

March 17, 2010 LUARC Commission Meeting

The meeting came to order at 9:30AM. Commission members present were: John H. Fisher, III, Chair; Harlynn Lack (for Commissioner Lori Grifa); Marvin Reed, Robert F. Casey, Gary Passanante, Steven M. Cozza, and Steve Petrecca.

The minutes of the February 17, 2010, LUARCC meeting were approved unanimously. Abstained: Harlynn Lack, Marvin Reed.

Executive Director's Report: Dennis Smeltzer: The contract with the Walter Rand Institute has been on hold, as have other departments' contracts. The Gloucester County Assessment Pilot Program is coming along. On April 22, 2010, LUARCC will hear from municipalities that have done shared services. The LUARCC Annual Report is online and distributed.

There will be an interim meeting to be used as a working meeting.

Regarding Gloucester and the County Assessment Program, a question was asked if they are using the PAM's system. No one was sure.

Presentations on Police Services: Assemblyman Declan O'Scanlon, Mayor Kenneth Pringle and Brian Valentino

Assemblyman Declan O'Scanlon: Began his discussion on three municipalities that are on a peninsula: Little Silver, Fair Haven and Rumson and the difficulty getting people to think about merging because of the fear of losing municipalities identity. Since merging of municipalities is so difficult, started to look at benefits of merging services. 75% to 80% of the value of a municipal consolidation can be achieved through the creation of shared services. Police is natural service to look at because it is the biggest line item. Spoke about how to successfully bring about shared services. Need to speak to the local officials and determine who the major decision makers are and bring in the public. Suggested that sharing should be done gradually. There should be no cut in pay and no layoffs. Interesting in this situation was that even with no cuts in pay and even a marginal increase in pay the resistance continued. Even to a threatening level. Some may do the math and argue that the savings through shared services are de minimus so why do it. Proponents must do the math ahead of time and have the financial answers. Savings may be small, but measurable. Shared services can lead to improved services. It is no way a partisan issue but rather just a good idea.

Kenneth Pringle: Mayor of the Borough of Belmar: between 1990 and 2011, Belmar reduced municipal workforce from 92 to 62 employees. The non-police staff was reduced by 50%, but could not make any progress in reducing police. An attempt toward shared services with municipalities south of Belmar in 2006 was unsuccessful. Belmar then began talks with municipalities to the north: Neptune Township, Neptune City, Lake Como, Avon. There was interest in shared police services, though Avon was only interested in shared dispatching. Municipal court

regionalization will be next. Police coverage and rotation equity are issues. He suggested the use of “shared zone coverage” as a means of addressing shift coverage. Belmar is looking into a shared police chief arrangement with Lake Como. Thinks that municipal consolidation talks are counterproductive and should be taken off the table. Shared services offers an opportunity to save money. A referendum directing a town or towns toward shared services might be helpful. Rising police costs are a threat to the rest of the municipal budget.

Brian Valentino, Patriot Consulting: has been consulting for seven years. Was a former municipal administrator. Two realities of service provision: 1) if the municipality doesn’t do it, it doesn’t get done; and 2) if the municipality does it, the municipality does not have full control over it. Denounced “home rule” in New Jersey as a “sham.” Believes there is no true home rule in New Jersey. New Jersey has, at best, a “hybrid” of home rule in that urban rules apply to rural areas, and police rules tend to protect special interests. Calls the Police Power the elemental local power. If the police power is misused it can endanger people. Redundancies make police services seem ripe for consolidation. Denounces the influence of the New Jersey Chiefs of Police Association as a special interest. No other local officials get the protections the police chief does. Because of the current dire economic circumstances, municipal officials are willing to seriously consider consolidating police services. (Testimony attached.)

Commission members complemented the speakers by telling them it was one of the best presentations they had. Commission member asked where the real obstacles come from. Mayor Pringle said that it really depends. If you are looking to share dispatching then it would be dispatchers. The police chiefs see it as a slippery slope that if you start sharing one service then it will continue. The issue is that everyone thinks they are going to lose something. Mayor Pringle thinks that it should be eased into so that there are minor changes. Lay out the table of organization of each step taken so that everyone sees what will happen. You need to map out everything and be ready for the resistance.

Assemblyman O’Scanlon indicated that the local officials need to be educated and they need the tools legislatively to make things happen.

Presentations by the New Jersey State Association of Chiefs of Police:

Mitchell Sklar, Executive Director: professes that the Police Chiefs’ Association is not part of the political process and that the Association is not a lobby group. They have their own “roadmap” to consolidation. Disagrees with the approach that keeps the public at bay. Believes that public stakeholders need to be involved early. There must be transparency. Believes that the financial benefits of shared services are “oversold.” The focus should be on improved service. He went on to discuss Canada, specifically Ontario, and Toronto and their experiences with consolidation.

Chief Brett Matheis, Town of Clinton: discussed potential consolidation of police services in Franklin Township (Hunterdon County) and why it failed. Submitted a

proposal to Lebanon Borough for police services in response to a RFP. Chief Matheis has been approached three times on sharing of police services. Need to get stakeholders on board early. He suggested that there are three types of police departments: 1) large all purpose, 2) mid size who need specialized help and 3) small departments that need help for burglary on up He also noted that binding arbitration creates a problem in managing police services.

Chief Robert Colton, Ewing Township: talks with Hopewell Township and Lawrence Township toward 911 consolidation led no where. Chief Colton focused much of his testimony on the need to untie the hands management in working with police personnel. He reiterated the concern with binding arbitration.

Adjournment at 1:05PM.

TESTIMONY OF PROF. BRIAN J. VALENTINO, MPA
PRESIDENT & PRINCIPAL CONSULTANT, PATRIOT CONSULTING GROUP, INC.
ADJUNCT PROFESSOR OF POLITICAL SCIENCE & GOVERNMENT, BROOKDALE COMMUNITY COLLEGE
GIVEN BEFORE THE
NEW JERSEY LOCAL UNIT ALIGNMENT, REORGANIZATION & CONSOLIDATION COMMISSION
17 MARCH 2010

MR. VALENTINO: "Let me begin by thanking you for the opportunity to offer testimony to the Commission. Over the past seven years, the Patriot Consulting Group has dedicated itself to serving the governments of the State of New Jersey and other municipalities by offering professional advice and management to elected and appointed officials seeking ways to increase the efficiency and effectiveness of their operations and to provide governments that work better and cost less.

As a former municipal administrator, I know firsthand just how difficult it is for municipal governments in particular to find alternatives to traditional methods of providing services, raising revenues and avoiding costs. Municipal leaders in New Jersey are expected to deliver at the very least a minimum cadre of municipal services and are able, according to their own abilities and desires, to deliver a large and varied menu of services at the most. Common to most every municipality in New Jersey is the following two realities of service delivery: 1. If the municipality does not provide most services, no other level of government will and 2. If the municipality provides the service, they are severely limited in the means and methods available to them in terms of management, decision making, financing and self-determination.

In that regard, the much ballyhooed doctrine and farce of "Home Rule" is unfairly used as a slur against Municipal Leaders—an indictment that leaving decisions about local government to local elected leaders is the reason why the cost of government has risen so high—when in fact true Home Rule would eliminate many of the drivers of high cost government services. I say it is a farce because Municipal leaders in New Jersey do not have Home Rule. If they had true home rule, free of determination by state regulations and statutes, we likely would not be here today. Rather, we would find municipal leaders with multiple and innovative methods of revenue generation and cost limitation. We would find municipalities free to determine if and how to provide pension plans to their employees and at what levels and participation rates. We would find the one true level of regional government in the state, our counties, providing services of common application, and especially those relating to the police powers protecting the health, safety, welfare and morals of the community at large to some, most or all of the people within their borders without regard for municipal boundaries. And we would find municipalities who are armed with the tools, techniques, means and methods for determining their own destinies without regard for one size fits all rules and regulations that have little to do with good government and more to do with protectionism and regional and special interests.

No, New Jersey does not have home rule. We have some hybrid of home rule. What should we expect? For a state that is number one in terms of population yet forty seventh in terms of land area, we have a system of state government that has decided over many years and administrations that the same rules that apply to urban cities with population densities of more than 10,000 people per square mile must also apply to the rural communities with less than 2 people per square mile. How can we ever hope to have one set of rules, guidelines and laws that forces municipal operations to be applied and funded identically in communities so diverse as we have?

As a result, we have a situation where these supposedly evil municipal officials wildly and recklessly flaunt their massive and unharnessed Home Rule are instead dictated to. They are told who will receive what pension at what time and under what condition—regardless of local opinion or ability to pay. They are prohibited from asking or even expecting their counties to provide some services because, unless you live in certain classes of counties, the county government is legally prohibited from providing the service on a regional basis. We have municipal officials who are forced to keep services and employees and pay for services and employees in some cases because some rule or statute blindly forces them to do and because no one else can or will.

Even in the most easily and universally understood of municipal services, law enforcement, the rules we have established for the management and maintenance of policing are often based not on the best way to provide the service but to protect certain special interests. For this reason and for many decades, the mere mention or thought of sharing, regionalizing or consolidating municipal law enforcement services has been taboo. The third rail of local politics—touch it and die. It is tough, it is messy, and all too often, after you have jumped through every regulatory and statutory hoop, you are left only with limited options and roadblocks at every turn. It is my hope to help identify these unnecessary hindrances for you and for posterity with the desire of helping to effect change and smooth the road to shared services in law enforcement.

The most elemental of all governmental powers are the so called police powers—the power of the government to protect the safety, health, welfare and morals of the people. Unlike other services like public works or even finance, mistakes made in the proper application of police services carry the possibility of endangering lives, property, rights and liberties. As such, the few and the brave, the majority of that short list of communities who were willing to touch the third rail, responsibly chose to obtain independent, outside and expert advisors, like the Patriot Consulting Group to help them assess their options and navigate through the complexities of sharing police services.

Their reasons for initiating the studies are as varied as the towns involved. Some have no choice—they can no longer provide the police services that modern best practices demand at a cost the community can afford. Inequities in the Binding Arbitration System have forced others to pay more for their police services than the community may want to spend. Others are unsatisfied with the limited leadership options available in their small departments and yet are all but forced to promote from within or face lawsuits and threats of political motives if they chose to hire civilian leadership. Still others believe that their force lacks the experience, expertise, tools or opportunities to deliver a truly functional police force and believe that a shared approach would broaden those variables in a way that would benefit the community. And still others were forced to consider not how to share their police service but how to start up such a service when state police service was targeted for termination.

Over the last four years, our firm has been retained to assist a myriad of New Jersey municipalities tackle the issue of outsourced, regionalized, consolidated or otherwise shared police services. We have learned that significant and responsible savings can be had through innovative approaches to law enforcement service delivery. Redundancies in management and resources in a service area that is near identical in most communities in every manner except size and scope are clearly ripe for consideration of a better way to do business. But then reality sets in.

Despite all of the “excitement” in the State of New Jersey regarding shared services, previous legislatures have done little to make the sharing of law enforcement services easy or, as some may argue, even possible. Although the Joint Legislative Committee on Government Consolidation and Shared Services heard testimony in 2006 that said, in part, that the two largest areas of potential savings from shared services were in the areas of education and public safety, all of the provisions limiting municipalities’ abilities to save money through shared police services were kept in the “new” *Uniform Shared Services and Consolidation Act*.

In particular, the terms and conditions of N.J.S.A. 40A:65-8 and 40A:65-17 (Preservation of seniority, tenure, pension rights for law enforcement officers) severely limits the ability of a local governing body from realizing savings by allowing an employee to determine for himself the manner in which he or she will be affected by a consolidation effort. This power, which is clearly a prerogative of management, has been stripped from management to protect the private and personal interests of a very small but politically influential special interest group—the members of the state chiefs of police association.

This statute allows effected chiefs of police to determine for themselves if they will accept demotion or retirement; fully protects their seniority, tenure and pension rights; guarantees them unique and expansive mandatory paid terminal leave; and guarantees them retroactive payment for any increases

in compensation or benefits they would have received if they had remained on active duty. The statute does not indicate how long all such benefits and guarantees are required to be maintained.

Furthermore, these are benefits, assurances and guarantees that virtually no other local employee or group of employees receives. It is clearly special legislation passed for private benefit and it severely hampers the decisions and potential savings available to the municipalities. Without the financial incentives afforded through regionalization, the remaining benefits of regionalization would have to be singularly greater to justify regionalization alone.

Additionally, every individual law enforcement officer's seniority, tenure and pension rights are also fully protected and guaranteed by the statute. No such officer is permitted to be terminated in a regionalization, except for cause and (almost as an afterthought) for "reasons of economy and efficiency." Again, these are benefits that non-law enforcement officer employees do not have. Instead of permitting municipalities to make business decisions based on the merits of the decision the statute unduly, severely and artificially limits the municipalities to making business decisions based upon external, unrelated and unfunded mandates established by statute.

While not a part of the consolidation statutes, N.J.S.A. 40A:14-129 (Promotion of members and officers in certain municipalities) further hampers municipal regionalization efforts by requiring promotions from within the department. In creating a new department or simply trying to improve an existing one, municipal leaders should be free to exercise maximum latitude in identifying the best individuals to fill command and leadership positions for the new department. This statute has long confounded municipal leaders who, in an effort to improve and advance their often small police departments, are limited to choosing from among the limited number of ranking officers previously hired and promoted within the small department. This artificial limitation of potential candidates protects the private and personal benefits of a special interest group to the detriment of both good government and sound management practices.

Legislative action to ease or even eliminate these restrictions would greatly benefit any municipality hoping to reduce costs through shared police services. Any such action would likely be hard fought by police unions, such as the New Jersey State Policeman's Benevolent Association, the New Jersey Fraternal Order of Police as well as the New Jersey State Association of Chiefs of Police, and others.

Legislative funding for this endeavor is (or perhaps I should say WAS, a good potential source of revenue. Special legislative grants at the state levels could be appropriated to offset any portion of this endeavor or to offset the potential savings lost due to special legislation barring municipal leaders from proactively acting to reduce costs in a meaningful way.

Governors could direct staff to aid the municipalities in many ways. Grants could and should be provided to benefit communities such as these that are trying to make the "difficult decisions."

Personnel rules could be written to ease the transition from multiple departments to one regional department. The Governor could urge the legislature to change or drop the special protection provisions from NJSA 40A:65-8, *et. seq.* with the understanding that difficult decisions such as this require difficult action by the legislature. But perhaps most realistically, the Governor, in concert with the Legislature, could enact legislation that rewards municipalities for sharing law enforcement services by reinstating the grants that fund responsible studies, reinstating lost municipal aid, providing incentive funding upon the actual adoption of shared agreements, and generally make this an easier and more cost-effective process.

In closing, I understand and appreciate the solemn duty that you few of my fellow citizens are faced with. In exercising the public trust, you will be asked to report on how to streamline county and municipal services. In some regards, the timing is ideal—we are no doubt in a perfect financial storm. In other regards, the timing is terrible. Being forced to consider and/or implement shared, regional or consolidated police services under financial, legislative, executive or regulatory duress or under threat

of further and self inflicted injury is absolutely abysmal public policy. I do not envy you this sacred trust you possess, because if it is true, as the proverb states, that “a camel is a horse designed by committee”, so are the complexities and roadblocks built into our law enforcement public administration and policy. So while the economic climate is ideal, both theoretically and realistically, to serve as an incubator of shared police services, that incubator looks a lot like a camel to me.”

BRIAN J. VALENTINO is President, Principal Consultant & Chief Executive Officer of Patriot Consulting Group, Inc.—the Northeast’s most respected municipal consulting firm. A recognized leader in the field of local government operations, Mr. Valentino has guided more than one hundred municipalities, counties and special government districts throughout the region reinvent their model of service delivery and established the new standard of shared and regionalized municipal services—particularly in the area of public safety.

Mr. Valentino’s close association with public service may be traced back to his ninth birthday when he became a Mascot in the Independent Engine & Truck Co., No. 2 of the Long Branch Fire Department. Before going to college he was already a paid employee in the Long Branch City Administrator’s Office. Shortly thereafter he attended Marymount University serving both as President of the Graduating Class and President of the Student Body before earning a Bachelor of Arts in Political Science. He later earned a Masters Degree in Public Administration (with dual concentrations in Urban Affairs and Public Safety) from American University’s renowned Graduate School of Public Affairs. He has worked in the White House Office of Intergovernmental Affairs and has been instrumental in the development of New Jersey’s first regional government agency, the Central Jersey Council of Governments and has served as Municipal Administrator and Chief Administrative Officer of four New Jersey communities.

During his tenure with Patriot Consulting Group, he has become the foremost expert in the field of public safety consolidation and regionalization efforts in the State of New Jersey. Currently assisting more than two dozen communities make their police and fire departments work better and cost less, Mr. Valentino’s services, experience and expertise are highly sought by community and public safety leaders alike. The future of law enforcement and fire safety delivery in the State of New Jersey will be forever improved because of his vision and guidance.

Continuing his lifelong dedication to public safety Mr. Valentino has also served numerous communities as Director of Public Safety and Deputy Emergency Management Coordinator. He is a Captain in the Independent Engine & Truck Co. No. 2 of Long Branch City Fire Department, a firefighter in the Monmouth Beach Fire Department, an honorary member of the South River Rescue Squad and Neptune Hose Co. No. 1 and a member of the New Jersey State League of Municipalities’ Hometown Security Taskforce. He is a New Jersey State Certified Firefighter, Certified Fire Officer I, Licensed Fire Inspector, Licensed Fire Service Instructor and a FEMA certified Level III Incident Manager. He is also a New Jersey State Police-certified Emergency Management Coordinator, has extensive training in Weapons of Mass Destruction, Hazardous Materials and is an apparatus operations trainer.

In addition to his duties with Patriot, Mr. Valentino continues to contribute to the professional development of municipal management and public safety as a Professor of Political Science and Government at Brookdale Community College and frequent guest lecturer at other institutions throughout the region and as a member of the International City/County Management Association, the American Association of Political Consultants, the American Political Science Association, the Central Jersey Municipal Manager’s Association, the International Association of Chiefs of Police and the International Association of Fire Chiefs and is active in the Greater Long Branch Chamber of Commerce and the Monmouth Chapter, New Jersey Society, Sons of the American Revolution.

Mr. Valentino serves on the Governing Boards of several community organizations including the Executive Committee of the Monmouth Council, Boy Scouts of America wherein he currently serves as Vice President for District Operations and Volunteer Development of the Monmouth Council, Boy Scouts of America. Previous to this post, Mr. Valentino served as Chairman of the Twin Lights District; Vice President for Governance and Vice President for Membership and Relationships. An Eagle

Scout, Mr. Valentino has also been awarded the Commissioner's Arrowhead, the District Award of Merit, the Silver Beaver Award, the Eastern Monmouth "Good Scout" Award and the Vigil Honor, Order of the Arrow. Mr. Valentino also serves as Associate Advisor for Explorer Post 2510 attached to the Long Branch Fire Department. In recognition of his many years of service to the community, President Barack Obama recognized Mr. Valentino by granting him the President's Volunteer Call to Service Award in 2009.

FOR MORE INFORMATION:

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