

HUNTERDON COUNTY BOARD OF CHOSEN FREEHOLDERS

71 Main Street, Freeholder's Meeting Room, 2nd Floor
Flemington, New Jersey 08822

September 15, 2015

The regular meeting of the Hunterdon County Board of Chosen Freeholders convened at 4:00 p.m. in accordance with the provisions of the Open Public Meetings Act.

PRESENT: MR. HOLT, MS. LAGAY, MR. KING, MR. LANZA.

ABSENT: MR. WALTON.

Director King 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 January 06, 2015, to the Hunterdon County Democrat, Star Ledger, Trenton Times, Courier News, the HCNews and the Express Times, newspapers designated to receive such notices and by filing a copy with the Hunterdon County Clerk."

EXECUTIVE SESSION

Mr. Holt moved and Ms. Lagay seconded this:

See Page 09/15/15-1A

RESOLUTION

RESOLVED. Executive Session to discuss Health Benefits.

ROLL CALL: (AYES) MR. HOLT, MS. LAGAY, MR. LANZA, MR. KING.
(ABSENT) MR. WALTON.

The Hunterdon County Board of Chosen Freeholders went into Executive Session at 4:02 p.m., Recessed at 5:29 p.m. and reconvened in Open Session at 5:30 p.m.

PRESENT: MR. HOLT, MS. LAGAY, MR. KING, MR. LANZA, MR. WALTON

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

PUBLIC COMMENT

Director King opened the meeting to the public.

No one wished to approach the Board for comment.

FARMLAND PRESERVATION/OPEN SPACE

Ms. Lagay moved and Mr. Lanza seconded this:

See Page 09/15/15-1B

RESOLUTION

RESOLVED, Authorizing the submittal of the Tewksbury Township Chapter of the Hunterdon County Wastewater Management Plan to the New Jersey Department of Environmental Protection by the Planning Board.

ROLL CALL: (AYES) MS. LAGAY, MR. LANZA, MR. HOLT, MR. WALTON, MR. KING.

PUBLIC WORKS

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

Roads

- Resurfacing and chip sealing roads are now done; the contractor is concentrating on the resurfacing jobs, and currently is working from Cherryville down to the hospital bridge. The project is around 80-85% done.
- There are a few roads left to be milled and resurfaced, such as 519 in Milford and 629.
- Trap Rock Industries is the Contractor and is currently working on County Route 617 in Franklin & Raritan Townships. The chip sealing portion of the project has been completed.
- Construction for County Route 512, from County Route 513 to the Tewksbury Line is to begin September 21, 2015. This is also known as Main Street in Califon. Also to be done is milling and replacement with some drainage improvements.

Bridges

- County Bridge C-26, on Cratetown Road, in Clinton Township, the entire bridge replacement is funded with NJDOT Local Bridge Future Needs program. The bridge closed on August 17, 2015 and a detour has been posted. Demolition is complete; construction of substructures is 50% complete.
- County Bridge J-1, on County Route 512, in Califon Borough has a full deck replacement. The bridge closed on August 12, 2015 and reopened August 30, 2015.

- County Bridges K-110 and K-111, on County Route 519, in Kingwood Township, the mobilization and demolition anticipated to start September 16, 2015. The contractor is on course for the April 1st deadline. They are pushing them a little bit, but they seem to have fallen behind a little bit already with the submissions, but they have been on them on a daily basis in writing how this is a high priority.

In-House Projects

- County Culvert L-86 and L-87, on County Route 645, in Lebanon Township, the road closed on August 24, 2015 with an anticipated reopening September 21, 2015 for culvert repairs and replacement.
- County Culvert T-57, on Homestead Road, on Tewksbury Township; there is an anticipated closure on September 28, 2015 with a 1-2 week closure, detour to be posted.

Intersections

- County Route 600/612 in Raritan Township, the box culvert has been completed. AT&T has run into some problems, they have been out there starting the previous Saturday. Director King commented that it looked like they had dug up something that the county had already finished. The base course of pavement has been placed and they are waiting for final utility relocation to be completed before top course of pavement and guiderail installation.

PURCHASING

Mr. Holt moved and Mr. Lanza seconded this:

See Page 09/15/15-2A

RESOLUTION

RESOLVED, Authorizing the award of County Bid #2015-23, for Snow and Ice Control Materials, (Rock Salt), to Atlantic Salt Co., Inc., in an amount not to exceed \$623,520.

ROLL CALL: (AYES) MR. HOLT, MR. LANZA, MS. LAGAY, MR. WALTON, MR. KING.

Mr. Lanza moved and Ms. Lagay seconded this:

See Page 09/15/15-2B

RESOLUTION

RESOLVED, Authorizing the award of County Bid #2015-23, for Snow and Ice Control Materials, (Calcium Chloride Solution), to Peckham Industries, Inc., in an amount not to exceed \$29,888.

ROLL CALL (AYES): MR. LANZA, MS. LAGAY, MR. HOLT, MR. WALTON, MR. KING

Mr. Holt moved and Mr. Lanza seconded this:

See Page 09/15/15-2C

RESOLUTION

RESOLVED, Approving a professional services agreement, using County Quote #0076-2015, to provide pre-employment health services, occupational health services for County employees, and for an employment health program, with the Hunterdon Healthcare System, amount not to exceed \$36,000.

Director King commented the County had gone out for quotes and received no responses except from Hunterdon Healthcare. Mr. King asked Chief of Staff, George Wagner, if he could explain the dollar amount that is listed in the resolution.

Mr. Wagner explained the County tried to do a "not to exceed" figure, the hard cost in this agreement is the Employee Assistance Program, which is established at \$27 per employee and then the submission contains a fee schedule which would include pre-employment physicals and all sorts of related services that Hunterdon Healthcare would provide for Hunterdon County's employees. There is a whole menu included in this figure, based on what will be used and it is estimated that it will not exceed the \$36,000 figure.

**ROLL CALL: (AYES) MR. HOLT, MR. LANZA, MR. WALTON, MR. KING.
(ABSTAIN) MS. LAGAY.**

CONSENT AGENDA

Director King 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."

Items Held: Check #151096, 17772, 151029 and 150966.

Ms. Lagay moved and Mr. Lanza seconded a motion to approve claims in accordance with the Claims Register dated September 15, 2015, absent checks #15096, #17772, #150966, #151029 and 150966.

See Page 09/15/15-2D

CLAIMS REGISTER

ROLL CALL: (AYES) MS. LAGAY, MR. HOLT, MR. LANZA, MR. WALTON, MR. KING.

Mr. Lanza moved, and Mr. Holt seconded a motion to approve Check Numbers 151096 and #17772.

**ROLL CALL: (AYES) MR. LANZA, MR. HOLT, MS. LAGAY, MR. WALTON.
(ABSTAIN) MR. KING.**

Mr. Holt moved and Ms. Lagay seconded a motion to approve Check Numbers 150966 and #151029.

**ROLL CALL: (AYES) MR. HOLT, MS. LAGAY, MR. LANZA, MR. KING.
(ABSTAIN) MR. WALTON.**

Ms. Lagay moved and Mr. Lanza seconded these:

See Page 09/15/15-3A RESOLUTION

RESOLVED, Laura Adamcik appointed full time, Public Safety Telecommunicator, Division of Emergency Services, Department of Public Safety and Health Services.

See Page 09/15/15-3B RESOLUTION

RESOLVED, Christopher Beam appointed full time, Public Safety Telecommunicator, Division of Emergency Services, Department of Public Safety and Health Services.

See Page 09/15/15-3C RESOLUTION

RESOLVED, Brad Polizzi appointed full time, Public Safety Telecommunicator, Division of Emergency Services, Department of Public Safety and Health Services.

See Page 09/15/15-3D RESOLUTION

RESOLVED, Theresa Cleary Knight, SANE (Sexual Assault Nurse Examiner), Prosecutor's Office, salary adjustment.

See Page 09/15/15-3E RESOLUTION

RESOLVED, Carol Petrocci appointed temporary, as needed Family Service Worker, Division of Social Services, Department of Human Services.

See Page 09/15/15-3F RESOLUTION

RESOLVED, Julie Gordon, Administrative Clerk, transferred to the Division of Social Services, Department of Human Services effective September 8, 2015.

See Page 09/15/15-3G RESOLUTION

RESOLVED, Catherine Antiskay transferred to the Human Services Department, as a Keyboarding Clerk 2.

See Page 09/15/15-3H RESOLUTION

RESOLVED, Approving a Bridge and Temporary Construction Easement with Eltom Manor, for the reconstruction of Routes 637/620 to Harlan School Road, Block 57/Lot 12, in Hunterdon and Somerset Counties.

See Page 09/15/15-3I RESOLUTION

RESOLVED, Approving the appointment of Erin Neukum, County's Transportation Coordinator, to the Advertising Standards Committee for LINK buses.

See Page 09/15/15-3J RESOLUTION

RESOLVED, Approving a professional services agreement for medical director through the Local Core for Public Health Emergency Preparedness Grant, with Dr. Ronald M. Frank, in an amount not to exceed \$5,000.

See Page 09/15/15-3K RESOLUTION

RESOLVED, Approving a change order for County Bid #2014-11, for the 2014 Resurfacing and Surface Treatment Program, on various roads, with Trap Rock Industries, Inc., increase of \$86,941.15.

See Page 09/15/15-3L RESOLUTION

RESOLVED, Approving a contract modification with the Ridge at Back Brook, reducing the County's payment to the contractor responsible for the replacement of Bridge E-174, and increasing payment to the Ridge at Back Brook by \$28,000.

See Page 09/15/15-4A

RESOLUTION

RESOLVED, Approving the transfer of ownership of a portion of Pennsylvania Avenue and its transfer back to Raritan Township.

See Page 09/15/15-4B

RESOLUTION

RESOLVED, Approving the sale of surplus vehicles known as Truck #52, a 1998 Ford L8513 w/Thiele dump body (estimated amount of \$9,000) and Truck #88, a 2001 Sterling L8513 w/Thiele dump body (estimated amount of \$10,000), to Alexandria Township.

See Page 09/15/15-4D

RESOLUTION

RESOLVED, Approving the sale of surplus items through an Online Auction with GovDeals.

ROLL CALL: (AYES) MS. LAGAY, MR. LANZA, MR. HOLT, MR. WALTON, MR. KING.

PROCLAMATION/RECOGNITION

Ms. Lagay moved and Mr. Holt seconded this:

See Page 09/15/15-4D

PROCLAMATION

RESOLVED, Recognizing Elaine Niemann for having served on the Hunterdon County Planning Board.

ROLL CALL: (AYES) MS. LAGAY, MR. HOLT, MR. LANZA, MR. WALTON, MR. KING.

GRANTS

Mr. Holt moved and Ms. Lagay seconded this:

See Page 09/15/15-4E

RESOLUTION

RESOLVED, Approving a renewal grant application for the Sexual Assault Nurse Examiner/Sexual Assault Response Team (SANE/SART) project, with the New Jersey Department of Law and Public Safety, Division of Criminal Justice, in the amount of \$85,138 (federal funds - \$68,110 and a County Match - \$17,028).

ROLL CALL: (AYES) MR. HOLT, MS. LAGAY, MR. LANZA, MR. WALTON, MR. KING.

Mr. Holt moved and Mr. Lanza seconded this:

See Page 09/15/15-4F

RESOLUTION

RESOLVED, Approving a renewal grant application for the Victims of Crime Act (VOCA), for the Hunterdon County Victim Assistance Program, with the New Jersey Department of Law and Public Safety, Division of Criminal Justice, in the amount of \$103,076 (Federal funds - \$82,461 and a County Match - \$20,615).

ROLL CALL: (AYES) MR. HOLT, MR. LANZA, MS. LAGAY, MR. WALTON, MR. KING.

Ms. Lagay moved and Mr. Holt seconded this:

See Page 09/15/15-4G

RESOLUTION

RESOLVED, Approving a Municipal Alliance Subgrant Agreement with the North Hunterdon Regional Alliance represented by Clinton Township, in the amount of \$27,511.

ROLL CALL: (AYES) MS. LAGAY, MR. HOLT, MR. LANZA, MR. WALTON, MR. KING.

Mr. Lanza moved and Mr. Holt seconded this:

See Page 09/15/15-4H

RESOLUTION

RESOLVED, Approving a Municipal Alliance Subgrant Agreement with the Delaware Valley Regional Alliance represented by Alexandria Township, in the amount of \$20,777.

ROLL CALL: (AYES) MR. LANZA, MR. HOLT, MS. LAGAY, MR. WALTON, MR. KING.

Mr. Holt moved and Ms. Lagay seconded this:

See Page 09/15/15-4I

RESOLUTION

RESOLVED, Approving the Consolidated Annual Contributions Contract with the United States Department of Housing and Urban Development for the purpose of continued receipt of Federal funding for the Section 8 Housing Program.

ROLL CALL: (AYES) MR. HOLT, MS. LAGAY, MR. LANZA, MR. WALTON, MR. KING.

CORRESPONDENCE

A request was received from Anne Hercek, requesting permission to again use the historic Court House steps, on Saturday, October 10, 2015, from 11:00 a.m. until 3:00 p.m., to hold their annual Rosary Rally. Mr. Lanza moved and Mr. Holt seconded a motion provided this event is coordinated through the County's Department of Buildings and Maintenance.

ROLL CALL: (AYES) MR. LANZA, MR. HOLT, MS. LAGAY, MR. WALTON, MR. KING.

Correspondence was received from the Fairmount Fire Co. No. 1, requesting permission to hold a Coin Toss on Saturday, September 26, 2015, at the intersection of County Routes 512/517, from 9:00 a.m. until 3:00 p.m. Mr. Holt moved and Mr. Walton seconded a motion granting permission provided this event is coordinated through the County's Department of Public Works.

ROLL CALL: (AYES) MR. HOLT, MR. WALTON, MS. LAGAY, MR. LANZA, MR. KING.

FREEHOLDERS COMMENTS/REPORTS

Jazz Festival

Mr. Holt reminded everyone of the Jazz Festival to be held in Flemington Borough on Friday. Last year the attendance was about four thousand people and it is anticipated to be even larger this year. The Festival begins at 5:30 p.m.

Planning Board Training

Ms. Lagay reported that the County's Planning Board underwent a half-day training recently; the training brings them up to date on how to be a liaison with the County's municipalities, as that is one of their new and expanded roles this year. Planning is also moving forward and setting up meetings with regards to CEDS with the Steering Committee.

Pittsburg Pirates

Mr. Walton commented the Pirates beat the Cubs today, so they are two games in back of the Cardinals and two and a half games up on the Cubs for the wild card spot.

Golf Course

Mr. Walton stated when he became a Freeholder in 2009, taking over Erik Peterson's seat; he also received Mr. Peterson's desk all that was accumulated with it, even from former Freeholder, Frank Fuzo. It seems Freeholder Fuzo did not throw away much during his time as freeholder, and among the items filed in the desk was a copy of the report: "The Hunterdon County Public Golf Course Raritan Township, NJ Phase One Report", which was submitted to the Hunterdon County Board Recreation Commissioners, the Hunterdon County Parks System and the Freeholders by firm "Greenmen Peterson Incorporated" and "First Golf Corporation". This report contained an executive summary, analysis, site inventory, including things like typography, soils, drainage, wetlands, conceptual design, contracting methods, preparation of budgets, schedules and some appendixes.

Mr. Walton advised at the last meeting he asked if the taxpayers put more money into the golf course than they have gotten out of it. The reports states the golf course cost the County \$11 million dollars to build, not \$9 million. In 2002, as the golf course ran out of money to finish the course; another quarter of a million dollars was needed in emergency appropriations to get the golf course done. Freeholders at that time, Mr. Melick and Ms. Karrow demanded an audit of the golf course and that was published in October 2003. The audit showed the golf course was built completely under par; it was normal for construction costs; normal for golf course and done in a normal amount. The audit showed there was nothing nefarious about the overages or unusual about the costs. It was just your typical golf course construction that ran a little bit over budget. The audit also found the exact cost of the course, legal fees, and everything else included in that \$11 million dollars.

Mr. Walton explained if you take the \$11 million dollar investment, the \$4.4 million dollars in revenue that it has generated over the last fourteen years; the \$1.2 million in capital that the County has given to it; the estimated \$80,000 per year in in-kind expenses, that comes to a grand total of \$8.8 million dollars and if you add in this year's spending plan, it totals \$9 million.

Mr. Walton is aware that some of his colleagues think that is not important and that the golf course was never meant to produce a profit and in that aspect it is just like Deer Path Park. But in the words of former Freeholder George Melick, that is simply wrong.

Mr. Walton advised the report has a five year budget analysis, and a "Profit and Loss Statement". He is positive that Deer Path Park did not have a "Profit and Loss" study. There is also a twenty year cash flow return on investment analysis. When looking at the return on investment analysis, this would have paid for itself in five to six years. We are here, thirteen years later, and it is still not paid for. The report summary states: "The work performed by Greenmen Peterson and First Golf Corporation Phase One of this project confirmed there is a very strong demand for an upscale public golf course in Hunterdon County. The independent market study commissioned by GPITC, by Golf Resource Associates confirms there is a significant amount of unmet demand in the market. This independent market study estimates the golf course can capture thirty thousand rounds of golf in the first year and can grow to fifty thousand rounds of golf by the third year. Although that may seem aggressive, it should be noted that these numbers do not begin to capture all of the unmet demand rather a minor percentage." They felt their estimates were low for this golf course.

Mr. Walton stated the rationale regarding the basis for development, construction, financing and operation of the golf course was an after debt profit. It is not correct to exclude the debt in assessing what this golf course has done. Also, former Freeholder Frank Fuzo who championed

the golf course, stated in the County's minutes in 1992, "It would be it at least self-sufficient including the capital improvements, the final decision to make this golf course or not would be in how well it pays for itself," not the positive cash flow revenue it will generate after the construction costs are done. Again, the premise of the golf course was debt and capital included.

Mr. Walton feels Hunterdon County has a beautiful course but feels it is a \$30 million dollar disappointment. It is \$30 million behind what it was supposed to bring in. Anything the Board does moving forward should be done with that stark assessment in mind. He understands that they can't necessarily get rid of it, but he is of the opinion that the County should cut its losses, hand it over to a private vendor and be out of the golf business.

Mr. Lanza would like to get away from the red herring that was just presented to the room, that somehow spending money on something that is an improved piece of real estate is somehow constitutes calculating a loss when one has equity in that asset. It is as silly as saying that "I bought a rental property, and even though this rental property generates income year after year after year, which you have to report, that if I haven't paid back the purchase price of it yet, that it loses money." That is a falsehood.

Mr. Lanza stated that profit is calculated by year over year, your income versus your expenses. The purchase price is realized as a gain or a loss upon the sale and the County is not going to sell. Every Freeholder on this Board has come after the golf course was constructed.

Mr. Lanza reported that the County's Chief Financial Officer has done a very detailed analysis showing that this golf course creates an operational profit of over \$300,000 a year. If this golf course disappeared tomorrow, the County would also lose that \$300,000 a year in revenue and to meet current funding of the government, and would have to find that money elsewhere either by raising taxes or cutting services. Mr. Lanza is not willing to scratch an ideological itch that certain opponents of the course would just wish them to scratch, because it costs money to people to shut down the course or abandon the course. The Freeholder Board could do worse – they could simply decide not to fund the improvements. If the County stops improving the property, the course will become less attractive to play, fewer people play it, it then starts losing money. It would be totally irresponsible to stop funding capital improvements to maintain an asset that is generating an annual dividend exceeding \$300,000 a year.

Director King knows that Mr. Walton has the ability to do research and appreciates the information provided. He questioned if Mr. Walton disputes the \$2.2 million dollars and the calculation which is associated with the purchase of the property with Green Acres funds.

Mr. Walton said it was a Green Acres loan.

Director King confirmed the golf course was purchased with Green Acres funds and he believes the County's CFO, who is very diligent, came up with a relatively accurate description of the purchase with the development costs.

Director King stated that if Mr. Walton had all this information at hand, that he should have provided it to the County's CFO and questioned if Mr. Walton has shared this yet.

Mr. Walton reported he came across this information after Mrs. Previte presented her \$9 million dollar figure and he has not shared it with Mrs. Previte.

Director King confirmed with Mr. Walton that he wants the County to rent out the golf course.

Mr. Walton said the capital program shows for the 2015 calendar year \$450,000 and about \$100,000 for the years following. He feels the golf course will lose money.

Mr. Lanza feels that is not an accurate statement .

Freeholder Walton stated he understands the golf course is a tangible asset that has value.

The Hunterdon County Board of Chosen Freeholders discussed the rental of golf carts and the maintenance equipment and materials for the golf course.

Director King advised that the capital expenditures in 2002 exceeded \$60 million dollars and the golf course occupies 1.95 percent of that. If you include the \$3 million dollar allocation which was voted for by the taxpayers in 2007 for a new golf course clubhouse, plus two other facilities which were basically emergency facilities and restrooms, it rises to 6.5 percent. Director King does not feel the County is overspending on that piece of parkland versus any other.

Mr. Walton explained he has a philosophical problem with the County running a competing business with private business that pays taxes. Also, the taxpayers of the County who voted for the golf course voted for it under the pretense of the study.

Director King advised that the 53 percent that voted for the golf course was based on the 19,009 people who voted.

Director King questioned if the County were to give up the golf course, who would be interested in it?

Mr. Walton suggested the current Management Firm, Kemper Sports, or whoever else that would compete against Kemper. The study looked at three management options. The first was for County management with County employees running it. The other option was the model that is

being used now and the third option was to simply divorce the county entirely from the financing of the golf course. He would like to see the scenario where Kemper gives the County a fixed amount of money every year if their revenue exceeds a certain amount. This way, the County would still get some profit, but the taxpayers would be entirely off the hook in terms of maintenance costs.

Mr. Walton made a motion to allow the County to go out for bid for someone to take on the golf course, lock, stock and barrel; in its entirety.

Motion died for lack of a second.

Director King stated the golf course is an asset of Hunterdon County, voted for by the taxpaying people in 1988.

Mr. Walton disputed if the vote in 1988 was binding, saying he feels the binding vote was later.

Director King stated Heron Glen golf course has since been astutely managed by an organization that preceded this Board; he thanks Kemper Sports Management for all of the time and effort they put into the course. The quality of that product generates letters like the one that Robert Benjamin forwarded to Mr. Walton stating it is a value to the community. The County has a fiscal responsibility to continue to manage the course. Director King stated the option of trying to rent it out would actually cause harm to the course.

Mr. Lanza reported that many people that come to Heron Glen to play happen to come from outside Hunterdon County. He knows of a group from the Doylestown area; and another from Neshanic, a third outside of Trenton; and another from out of Staten Island. This course is strong enough to be able to draw of people from outside of the area.

Director King would like to protect the interest of the investment that the County has made at the request of the taxpayers.

Mr. Walton said the County will be spending \$500,000 this year o the golf course, and on average collecting \$300,000 in revenue.

Freeholder Holt said that the ordinance is in for this year, it is absolutely a common practice for the County to put an ordinance in place for money to be spent in future years and that is exactly what was done in this particular case.

Mr. Walton agreed saying he was on the Budget Committee and reviewed the documents and funding was put in place for future years.

OPEN TO THE PUBLIC

Director King opened the meeting to the public.

Barbara Suchau, of Raritan Township asked if when the vote was taken in 2007, if the residents wanted the clubhouse.

Director King reported that the Freeholder Board voted in 2007 to allocated \$3 million dollars in capital expenditures to build a clubhouse and two additional buildings at Heron Glen.

Barbara Suchau stated in 2008 the country experienced a financial crisis, where people lost money in the stock market and the economy took a hard hit; and it further declined since 2008. She does not feel that government should be running a business that competes with private business, which pays taxes. Ms. Suchau doesn't think the golf course should have a restaurant that would compete with other businesses. Golf is not high on the priority list in Hunterdon County for the residents.

There being no other business to come before the Board, Director King adjourned the meeting at 6:20 p.m.

Respectfully Submitted,

Denise Doolan, Clerk of the Board

Transcribed By,

Dana Gootman, Deputy Clerk

