these individuals for their perspective on each of the comments before the Administrator is instructed to take appropriate action. What the Freeholders do, sends a message to all employees and if the message is you make a mistake, then you are placed somewhere else and you are not told what is being looked into, then a judgment is made, then you come into public and you are nailed and the Board says don't worry about you can be heard later on. DeSapio said that is not the legal process. If that is done than every employee walks around in fear of not rubbing certain people the wrong way. He thinks the Board wants the employees to feel if they dedicated their live and their career to Hunterdon County, while you can't be guaranteed a raise because it depends on fiscal years, and you can't guarantee the job will always be there but the County can guarantee employees will get a fair shake. The Freeholders should give these employees an opportunity to respond because whatever happened has already happened, so the Board should hear their perspective before going further.

Director Walton stated bringing in two disinterested outside entities to review this, is a fair shake. This isn't the Administrator's or his write up, this is two independent, disinterested parties that have looked at this and yes, there are plenty of problems to go around but this is not witch hunt and it is not a crusade. This is a thorough examination by disinterested third party people who are not residents of this County and all they did was present their findings.

There being no further business to come before the Board, Director Walton adjourned the meeting at 6:35 p.m.

Respectfully submitted,

Denise B. Doolan
Clerk of the Board