
Commission Meeting

of

NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

LOCATION: Committee Room 9
State House Annex
Trenton, New Jersey

DATE: September 14, 2001
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

B. Carol Molnar, Chair
Senator Robert E. Littell
Assemblyman Francis J. Blee
Assemblywoman Barbara Buono
Gary Brune
Phillip Angarone

ALSO PRESENT:

David Rousseau
(representing Senator Bernard F. Kenny Jr.)
Gail Alexander
(representing Peter Lawrance)
Edward J. Troy
(representing Janice Mitchell Mintz)
Beth Schermerhorn
Caroline Joyce
Mary Messinger-Gault

John Geniesse, Acting Executive Director



Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

TABLE OF CONTENTS

	<u>Page</u>
Charles Chianese Executive Director New Jersey Building Authority New Jersey Department of the Treasury	3
Daniel W. Foster Director Resource Planning and Management Administrative Services New Jersey Department of Law and Public Safety	4
John Stokes Assistant Director New Jersey Pinelands Commission	10
Reverend DeForest B. Soaries, Jr. Secretary of State New Jersey Department of State	15
Arthur R. Brown, Jr. Secretary of Agriculture New Jersey Department of Agriculture	26
Lynn Mathews Education Specialist Horse Park of New Jersey New Jersey Department of Agriculture	32
Gloria Hancock Acting Assistant Commissioner Division of Student Services New Jersey Department of Education	36
Arthur Spangenberg, Ed.D Manager Bureau of Management Services Office of Administration New Jersey Department of Education	41

TABLE OF CONTENTS

	<u>Page</u>
Judge Richard Williams Administrative Director Administrative Office of the Courts New Jersey Judiciary	45
James R.Rebo Chief Information Officer Information Technology Office Administrative Office of the Courts New Jersey Judiciary	53
Jonathon Massey Assistant Director Technical Services and Operations Information Technology Office Administrative Office of the Courts New Jersey Judiciary	54
Christina Higgins Assistant Director Management Services Office of Management and Administrative Services Administrative Office of the Courts New Jersey Judiciary	62
 APPENDIX:	
Brochure submitted by Daniel W. Foster	1x
Map and Brochure of the Horse Park of New Jersey submitted by Secretary Arthur R. Brown Jr.	13x

TABLE OF CONTENTS

Page

mlc: 1-63

(The New Jersey Commission on Capital Budgeting and Planning met on September 14, 2001 at 10:00 a.m. Members physically attending: B. Carol Molnar, Gary Brune, and Phillip Angarone. Members attending telephonically: Senator Robert E. Littell, Assemblyman Francis J. Blee, and Assemblywoman Barbara Buono.)

B. CAROL MOLNAR (Chairwoman): I'd like to call the meeting to order.

In accordance with the Open Public Meeting Law, the Commission has provided adequate public notice of this meeting by giving written notice of time, date, and location. The notice of the meeting has been filed at least 48 hours in advance, by mail and/or fax, to *The Trenton Times* and *The Star-Ledger*, and filed with the office of the Secretary of State.

We'll now take a roll call.

MR. GENIESSSE (Acting Executive Director): Mr. Brune.

MR. BRUNE: Here.

MR. GENIESSSE: Mr. Annese. (no response)

Mr. Roth. (no response)

Senator Littell.

SENATOR LITTELL: I'm here, but I can't hear very well.

MR. GENIESSSE: We'll try to speak louder.

Senator Kenny. (no response)

Assemblyman Blee.

ASSEMBLYMAN BLEE: Here.

MR. GENIESSSE: Assemblywoman Buono.

ASSEMBLYWOMAN BUONO: Here.

MR. GENIESSSE: Ms. Alexander.

MS. ALEXANDER: Here.

MR. GENIESSE: Mr. Troy.

MR. TROY: Here.

MR. GENIESSE: Mr. Angarone.

MR. ANGARONE: Present.

MR. GENIESSE: Ms. Molnar.

MS. MOLNAR: Here.

MR. GENIESSE: Madame Chair, we have eight members of the Commission present. That's a quorum.

MS. MOLNAR: Thank you.

Let us be thankful for the great country we have by joining me in The Pledge of Allegiance.

(Participants recite Pledge of Allegiance)

Could we have a moment of silence for the victims of the terrorist attacks and activities.

(moment of silence observed by participants)

Thank you, and God bless America.

The first two items on our agenda are the approval of minutes. We will defer those to the end in order to move along. The President would like employees and people to attend services at noon, so we'd like to end before noon. So, if possible, we're asking the departments to perhaps shorten their presentation, if at all possible, without affecting the content.

So, we'll jump down to item six, the presentation by the New Jersey Building Authority. I would like to welcome Charles Chianese, the Executive Director.

Good morning, and please identify everyone that's with you.

CHARLES CHIANESE: Is this on? (referring to PA microphone)
I'm not sure. It is on.

Good morning, Madam Chair, Commission members. Thank you for the opportunity for the Building Authority to be here to present these project reports for your consideration. Consistent with the New Jersey Building Authority statute, the Building Authority is here before you this morning to present, for your consideration, three project reports.

The first project report is for the construction of a new facility for State Police Office of Emergency Management and Emergency Operations Center, valued at \$24 million. The second is renovations to the existing facilities for the Pinelands Commission Headquarters, valued at \$1 million. And the third project report is for various improvements to the State House Museum, valued at \$14.1 million.

Here with me this morning, to my right, is Robert Rusciano, the Director of the Division of Property Management and Construction in the Department of the Treasury. We also have representatives available this morning, which will give you a brief overview of the projects. From the State Police, we have Dan Foster, the Director of Resource Planning and Management, from Law and Public Safety; for the Pinelands Commission, we have John Stokes, the Assistant Director, and Jay Riches, from the Pinelands Commission; and we are anticipating, on behalf of the State Museum project, Secretary of State Soaries, as well as Kathy Kisko, the Assistant Commissioner.

Madam Chair, I'm not sure what preference you'd like us to address the project reports. If you'd like, we can start with the State Police project.

MS. MOLNAR: Okay.

MR. CHIANESE: Mr. Dan Foster, the Director of Resource Planning and Management for Law and Public Safety, is going to give the Commission a brief overview of the project. At which point Bob Rusciano, myself, and Dan would be happy to address any questions the Commission may have.

DANIEL W. FOSTER: Good morning. I do have a handout which -- I'll have this distributed to everyone.

Thank you for your consideration of this critical project. Attorney General Farmer, Colonel Dunbar, and Administrator O'Reilly are unavailable, but want me to convey the highest priority ranking for this project.

Unfortunately, the events of the last several days speak for themselves as they relate to the need for this new facility. As part of its efforts to improve services during times of emergency, the State Police have identified the need for a new facility to accommodate the Emergency Management Section and Emergency Operations Center.

The EMS is responsible for all planning, training, and development of emergency procedures within the State. The Emergency Operations Center is the State's command post for assessment, decision making, and communications during times of emergency activation. The present facilities are inadequate to support the operational needs of these two functions.

The Emergency Operations Center is the command post during an emergency. We've had at least 113 activations in the past decade for such things as blizzards, northeasters, tornados, earthquakes, and even more recently

now, this aircraft hijacking. We've also accommodated major events such as OpSail, Y2K, and even hoof-and-mouth disease.

The facility coordinates emergency community, has approximately 1200 people. During an activation, it can have 150 or more people within that facility. There are people from the State Department, the Department of Transportation, Health, DEP, Military and Veterans' Affairs, Law and Public Safety, Red Cross, FEMA, utilities, nuclear utilities, and other agencies that could be available.

In summary, the current facility is too small, not self-contained. It's disjointed at present. The proposed facility of the 47,500 square foot building has 120 parked -- car parking and service areas to support the operation. The building will have two levels. The lower level will primarily house the emergency operations' command functions and common areas. The upper level will primarily house the emergency management section areas. The focal point of the building will be a double height, auditorium style support room, which will accommodate 150 people for activation and training uses.

The building's technology requirements will include an uninterruptible power source, separate electrical service power feeds, special grounding techniques, and state-of-the-art communication and data feeds. The entire lower level of the building will have a raised floor to allow for ease of cabling upgrades with changes in technology. A media room will be provided for press conferences, and the building will have plug-ins to allow media equipment to remain outside the building.

There is adequate land for this new facility and required parking at West Trenton. The total cost of the project is estimated to be \$24 million. The

estimated costs include all essential project components, and are not limited to professional fees, construction of all site related work, furniture, and construction costs.

I think that about summarizes it. If there is any additional -- if you have any questions, I would be glad to answer them.

ASSEMBLYWOMAN BUONO: Assemblywoman Buono would like to ask a question.

MS. MOLNAR: Okay.

ASSEMBLYWOMAN BUONO: Yes. Given the vital functions that the Emergency Management Section and the Emergency Operations Center provides, I'm certainly supportive of this project and I think it should be given highest priority. But, we all are aware of -- at least the national level-- Just today, or yesterday, I heard on the radio that President Bush has agreed with Senators Clinton and Schumer to actually double the defense requests the appropriation that the President had originally requested. Is it appropriate for this Commission, maybe today or maybe -- maybe not today -- maybe sometime in the future, to reevaluate the request put in today, and perhaps maybe change it, perhaps increase it? I don't know if there are any other needs? Do we need to reevaluate the situation under the circumstances?

MR. FOSTER: This is the state-of-the-art facility that we've come up with at this time, and we've taken a lot of different things into consideration. And I believe this is the facility of the future. So, I don't know that we have to go back and reevaluate what we've done.

ASSEMBLYWOMAN BUONO: Okay, all right. Fine.

MS. MOLNAR: I have a question for you.

SENATOR LITTELL: I'd like to say something. Bob Littell, I'd like to say something.

MS. MOLNAR: Okay, Senator.

SENATOR LITTELL: I support the project 100 percent, and I cast my vote in favor of it. I just wondered, has anybody made any effort to bring forth the front part of the State House Project and move it to the next level?

MR. CHIANESE: Senator, this is Chuck Chianese, from the New Jersey Building Authority.

SENATOR LITTELL: I can't hear you, I'm sorry.

MR. CHIANESE: Senator, this is Chuck Chianese, from the New Jersey Building Authority.

SENATOR LITTELL: Yes, Chuck.

MR. CHIANESE: As you are aware, the New Jersey Building Authority did approve the project report and, additionally, did advance that project through the Capital Budgeting and Planning Commission. The next step in the Building Authority process is to introduce that project to both Houses of the Legislature by way of a concurrent resolution.

As you are aware, there are a number of logistical issues involved with that project. I know that that has been under discussion and consideration between the Governor's Office and the Legislature. And the Building Authority is awaiting the outcome of that decision for introduction of the concurrent resolution to the Legislature.

SENATOR LITTELL: Okay. Would you send me a memo on that, please?

MR. CHIANESE: Certainly.

SENATOR LITTELL: Thank you, Chuck.

MS. MOLNAR: I had a question about the facility. I'm told a good portion of the Pentagon is underground. Is that true for this center, also? Is this totally above ground, or will there be important activities, also, underground?

MR. FOSTER: It's above ground. What we've done, we've taken a look at the facilities down in the states of Delaware, Maryland, and New York, and we've really added to what they've had -- try to make it even more structurally sound and, as I said, state-of-the-art. But it isn't underground, no.

MS. MOLNAR: In light of the recent activities at the Trade Centers, would there be any consideration of moving some of the important centers below ground?

MR. FOSTER: Well, I don't think so. The structure of this building is equipped to be able to sustain severe forces -- a nuclear blast, I guess, even up to, you know, hurricane strength winds.

MS. MOLNAR: Okay, thank you.

Any other questions? (no response)

Okay, at this time we can vote on the resolution. I believe you all received, in your packet, a resolution on the State Police Operations Center. I'm not going to read all the whereases. Do I hear a motion to accept this resolution, and a second?

ASSEMBLYWOMAN BUONO: I'll move it -- Assemblywoman Buono.

MS. MOLNAR: Okay, thank you.

ASSEMBLYMAN BLEE: Second.

MS. MOLNAR: Is that Senator Littell?

MS. ALEXANDER: I think it was Assemblyman Blee.

MS. MOLNAR: Assemblyman Blee?

MS. ALEXANDER: I think so.

MS. MOLNAR: Okay.

Okay. Take a roll call.

MR. GENIESSSE: Mr. Brune.

MR. BRUNE: Yes.

MR. GENIESSSE: Senator Littell.

SENATOR LITTELL: Yes.

MR. GENIESSSE: Assemblyman Blee.

ASSEMBLYMAN BLEE: Yes.

MR. GENIESSSE: Assemblywoman Buono.

ASSEMBLYWOMAN BUONO: Yes.

MR. GENIESSSE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESSSE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESSSE: Mr. Angarone.

MR. ANGARONE: Yes.

MR. GENIESSSE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESSSE: Madam Chair, we have eight votes in the affirmative. The motion carries.

MS. MOLNAR: Thank you.

The next would be the Pinelands. Is that your --

MR. CHIANESE: The Pinelands Commission.

MS. MOLNAR: It would be second, renovations of the existing facility for the Pinelands.

MR. CHIANESE: Madam Chair, the scope of this project includes the interior and exterior renovations and repairs to the existing main building, carriage house, barn, and historic outhouse. The proposed renovations and repairs to these historic buildings are primarily intended to address code, life safety, and environmental issues, as well as upgrade all utilities and building systems including heating, air-conditioning, electrical, plumbing, and telecommunication systems, accordingly, structural repairs, and to ensure that weather and water tightness and site improvements are achieved. In addition, all of these repairs and renovations to the interior and exterior portions of the buildings will be made to historical standards.

Joining us this morning is Mr. John Stokes, the Assistant Director of the Pinelands Commission, who may want to add some additional commentary to the project.

JOHN STOKES: Thank you, members of the Commission. My name is John Stokes. I'm with the Pinelands Commission, and we very much appreciate the opportunity to be here today. I would just add, very briefly, to Chuck's commentary that the property, which the Pinelands Commission uses as its offices, is a nationally and State recognized historic area.

It's a four-and-a-half acre remnant of an historic farmstead that plays a very prominent role in both New Jersey's and the Pinelands' history. A woman by the name of Elizabeth White, who was credited with cultivating the

modern blueberry and cranberry, and actually getting that very important industry going, this was her farmstead. So, we feel very attached to it. We think it is an important symbol for the State. And we hope you will support Chuck's report.

MS. MOLNAR: Thank you.

Any questions or comments from Commission members?

ASSEMBLYWOMAN BUONO: Assemblywoman Buono would just like to make a comment and one question.

MS. MOLNAR: Okay.

ASSEMBLYWOMAN BUONO: I'm very supportive of the Pinelands. I think my legislative record shows that. I have to be very direct on this, and I have a similar concern with respect to the next application regarding the museum, and that is, quite frankly, I am loath to approve any nonessential expenditures given the current budgetary constraints.

I don't know if any of you have read -- just a few days ago I received from Dr. Seneca, from the Bloustein School of Planning and Public Policy -- he's the head of the Council of Economic Advisors -- a report with relatively gloomy forecasts regarding the economy, job losses, particularly in the manufacturing sector. So, my question is, in light of all I've said, is this something that we can, in all good conscience, postpone?

We also don't know the impact on the economy and the global economy of the recent events. Is it irresponsible for us to be approving any nonessential expenditures at this crucial time?

MR. CHIANESE: Assemblywoman, this is Chuck Chianese, from the New Jersey Building Authority.

ASSEMBLYWOMAN BUONO: Yes.

MR. CHIANESE: I'd like to address part of your question, and then I would ask Mr. Stokes to address, essentially, the life safety issues that are involved with this renovation.

With regard to the funding, this particular project is unique, in that in the project report you will note that funding for this project would be provided through Building Authority project surplus construction funds. This is not a project where any additional financing would be required.

ASSEMBLYWOMAN BUONO: I couldn't hear you. This is not a project where?

MR. CHIANESE: Where any additional financing would be required. In this particular case, this project would be funded from Building Authority surplus, which has resulted from projects that the Building Authority has brought in under budget.

ASSEMBLYWOMAN BUONO: So there's no additional bonding?

MR. CHIANESE: There's no additional bonding required. In fact, in the project report that should be before you--

ASSEMBLYWOMAN BUONO: I see it. I see it now, yes.

MR. CHIANESE: Okay. Now, with regard to the second part of the question -- because I think both aspects really address your question.

John, if you could address the life safety issues involved here.

MR. STOKES: Thank you, Chuck.

Assemblywoman, the Pinelands Commission has occupied this facility since 1980, and we've had several different reports done over the years to evaluate the structural integrity of the facility. And we have been able to

undertake some stabilization work over the years, but frankly, the building has reached the point where, for example, the fire inspectors have issued orders for us to remove a good number of the staff that occupy the facility to reduce load bearing on a number of floors. There are some structural improvements that need to be made. The project report before you, I believe, describes many of those. There's also utility improvements that the fire marshals have required us to undertake, as well. So I wouldn't know, off the top of my head, how the costs break down, but my guess would be about 75 to 80 percent of the costs are life safety matters.

ASSEMBLYWOMAN BUONO: Okay. I'm satisfied. Thank you.

MS. MOLNAR: Thank you.

Any other questions or comments? (no response)

If not, I request you look at the resolution that we have for the Pinelands. Do I hear a motion and a second to adopt the Resolution, Number 3?

MS. ALEXANDER: I'll make a motion to adopt.

MS. MOLNAR: Okay. Do I hear a second?

MR. TROY: Second.

MS. MOLNAR: Thank you.

We'll take a roll call on the renovations to the Pinelands Commission Headquarters.

MR. GENIESSE: Mr. Brune.

MR. BRUNE: Yes.

MR. GENIESSE: Senator Littell.

SENATOR LITTELL: Yes.

MR. GENIESSSE: Assemblyman Blee.

ASSEMBLYMAN BLEE: Yes.

MR. GENIESSSE: Assemblywoman Bueno.

ASSEMBLYWOMAN BUONO: Yes.

MR. GENIESSSE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESSSE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESSSE: Mr. Angarone.

MR. ANGARONE: Yes.

MR. GENIESSSE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESSSE: Madam Chair, we have eight votes in the affirmative. The motion carries.

MS. MOLNAR: Thank you.

MR. STOKES: Thank you.

MS. MOLNAR: Our third presentation would be the State Museum renovations.

MR. CHIANESE: Madam Chair, this particular project involves, in order to protect the health and safety of the Museum's constituency and to secure its collections, a complete overhaul of the facilities HVAC system and other improvements are required. Joining me this morning is Secretary of State Soaries to provide you with a more detailed overview with regard to this project request.

MS. MOLNAR: Thank you.

MR. CHIANESE: Secretary.

SECRETARY REV. DeFOREST B. SOARIES JR.: Good morning, Madam Chair and members of the Commission and legislators, by phone. I appreciate this time. Initially, because of the gravity of the events surrounding this week, I felt hesitant to come here to talk about something that could be -- seem mundane as HVAC for a museum. Then when I heard that the Pinelands wanted to refurbish an outhouse, I felt much better. (laughter)

The Museum today is facing a threat to accreditation, quite frankly. And the HVAC system is more than simply comfort, although it is comfort. It relates to the preservation of materials. It relates to the quality of the presentation that can be given, and, quite frankly, the HVAC system, along with other capital improvements, are long overdue for repair. And this is an issue that, in fact, is a threat to the survival of the Museum as an accredited institution.

MS. MOLNAR: Thank you.

Any questions or comments?

ASSEMBLYWOMAN BUONO: Assemblywoman Buono has one question, again.

MS. MOLNAR: Okay.

ASSEMBLYWOMAN BUONO: As you probably would expect, I just wanted to confirm that -- I'm reading from the project report, indicates that this project will be -- the funding will incur additional financing -- additional bonding through the Building Authority. Is that accurate?

MR. CHIANESE: That is correct, Assemblywoman.

ASSEMBLYWOMAN BUONO: Okay. Thank you.

MS. ALEXANDER: I have a question.

MS. MOLNAR: Okay.

MS. ALEXANDER: Madam Chair, is it possible to look at the project now with -- we're very early in the budget process now -- with the condition that at the end of the budget process, should conditions not merit approving a project then because the economy is worse -- or becomes worse or improves -- can we conditionally approve something now? Is that possible?

MR. CHIANESE: Madam Chair, if I can address that question.

MS. MOLNAR: Yes.

MR. CHIANESE: I think the Building Authority statute is such that if the Commission does advance and approve the project, the project report would then have to be submitted to the Legislature for a concurrent resolution. By the Legislature authorizing the concurrent resolution, it simply approves the Building Authority to proceed with the project, but it is always subject to the State Treasurer's approval to proceed with the financing. So, even though the project would, in fact, have been taken through all the statutory processes, and the result was a concurrent resolution, the State Treasurer still holds the ultimate authority as to whether to finance the project and the timing of that financing. So, just by virtue of our statutory process, the State Treasurer would always hold that right.

MS. ALEXANDER: Okay. Thank you.

MS. MOLNAR: Thank you.

Any other questions or comments?

SECRETARY SOARIES: And let me add to that. In light of that description and the sensitivity to the economy and to the budget, approval for

the funding would go a long way, as the Museum communicates with accrediting agencies. Nonapproval would send one kind of message. Approval, even prior to execution, would send a different kind of affirmation as to whether or not the State intends to really do it.

MS. MOLNAR: Okay. Thank you.

SECRETARY SOARIES: So, I don't want to make this appear to be symbolic, but, at the very least, symbolism helps.

MS. MOLNAR: Thank you.

Any other questions or comments? (no response)

If not, you have a resolution in front you for the State Museum renovations. Do I hear a motion, and a second, to approve?

MR. ANGARONE: I'll move Secretary Soaries' request.

MS. MOLNAR: Thank you.

MS. ALEXANDER: I'll second

MS. MOLNAR: Thank you.

Take a roll.

MR. GENIESSE: Mr. Brune.

MR. BRUNE: Yes.

MR. GENIESSE: Senator Littell.

SENATOR LITTELL: Yes.

MR. GENIESSE: Assemblyman Blee.

ASSEMBLYMAN BLEE: Yes.

MR. GENIESSE: Assemblywoman Bueno.

ASSEMBLYWOMAN BUONO: Abstain.

MR. GENIESSE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESSE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESSE: Mr. Angarone.

MR. ANGARONE: Yes.

MR. GENIESSE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESSE: Madam Chair, we have seven votes in the affirmative, one abstention. The motion carries.

MS. MOLNAR: Thank you.

I want to thank our Secretary, and also, I want to tell our Secretary that Reverend Randall (phonetic spelling) from Westville says hello.

SECRETARY SOARIES: Return the greetings.

MR. CHIANESE: Madam Chair, thank you on behalf of the Building Authority.

Commission members, thank you very much for your support.

MS. MOLNAR: Thank you.

MR. GENIESSE: We found a cell phone on the windowsill there. I don't know if anybody is missing one.

MS. MOLNAR: We're going to take the agenda a little out of order so that we don't lose our quorum right now. We'd like to approve the minutes of November 17th and December 8th of 2000. They were forwarded to you recently. Do I hear a motion and a second?

MS. ALEXANDER: I'll make the motion.

MS. MOLNAR: Okay. Thank you.

MR. BRUNE: Second.

MS. MOLNAR: Okay.

Taking a roll call to approve the minutes of November 17th and December 8th of 2000.

MR. GENIESSE: Mr. Brune.

MR. BRUNE: Yes.

MR. GENIESSE: Senator Littell.

SENATOR LITTELL: Yes.

MR. GENIESSE: Assemblyman Blee.

ASSEMBLYMAN BLEE: Yes.

MR. GENIESSE: Assemblywoman Buono.

ASSEMBLYWOMAN BUONO: Yes.

MR. GENIESSE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESSE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESSE: And Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESSE: We have seven votes in the affirmative. The minutes are adopted.

MS. MOLNAR: Thank you.

Now we will proceed with our capital requests. Our first department -- we'd like to welcome back our Secretary of State to present the Department of State.

One second. Assemblywoman Buono, Senator Littell, and Assemblyman Blee, do you want to continue with the meeting telephonically?

SENATOR LITTELL: If you don't need me, I'd like to drop off.

SECRETARY SOARIES: Well, I need you, Senator, so stay there.

(laughter)

MS. MOLNAR: Okay. Okay.

MR. GENIESSE: We're not voting.

MS. MOLNAR: Okay. All right, if any of -- later on, if any of you would like to leave, please just speak up from the speaker phone, and we'll acknowledge you. Thank you.

ASSEMBLYMAN BLEE: This is Assemblyman Blee. I'll be leaving as well.

MS. MOLNAR: Okay.

ASSEMBLYWOMAN BUONO: And Assemblywoman Buono, as well. I thought we had to vote on one more approval of minutes. Did we do both?

MS. MOLNAR: We did both, yes.

ASSEMBLYWOMAN BUONO: Okay.

MS. MOLNAR: Thank you.

ASSEMBLYWOMAN BUONO: Yes, Assemblywoman Buono will also be leaving.

MS. MOLNAR: Okay, so, Senator Littell, you will stay for a while?

SENATOR LITTELL: No, I'm going to drop off.

MS. MOLNAR: You're dropping off, okay. Okay, thank you.

ASSEMBLYWOMAN BUONO: Thank you.

SENATOR LITTELL: Thank you.

MS. MOLNAR: Thank you for attending.

Okay, let us proceed.

SECRETARY SOARIES: Good morning, again, Madam Chair and members of the Commission. I will not read the statement that I submitted in writing. The Department of State, certainly, is appreciative for the support that it has received, particularly during my tenure. The War Memorial Building is probably the shining example of the kind of success that we've enjoyed together. And we have three requests for this budget consideration.

One is Historic Morven. The funding for Historic Morven was divided into three phases, and this funding is for phase three. It includes the completion of the project: the 1890's carriage house, the 1930's pool house, two acres of grounds at the north end of the property. The educational mission of the project is connected to the completion of phase three -- the educational value of the facility is connected to that. We have, on the side, an agreement with Historic Morven, a nonprofit corporation, and operational funding supplied through the State operating budget, and all of that is in place. This request simply completes the work that had begun after the State arrived at a consensus to revive the use and restore the historic value of that facility that lay dormant for some 20 years.

The second portion of the request has to do with compact shelving in the State Museum. This requires the installation of 10,000 square feet of storage equipment, giving the Museum the ability to expand and improve the safety of its collections. Again, the State Museum's value is directly related to the quality of its collections and its ability to attract collections, as related to its

commitment as an institution to have safe storage of those collections. I wanted Senator Littell, because he was familiar with some of the negotiations that surrounded the painting and our guarantees that we had to give the owner of the painting, for not only insurance, but for protection and storage and the like. This money completes our ability to have a collection storage and storage capacity commensurate with the level of presentation that we would like to see in the Museum.

The final portion of our request is for a multipurpose room located on the first floor of 225 West State Street. All of you know that 225 West State Street was formerly the Department of Education. Due to asbestos, the building was closed. The State made a commitment to renovate that building, remove the asbestos, and locate the Department of State in that facility. It was a three-year planning project, a three-year construction project, and about \$15 million was spent on the building. And so, in many ways, this \$380,000 is the completion of a \$15 million, six-year project adding to the building. The missing component in that is a multipurpose room that today is kind of a simulated cafeteria, but the multipurpose room to be used for presentations by archives, by the Arts Council, by other agencies within the Department, and within this cultural complex that's downtown that is commensurate with the quality of the rest of the building.

Quite frankly, this is the only section of the building that was not restored. It's a room that is the same room that was there in 1975 -- not as useful as we think that room should be. And this \$380,000 really completes the \$15 million investment that the State has already made.

MS. MOLNAR: Thank you.

I just have one question. Phase three of Morven, is that the last and final phase?

SECRETARY SOARIES: Yes.

MS. MOLNAR: It is.

SECRETARY SOARIES: At least to the extent that all plans have been created. It's the final phase of the commitment that was made for the restoration of Morven.

MS. MOLNAR: Okay.

Mr. Rousseau.

MR. ROUSSEAU: Just a follow-up question on that. How much money have we spent in the first two phases?

SECRETARY SOARIES: On Morven?

MR. ROUSSEAU: On Morven, yes, approximately.

SECRETARY SOARIES: At least \$4 million.

MR. ROUSSEAU: And how -- has there been any -- I know there's the foundation for the operating class -- the foundation is there. Has any money been -- private money gone into the capital renovations? If so, how much?

SECRETARY SOARIES: Close to \$2 million. Close to \$2 million of non-State capital money. Yes.

MR. ROUSSEAU: Non-State meaning private?

SECRETARY SOARIES: Some private, some Historic Trust funds.

MR. ROUSSEAU: Okay. Well, Historic Trust, I consider that State money, as well, but, how much in pure private donations have been given?

SECRETARY SOARIES: Over \$1.5 million.

MR. ROUSSEAU: Over a million. Okay. Thank you.

MS. MOLNAR: Any other questions or comments?

Mr. Brune.

MR. BRUNE: I just wanted to clarify two things on the Museum, Mr. Secretary. Is there any timing issue with the installation of the collection systems we are -- I'm sorry, the compact storage system. Since we are doing the HVAC -- just approved as a project -- is there any timing issues as to how fast one gets done versus investing in this?

SECRETARY SOARIES: To be very frank with you, the -- if you talk to the employees at the Museum, there is a great sense of urgency. There's paint falling from the ceilings. We frequently are threatened with closings because of our inability to manage the day-to-day functions.

This compact storage is an issue that constantly emerges because of our ongoing need to negotiate with collections. And there is a direct relationship between, again, the storage capacity, the quality of the storage, and our ability to attract quality collections. And so, in that sense, there's some immediacy attached to it. If I were forced to say which one should happen tomorrow -- if both could happen tomorrow -- I would say the HVAC.

MR. BRUNE: Okay.

And just one other question to clarify for my edification. This record storage system would not only let you expand your collection, but store what you already have?

SECRETARY SOARIES: Exactly.

MR. BRUNE: Is that a fair characterization?

SECRETARY SOARIES: Exactly.

MR. BRUNE: Okay, thanks.

MS. MOLNAR: Any other questions?

Mr. Troy.

MR. TROY: Mr. Secretary, if I could. What is compact storage equipment? It says to install 10,000 square feet of compact storage equipment. What is that, exactly?

SECRETARY SOARIES: Shelves.

MR. TROY: Shelving?

SECRETARY SOARIES: Yes. I mean -- in layman's language, shelves, but they're fancy shelves. (laughter)

MR. TROY: Fancy shelves.

SECRETARY SOARIES: They're beautiful shelves.

MR. TROY: Beautiful shelves, the best shelves we could get.

SECRETARY SOARIES: You can't get them at Home Depot, you know. (laughter) I mean, that's what it is. Yes, specialized shelves for this business of museum work and artistic storage.

MR. TROY: Thank you.

MS. MOLNAR: Any other questions or comments? (no response)

If not, I want to thank you, Mr. Secretary --

SECRETARY SOARIES: Thank you.

MS. MOLNAR: -- and your staff for your presentation.

I'd like to welcome Secretary Brown, for the Department of Agriculture. I believe this may be your last presentation for this Commission.

SECRETARY ARTHUR BROWN JR.: It is. It is.

MS. MOLNAR: Thank you for coming.

SECRETARY BROWN: Glad to be here.

After listening to these building requests for the State Police and museums, and now we're going to start talking about barns. I feel comfortable with it. I hope you do.

But, again, good morning, Chairwoman Molnar and members of the Commission. I'm sorry that some of my other friends had to drop out, but again, I can talk to them on the side. I know them all very well, of course.

As I have in each of the last 18 years, let me first just thank you for the opportunity to appear before you today and present the Department of Agriculture's capital budget request for Fiscal Year 2003. Since this will be my last appearance before the Committee, I also want to thank you, and your predecessors, for your support of our Department's programs and recommendations -- funding for numerous capital improvement projects during my tenure. Over the years, you have recommended funding for a wide variety of capital improvement projects, each of which has helped us provide better, more efficient service to our many constituencies.

Today, I will request your support of five projects for FY .03 at a cost of \$534,000. These projects, as well as those identified in 2004, will provide the program support necessary to continue important services to several facets of New Jersey's very diverse food and agriculture industry.

My first request for FY .03 is for \$215,000 to construct a livestock pavilion at the Horse Park of New Jersey, at Stone Tavern. Now, if you have a few extra moments, we have a video -- a six-minute video -- would you like to look at from the Horse Park? A lot of the requests center around the Horse Park, and it shows some of the past moneys that have been spent at the Horse Park that have been approved by this Commission

(Secretary Brown shows video)

What I did -- for those of you who've never been out to the Horse Park, it gives you a little bit better view of what is going on out there. And, certainly, youngsters enrolled in the Garden State's 4-H Livestock and other programs need a venue where they can continue to gain experience in the proper care and marketing of livestock.

Unfortunately, the number of livestock show grounds available to young people has dwindled. As you know, right up here in Flemington, what was once a big fairground is now going to, probably, end up being a -- some sort of development of some type.

And in anticipation of these needs, in recent months we have worked successfully with the New Jersey Department of Environmental Protection, which owns the Horse Park of New Jersey property, to broaden the terms of our lease of the park. As a result, this top-notch facility can now be used for other agricultural events, in addition to those devoted to equine.

Initially, the park was an equine center only. It could only be used for equine events. As I said, the dwindling in number of facilities around the State, we wanted to open it up to other activities in the agricultural community, for the livestock shows and things of that type. So, we went to DEP and they did approve the use to be expanded, and that's why we are asking for this new money.

The new pavilion I am requesting today will enable us to design and build a facility for livestock shows. It would be a 50-by 150-foot pole barn with open sides. The requested funding would include a concrete floor, electric and water service, and the cost of all the permits. When not in use for livestock

shows, the building can be converted for use as horse stalls during the parks numerous, well attended equine events.

My second request is for \$101,000 which will replace laboratory equipment. As you may recall from my previous testimony, our Divisions of Plant Industry and Animal Health provide a wide range of laboratory services. We identify proteins, micro toxins, alkaloids, fatty acids, hydrocollagens, many other agents that cause plant, animal diseases. Liquid and gas chromatographs are critical to the maintenance of plant and animal health in this State. However, our existing equipment is malfunctioning and difficult to repair. In fact, our current equipment was originally handed down to us by the Department of Health and Senior Services. If we are to continue to provide effective diagnostic testing, for both animal and plant health, new equipment is essential.

Our next request is for \$75,000 for renovations to a property that was recently purchased by the State Agriculture Development Committee. The house and out buildings need major repairs in order for the property to receive a certificate of occupancy from the municipality. These repairs include electrical upgrade, window repairs, demolition and removal of a storage building, removal of a barn roof, and installation of smoke detectors. The property will be leased by the SADC to the Horse Park of New Jersey, which is badly in need of office space and room for farm equipment storage. In the future, the Horse Park expects to construct a second access road through this property.

The fourth capital project, for which I have requested \$80,000, also involves the Horse Park. This project will cover the design, acquisition, and installation of a 28-foot by 54-foot, double-wide educational trailer classroom

for the park. Throughout the year, the Horse Park hosts a variety of educational activities, in addition to serving as a venue for horse shows and competitions. Unfortunately, the park must rely on tents to provide shelter for many of these events. The tents offer little relief from the elements, making them impractical during the winter months and, in fact, during severe weather, the tents actually pose a safety risk to the participants.

The double-wide trailer I am requesting funding for today would be nearly a turnkey operation when acquired. It would contain handicapped accessible restrooms, as well as interior features compatible with a classroom setting. The trailer would provide a safe, modern, and efficient setting for educational events on a year round basis.

My final request for FY 2003 focuses on the glass greenhouse that is attached to the health and agriculture laboratory. Constructed well over 30 years ago, this facility is in serious need of major renovation if it is to be a productive component of the Department's plant industry regulatory and diagnostic efforts. The greenhouse temperature controls are obsolete and malfunctioning. High intensity sodium lights must be installed, and shading and ventilator controls must be replaced. To accomplish these renovations, I am requesting \$63,000. When the renovations are complete, we will be able to offer a broad array of plant disease testing services, expand our varietal and identification efforts, and enhance our ability to analyze pasture grasses for endophytes, which can be toxic to grazing farm animals.

While I'm not including them in my FY .03 request, I'd like to seek your support of two more construction projects at the Horse Park of New Jersey. An \$850,000 shed-row addition to the park's newly covered work

arena, that you saw on the video, and the second access road I mentioned a few moments ago.

In addition, in FY .04, I consider it likely that the Secretary of Agriculture will have to request replacement of two growth chambers in our Department laboratory. I would appreciate your considerations in support of these future capital projects.

Madam Chairwoman, that concludes my testimony. And once again, I would like to thank you for your past and anticipated continued support of New Jersey agriculture. And I also have some key members of my staff if there are any questions you might have. Thank you, very much.

MS. MOLNAR: Thank you.

Any questions or comments?

MS. ALEXANDER: Through the Chair, do any of the shows generate revenue? Are they -- do you charge fees for participation or for viewing any of the horse shows?

SECRETARY BROWN: Right now, we don't charge the viewing audience. We do charge the participants for stalls and overnight stays. We've been trying to build up a larger viewing audience and try to make it a family day affair for people to bring their families out during weekends and see the horse shows -- bring their children out and show them animals and the care of animals, and we felt we could do a better job if we had a no fee schedule at this point in time.

MS. ALEXANDER: And you said this park could be a venue for major driving events. Is that a competition with the one up in Bedminster or where that other one is?

SECRETARY BROWN: Could be Gladstone?

MS. ALEXANDER: Basking Ridge?

SECRETARY BROWN: No. They hold several major events up there, but there's a lot of other additional events that are looking for areas. And, matter of fact, since they put the golf course up at Gladstone, that took a lot of the property away, which is too bad because it's a beautiful property, so that puts more pressure on the need for more areas where these type of events can be held.

And you've got to remember that the equine industry in New Jersey is a very large industry. It's the third largest commodity group in the State of New Jersey. And the number of race horses, probably, have declined somewhat. They used to be the number one type of horses in the State, but now the pleasure horses -- between young folks, is a tremendous amount of horses involved with the 4-H organizations throughout the State.

Riding -- the handicapped riders -- we have more and more facilities for handicapped riders now. Almost every county has a handicapped riding facility, and indoor arenas like this are very beneficial to that type of program, because it gives us a 12-month program. If you don't have indoor facilities, you cannot continue the therapy for -- on a 12-month basis. It's tied in with weather. So, these things are coming along real well and well accepted.

MS. ALEXANDER: And the trailer -- the educational building, what kind of educational classes -- what -- I'm drawing a blank. What kind of classes?

SECRETARY BROWN: I'll call on Lynn Mathews. She's the education specialist here.

L Y N N M A T H E W S: (speaking from audience) Good morning. We have found --

MS. MOLNAR: Could you step up to the microphone?

MS. MATHEWS: Good morning. We have found that through equine and other aspects of animal agriculture -- we give clinics on nutrition, on care, on handling, on prenatal care if they want to have an animal that they want to breed and expand their stock. We also have grooming and showmanship, which is big in every venue of animal agriculture.

And the people use a lot of PowerPoint and overheads to relate to the kids, because the best time of year for these kids to have the classroom type clinics is from, probably, mid-November to March, when they have a problem with being outside.

We produced a symposium last February for everyone at Cook College, hoping to get 100 kids, and had over 350 there, and had to turn 150 away. So, we have gone to two weekends, this year, at other facilities throughout the State, but that hampers me being able to bring in animals for them to actually work on. So, if we were able to have the classroom setting at the Horse Park, we could rotate different venues through the classroom, and then take them into the indoor arena to actually work on their animals.

MS. ALEXANDER: I hate to belabor this point, but do you charge fees for those events?

MS. MATHEWS: Yes.

MS. ALEXANDER: Okay.

MS. MATHEWS: Yes, we do. They --

SECRETARY BROWN: She's from Treasury. She's interested in big bucks. (laughter)

MS. MATHEWS: The Horse Park has a fee schedule for venues that rent the park. They charge a daily rental fee, and then everything else, you know, has a price tag on it. But the John Q. Public that comes into the park to watch is not charged a fee, you know, to be part of the park.

MS. ALEXANDER: Okay. Thank you.

MS. MOLNAR: Any other questions or comments?

SECRETARY BROWN: The trailer that we're talking, of course, is one of these modular -- you know, they put two halves together when you come up to -- it's very similar to a small house that they -- but it's not partitioned off. It makes a very instant classroom, more or less.

MR. BRUNE: Through the Chair --

MS. MOLNAR: Mr. Brune, yes.

MR. BRUNE: -- just one other question. Some of the research done here for us, in advance, seem to carry a number of about 200,000 people attend the horse show every year. Is that a number that rings true with you?

SECRETARY BROWN: How many?

MR. BRUNE: Two hundred thousand people, is that the attendance?

MS. MATHEWS: We've estimated, through an economic impact survey developed by the University of South Carolina, that between 190 and 240 people visit the park every year. That includes horsemen --

MR. BRUNE: It's -- I'm sorry. It's thousands?

SECRETARY BROWN: Thousands.

MS. MATHEWS: Yes. That includes horsemen, caretakers, veterinarians, and the public. We had one event, about three weeks ago, that we parked over 2200 cars. So figuring two to three people per car, we know we had around 5000 people, just there in one day.

MR. BRUNE: Do you know whether the piece of that number that's attributable to the public is discernible from that study?

MS. MATHEWS: We estimate the public part of that number is about 40 percent.

MR. BRUNE: Okay. Thank you.

MS. MOLNAR: Mr. Troy.

MR. TROY: Mr. Secretary, in terms of the greenhouse renovation, isn't the whole agriculture building in need of some renovation? Is there anything going on right now in terms of upgrades to the existing building?

SECRETARY BROWN: I'm glad you asked. It's been in need of repair for decades, yes. The greenhouse property is part of it, of course, but the entire building needs upgrades. And they've upgraded all the buildings around us, but they've been not very supportive of doing the health and agriculture building. Hopefully, they will get to it. The heating and air-conditioning system in that building is atrocious, has been ever since I've been around, for 20 years, and I guess it was before that.

So, yes, it does need upgrades, but that comes under the -- under buildings and grounds people. This is in addition to -- the greenhouse is attached to the laboratory. I don't know if you've seen it, but it's just -- and it's just an old and rundown -- it needs a lot of repairs. If there's anything you can

do, as far as upgrading of the building itself, we certainly would be appreciative of that.

MR. TROY: Okay.

MS. MOLNAR: Any other questions or comments? (no response)

If not, I want to thank you, Secretary. I'm going to miss your New England accent on our commercials. (laughter) Good luck in your new endeavor.

SECRETARY BROWN: Well, thank you. It's been fun, and I've enjoyed my tenure. And I'm not going to be far away. I'll be around.

MS. MOLNAR: Thank you.

I'd like to welcome the Department of Education. Would you give your name for our stenographers, please.

ACTING ASST. COMMISSIONER GLORIA HANCOCK:
Certainly. Hi. I'm Gloria Hancock, the Acting Assistant Commissioner for the Division of Student Services. And with me is Dr. Arthur Spangenberg from our Office of Administration.

Madam Chair and members of the Commission, good morning, and thank you for the opportunity to testify about the Department of Education's Fiscal Year 2003 capital budget request. Our Department's funding requests are in two areas: The Marie H. Katzenbach School for the Deaf and the Regional Day Schools for Children with Disabilities.

At the outset, I would like to publicly thank Mr. John Chianese and his staff for their assistance and advice in preparing this budget request. Their continued support is, indeed, greatly appreciated. I would also like to recognize -- I have additional colleagues from the Department of Education who are here

with me today: Mr. Ron Goodwin, the Superintendent of the Katzenbach School for the Deaf; Mr. Al Long -- from my Division -- who serves as a liaison to the Katzenbach School and to the Regional Day Schools; as well as Eunice Couselo, who is the Director for the Office of Specialized Populations.

The capital projects that you have approved last year were appropriated in the State's Fiscal Year 2002 budget, are all going forward. Your support of the priority projects we have identified for Fiscal Year 2003 is especially critical if we are to fulfill our responsibilities, under State law, to provide for a healthy and safe environment for those students with multiple disabilities who attend these State facilities.

We have carefully reviewed the requests submitted by the schools and have included in our package eight priority projects that we consider critical to the maintenance of the buildings and to the health and safety and well-being of the students who use them. Our total request of \$2,952,000 is based on a thorough review of all the requests submitted by Marie H. Katzenbach School for the Deaf and the Regional Day Schools. We have carefully reviewed all requests and have included only those that are the most essential projects for your consideration.

Although I am aware of the constraints on funding for capital projects, I can say that each of the projects that we are proposing is essential and merits your serious consideration and full support on behalf of the children with disabilities in this State.

The Katzenbach School for the Deaf provides facilities for educational, vocational, and residential programs for deaf and hard of hearing students. Many of the students have additional disabilities which further

compound their needs. The campus is composed of 31 State owned buildings. The Department is requesting funding for four projects at the school totaling \$1,590,000.

Priorities two, three, four, and five reflect the current capital construction needs at Katzenbach. Priority two requests \$265,000 to remove asbestos in cottages eight and ten. These two cottages were selected for asbestos removal because of the recent water damage caused a buckling of the floors and a cracking, disintegration of the asbestos containing floor tiles. Children and staff have been removed from these buildings because of the health and safety concerns that are associated with these deteriorated tiles.

Priority three represents the combining of three related projects involving domestic water and sanitary waste removal pipes and plumbing, into one project, at a cost of \$765,000. The majority of the sewer and water lines in this area of the campus, both between the buildings and internally, were installed between 1924 and 1929. Leaks and stoppages, as you can imagine, are a continuous and recurring problem. The proposed solution is to replace both the water delivery and sanitary waste and removal pipes for all of the buildings in that quadrant of the Katzenbach campus, leading from the Clock Tower Building, or Building 7 in the rear. This will include Buildings 1, 8, 9, 10, 11, 12, and 13. Simultaneously, the interior building, the plumbing, the supply and the removal in those individual structures will also be replaced.

Priority four addresses the need to replace the bathrooms in a 70-year-old dormitory at a cost of \$400,000. The ten bathrooms in this dormitory building are experiencing constant leaks to the floors below from the shower and lavatory areas. Four large, multiuse bathrooms and six smaller, private

bathrooms have begun to leak beyond repair. Last year, leaks cost over \$25,000 in repair and replacement costs for the damaged ceilings and tiles. They all require a complete rebuilding.

Priority five requests \$160,000 to add ten buildings to the existing Emergency Management System. The system monitors temperature levels, establishes zones of temperature needs, and automatically controls setbacks and turn downs. The project builds upon the prior installation of a fiber-optic cable system that the Katzenbach School had installed to all the buildings in question, to extend the Emergency Management Services System. The system will be extended to the cottage loop, which encompasses Building 8 through 13; the nursery, or Building 18; the boiler maintenance shop in Buildings 22 and 23; and a dormitory in Building 30.

In terms of the Regional Day Schools, the Department of Education is required, by law, to operate 11 Regional Day Schools located in 10 counties throughout the State. At this time, all of the schools are operated by local education agencies under contract with the Department. Operating expenses are generated entirely through tuition charged to local districts that send students to the Regional Day Schools. Most of our buildings are approximately 20 years old, and we are beginning to see a pattern of need for replacement of key constructional building units.

The Department is requesting funds for four projects at the Regional Day Schools at a cost of \$1,362,000. Priority one is a request for \$975,000 to complete the air-conditioning project at the Millburn Regional Day School. In Fiscal Year 2000, the sum of \$450,000 was appropriated to provide the school with modern air-conditioning. During the design and the scope of work phases,

there were extensive complications involving duct work, piping and ventilation, and electrical systems. New electrical service and transformers alone cost \$182,000. While unable to complete the entire school, the interior core of the structure, including the gym and the multipurpose room, the cafeteria, the lobby, and the hallways were air conditioned.

The additional funds requested will allow the completion of air-conditioning in all offices and classrooms and student service areas, and replace the existing hot water perimeter radiator units with modern, high efficiency units. The completion will result in a modern heating, air-conditioning, and electrical control system.

Priority six addresses the replacement of doors, at \$72,000, at the Piscataway Regional Day School. The purpose of this project is to replace 15 exterior classroom doors, to replace several rear and side entry doors with fully automatic Americans With Disabilities Act compliant doors, and to convert existing fire exit windows in the occupational and physical therapy room to meet ADA emergency compliant issues.

Priority seven is also focused at the Piscataway Regional Day School. We're requesting \$65,000 to replace existing florescent lighting and fixtures with energy efficient lighting. The current direct lighting, in addition to not being energy efficient, is a major distraction for the increasing autistic population, as well as for other children with disabilities served at the Regional Day School. We will replace the school's lighting with high efficiency indirect lighting fixtures, at or above the 50 luminum levels.

The last priority, number eight, is a request for \$250,000 to expand the existing nurse's room to provide space for an office and private examination

room at the Hamilton Regional Day School. Currently, the nurse shares work space with therapists and case managers. The renovation will allow for the isolation and privacy of those students who are ill. The project will also provide barrier free sinks and changing tables in each of four in-class bathrooms.

Thank you for your consideration of our requests. On behalf of the children with multiple disabilities, we thank you for your past support and your continued support and want to let you know how very much it is appreciated. We will be glad to respond to any questions that you may have. Again, thank you.

MS. MOLNAR: Thank you.

Any questions or comments? (no response)

Well, pretty clear. If not, I want to thank you --

MR. BRUNE: Can I --

MS. MOLNAR: Okay, Mr. Brune.

MR. BRUNE: I'm sorry. Just one question. On Katzenbach, can I just understand that 237 students -- if that's the right number that attend -- are they from all over the State?

MS. HANCOCK: Yes.

MR. BRUNE: And the approximate age of the facility is how old?

MS. HANCOCK: It dates back to 1924, 1929.

ARTHUR SPANGENBERG, Ed.D.: (speaking from audience) '26

MS. HANCOCK: .26.

DR. SPANGENBERG: (speaking from audience) .26.

MR. BRUNE: Just one last question. Is there a, kind of a, capital plan that's been put in place? I know as we're -- you've requested, somewhat,

the same amount that we -- a ballpark sense -- that was provided last year for education capital in general. Is there a, kind of, overall capital plan for the Katzenbach School? Just the context one.

DR. SPANGENBERG: We have a -- Dr. Spangenberg, Department of Ed. We have a long-term plan. We have had an engineering outfit by the name of CUH2A -- goes back 20-some years -- has been working with Katzenbach. Yes, we have a plan; however, the plan lasts as long as the latest crisis hits. As our presentation referred to the cottages with the asbestos, we had those planned much further out and another building plan for this year. The leak occurred, floors buckled, asbestos -- boom, things get rearranged. So, while we have a plan, yes --

MR. BRUNE: Is that something you shared with the Commissioner -- I'm looking to John -- maybe in part? Is that a plan that we have?

DR. SPANGENBERG: On file, I don't believe we've --

MR. GENIESSE: I don't believe we do.

DR. SPANGENBERG: -- we've ever asked, and we've never submitted.

MR. BRUNE: I mean, I might find it helpful just for context.

DR. SPANGENBERG: Sure.

MS. HANCOCK: We'd be happy to provide the Commission with a copy of that plan.

DR. SPANGENBERG: Sure.

MR. BRUNE: Just one other question, if I could, real quick. Priority, let's see -- under the Regional Day Schools, your first priority there. In your testimony, you talked about complications on the project --

DR. SPANGENBERG: Yes.

MR. BRUNE: I'm looking at 9450 up to, I guess, the area 975. I just want to understand, did the scope increase or where -- I don't know how to understand the word complications?

DR. SPANGENBERG: This is a building that I describe as 1940ish looking. It looks like the elementary school that I went to many, many years ago. It does not look like the elementary schools that my grandchildren and my children have attended.

We had a full engineering study done prior to our request, two years ago, to ask for funding. We had the very best of plans, and, as soon as we began to open up walls and ceilings we found some -- we found surprises. We found ventilation problems that we didn't expect. The biggest, single surprise we found was transformer and electrical problems within the building that we needed to attend to immediately. So, we made a judgment that we would go forward with the air-conditioning, as far as we could with the existing structure and dollars that we had, while taking care of the electrical problem that needed to be done to take care of the situation and to provide air-conditioning up to that point.

MR. BRUNE: So, does the 975 fully explain by unforeseen conditions?

DR. SPANGENBERG: They were --

MR. BRUNE: Or -- because I'm reading something that says the additional funds will allow the completion of air-conditioning in other offices. Is that --

DR. SPANGENBERG: That's the total building. We have done the core of the building. If you can imagine a school building with the core being the large rooms that one associates with elementary schools -- cafeteria, all purpose room, gymnasium type rooms. Those rooms, in the center of the building, we have been able to provide full air-conditioning to. Where we have encountered problems because of the type of construction of the building, and we really are talking -- until we got into solid walls and started pulling those apart, we really didn't -- we didn't find what we expected to find. What we need the additional funds for is to finish that air-conditioning work for the building classrooms on the outside of that hallway, which then go around the exterior of the building. That's -- I'm not doing this well.

As this would be an exterior classroom, windows to the outside. As we're doing that, we're also encountering that we're going to have to be dealing with the hot water perimeter heating system. And as we've been dealing with the engineers from the Division of Property Management and Construction, their recommendation to us is that you're in for a penny, you're in for a pound. Let's take care of the hot water system at the same -- the heating system at the same time, and bring it up and make it a high efficiency system. So, we've made a total package. Complete the air-conditioning, finish up the control work that we have started -- the electrical transformers, etc. -- and do the hot water heating perimeter system.

Hopefully, we will never have to talk to you about this building again. It's very painful, sir, to talk about it at this point. There's a lot of bad surprises for the engineers and for us.

MR. BRUNE: Okay. Thank you.

MS. MOLNAR: Any other questions? (no response)

If not, I want to thank you for your presentation.

DR. SPANGENBERG: Thank you.

MS. HANCOCK: Thank you.

MS. MOLNAR: Our last department is -- I'm sorry, Judiciary. I'd like to welcome Judge Richard Williams.

J U D G E R I C H A R D W I L L I A M S: Good morning, Madam Chairperson. Thank you for entertaining us today. I am aware that conducting these very proceedings is probably difficult, because people's attention is focused on many different things today, and I understand the difficulty for all of the members here participating in this.

I'd ask that prepared remarks, which I had submitted, be accepted in the record, and I will make some remarks, but they would be somewhat briefer than the full text of the prepared remarks, if that is satisfactory.

Let me begin by telling you that the Judiciary presents two critical requests. We have urgent needs in the information technology area, and we also have responsibilities to upgrade equipment and furnishings in eight county courthouses around the State. Our total request is \$30 million: \$26 million for information technology needs and \$4 million for our share of responsibility where counties are building or renovating court facilities throughout the State.

Let me deal first, if I can, with the information technology issue. The processing of information is at the core of what we do in the Judiciary. And all of our systems, right now, are at significant risk. We're working with 1980's technology in a totally different environment today.

Companies that sold computers to the Judiciary, companies that developed systems for our use, have gone out of business or been sold or have even stopped using the very equipment and systems that we now are using. And they no longer provide service or parts or any of the things necessary to deal with breakdowns.

Parenthetically, it's interesting, just this morning as I wanted to circulate notices around the various courthouses in the State and within the Justice Complex to advise people of opportunities to observe ceremonies this day, we couldn't do so because our E-mail system broke down.

We know that it will take several years to replace or update our systems completely, but we have to start the process now. We've completed a strategic plan, which is ready for approval by the Supreme Court, that will map out our needs for many years, and what we present to you, then, is in the context of that plan. So, it is organized, it is thought out, it is rational.

The cost will be great. And our system is massive. Our information systems now serve more than 20,000 users. We have three million online transactions each day. We manage court dockets and schedules for one million new cases each year. Our systems control the record of payments received and transmitted -- all child support payments come through the Judiciary -- fines, restitution, all kinds of things, not only where we collect fees, but where we collect money that is owed to other people and pay it out. They provide ability to access our case files. And more than 9000 staff, within the Judiciary, communicate all around the State everyday using E-mail.

To give you some idea of what can happen if the system breaks down, we are creating, and will announce on Monday, a Judicial Assistance

Team to deal with law firms in New York who may practice in New Jersey, who have been wiped out, not only in human terms, but also in terms of their files and the very information they possess to serve their clients. And we'll be working with them to attempt to reconstruct. But if your information systems shut down, or break down, you close down. And this is a serious problem for us.

The reliance on our information technology system extends well beyond just those of us in the courts. We have 20,000 users, and they include prosecutors and public defenders; domestic violence service providers; local law enforcement officials; State agencies, including the Division of Motor Vehicles and the Division of Youth and Family Services, the Attorney General's Office, and the Treasurer's Office, all of whom need and receive information from the courts. And they get it the only way that makes sense, with electronic access. The Judiciary handles over 600 million records at any one time.

The request before you represents our attempt to modernize in two areas: first, with regard to our local and wide area communication networks, where we will need a total of \$19.4 million -- and we've broken the different proposals out for you -- and then, with regard to our basic computer programs that manage the database that is so essential, where we would need \$6.6 million.

If we don't address these, we face, potentially, serious consequences. Let me give you some examples. I mentioned our E-mail system and how it shuts down, and how we just had to go through that this morning. And that, for me, was an inconvenience this morning. But if things like our local or wide area networks fail, we're looking at more than an inconvenience.

That means that local police officers, for instance, would not be able to check the domestic violence registry when they were out on a dangerous call. It means that if a suspect of crime is in custody, police would not be able to check the computerized criminal history records for outstanding arrest warrants on other matters. Our staff wouldn't be able to enter critical criminal information about the results of court proceedings. We wouldn't be able to enter things like child support orders. We would lose our ability, if we don't deal with our local and wide area networks, to communicate electronically with each other and with outside agencies. And they, in turn, would lose the ability to communicate with us. And we can't accept that risk.

Perhaps some of the best illustrations of our concerns about our electronic communication systems are these: The company that created our local area network abandoned using it themselves two years ago -- last year, I'm sorry. Our wide area networks are using routers that are no longer being manufactured, because that company went out of business two years ago.

This is what we're faced with as we manage our responsibilities -- responsibilities that affect every driver that ever got a ticket, every child whose noncustodial parent pays child support, every party in a lawsuit of any kind.

Now, addressing the needs for modernizing our local and wide area networks are only part of what has to be done. The other part of our IT needs, which are equally important, involves dealing with the reasons that people come to us, reaching into our databases for one of the more than 600 million records that I mentioned earlier.

The failure of these programs is in jeopardy because they're based on a series of basic computer programs -- and I'm not a computer whiz, so I will

confess that's why I bring some of these people here. But I will tell you this, they're based on a series of programs -- it's called a platform. The platform that we have is built on technology from the 1980s, and it's being phased out by its creator. It's already difficult to maintain, and, in the foreseeable future, it will be completely unusable, because the IT industry won't be offering technical support to solve the problems. There'll be no parts, no service to make repairs. And I try to relate this at a personal level.

It's a little bit like trying to get parts or service -- do you remember the old Betamax video recorders? I still have one at home, and it works, okay. But if it breaks down, and it will, I can't get parts and I can't get service. And that's the problem that we confront with the basic platforms that we have. Those platforms, basically, are like the Betamax, only on a massive scale with potentially massive consequences.

Replacing this is not something you do overnight; it's not something you do in a year; it's not something you do in two years. Our efforts to replace this are going to have to take place over a span of five to six years. And they're going to be exceedingly costly. And we have to -- the most important thing is we have to start now. We can't get to the stage where it breaks down and then we can't use it. And we know, then, with the company not supporting this for the future, we can't avoid addressing it. So, it's not something we'd like to do -- it's something that we absolutely have to do.

That briefly summarizes our information technology needs. Let me touch briefly, if I can, on the other part of our capital request. Under the law currently in the State of New Jersey, when all of the county judiciaries were unified into the State court system beginning in 1995, the State assumed costs

for operating the systems, but the counties still had responsibility to provide the courthouses. And, in fact, that is still the case. There was litigation, just as recently as the past year, in which the Supreme Court ultimately reached a determination that funding responsibility for the courthouse, itself, was a county responsibility.

But equipping the courthouse is a State responsibility. We have had a number of counties step up to the plate and say we are willing to meet our obligations to provide either new or renovated or updated court facilities. And we've listed them here. There are eight at the present time: Union, Somerset, Monmouth, Atlantic, Hudson, Middlesex, Bergen, and Essex, all of whom have projects that are under way, in some respect, to either renovate or build new court facilities. We have an obligation, then, to be able to furnish those facilities. And so the bulk of the request that we make, with equipment and furnishings over a two-year span, is to meet our share of the bargain when a county steps up and says it will bear the costs for renovating or developing facilities -- to be able to equip those facilities. And that is the largest part of the equipment and furnishings request.

The other part of the equipment and furnishings request has to do with the Hughes Justice Complex. The building is now approximately 20 or so years old. It has equipment in there now which is outdated and, quite frankly, not very efficient. Our staff has grown over the years. We are dealing with workstation type setups designed in the early '80s that do not adequately address wiring and computer needs, and furthermore, that probably are a little bit larger. If we could gain new equipment, new furnishings for that building,

we probably could be able to accommodate a growth in staff without the need to look for additional rental space if we could reconfigure space that we have.

And so the request that we have for the Justice Complex is to renovate some of the old furnishings that we have that really no longer suit our needs and give us the ability to redesign some of the very space that we have, to use that more efficiently.

The requests are very important, and we need your help. We envision a multiyear approach to these serious needs. And we very much need funding commitments now in order to address these needs in a timely way.

I want to thank you for the opportunity to appear before you and for your consideration. And I would be pleased to answer any questions you may have.

MS. MOLNAR: Thank you, Your Honor.

I just have one quick question. Assuming you were handed the \$26 million on January 1st -- you said it was a multiyear approach -- how many years is it going to take?

JUDGE WILLIAMS: It's going to take us five to six years, and it's probably going to take us, total -- between both capital and regular budget expenditures -- upwards of \$200 million, perhaps as much as \$250 million. It's difficult to project out as you go, but it is a project that is massive in scope. We are, in terms of the use of information technology -- we are a huge organization in that sense. We, around the State -- just if you think of the Judiciary, the Judiciary itself, not counting municipal courts, and this request doesn't touch that -- but just in the Superior Court, Supreme Court, Appellate Courts, you're talking about over a million cases a year. You're talking about a work staff that

is approximately 9000 people or more. You're looking at interrelation with agencies that multiply that figure, and systems that are interrelated that become absolutely critical to operate. So, it's not a -- if I were still in private practice trying to automate a law office, which is something of a relatively small scale, or -- it's not even like trying to put in a HR system or a new finance system. It's an effort that is really massive in nature.

MS. MOLNAR: When the courts were consolidated, did the Legislature earmark any annual capital funds, knowing this is going to take some capital money?

JUDGE WILLIAMS: I would love to tell you that -- we have never had significant capital funds available to us. And even on operating moneys, we very often have had to deal with no new additions in the operating area over many years, but rather, be expected to try to do this out of surpluses that could be developed from either attrition or vacancies that went unfilled. So, that's difficult, one, both in terms of the amount of money, but it is also difficult because you can't plan. When you have to develop things out of surpluses that you've developed during the year, it's very difficult to plan on a long-range basis to try to do that. And what we're talking about here now are not only large amounts of money, but it's the ability over multiyears to be able to rationally plan this, to know that there is money that you can then count on and you can -- because we have to build this in steps. So, it's -- often you can address certain needs simply by reallocating funds within your budget. This is a project -- or projects, really, that are not within that scope that really need -- and that's why we've completed a strategic plan. We were provided with substantial funds to retain Accenture, who has developed a strategic plan for us that will go out over

the next five to six years, mapping out, very rationally, each step of the way. What we ask for here is -- all of these things are contemplated in that plan in a logical order, but we never have been provided at least -- and I'll say I've done this job two years. I was an assignment judge for the rest, so I wasn't privy to everything that went on in Trenton, but to the best of the information I've been able to get, we have never had any substantial investment of capital funds and difficulty, at times, even with regular operating funds.

MS. MOLNAR: I also wanted to thank you for your Judicial Assistance Team. I know, for example, Harris, Beach lost their entire law firm on the 85th floor of the Trade Center.

JUDGE WILLIAMS: And we're working with them right now, as a matter of fact.

MS. MOLNAR: Thank you, very much.

Any other questions or comments?

MR. TROY: If I could, yes.

MS. MOLNAR: Mr. Troy.

MR. TROY: Just on the upgrades to the technology, the wide area network. It says here "renovations of \$6 million." That's not just to buy routers. I mean, what else is involved in that?

JUDGE WILLIAMS: I'm going to -- can I turn to Jim Rebo, please, who's our information technology officer.

JAMES R. REBO: There certainly are a lot of routers. There is a lot of equipment in there -- servers, other communications devices. It's not all hardware, I think 5.5 in hardware, so it is by our analysis and architecting,

vetted by Accenture and the Gartner Group, what we genuinely need to do that job. We -- our system is reaching saturation and --

JUDGE WILLIAMS: Jon, you have specifics that you could provide.

J O N A T H A N M A S S E Y: (speaking from audience) Sure, I do.

MS. MOLNAR: Can you give your name for the --

JUDGE WILLIAMS: Jon Massey.

MR. MASSEY: Jon Massey. I'm with the IT Office of the Judiciary.

HEARING REPORTER: Excuse me, Madame Chair, we may not pick the gentleman up unless he's sitting at one of our microphones.

MS. MOLNAR: Okay.

HEARING REPORTER: Thank you.

MR. MASSEY: It's a substantial number of routers. It includes servers for network management. It also includes a replacement of about \$2 million worth of obsolete printers, which are around the Judiciary, which will not run on the upgraded network.

MR. TROY: Okay. I figured there was something else in there. And I see Chris and others in the audience. OIT's out there with this server farm concept, in terms of using servers that they're buying over at OIT, and allowing other agencies and departments to do that. Has that been, in any way, researched or looked at?

MR. REBO: I have discussed that with Adel Ebeid. We certainly haven't ruled out availing ourselves of that facility. In terms of some kind of data warehouse or something like that, that doesn't help our wide area network

problems at all. That server farm is for, you know, storage of data. So, it's more of the back end of the operation and than the front end with the network. And, in that regard, it still would require us to have operating funds to pay OIT, you know, for the use of that server farm. It would not be free. So, whether we have capital or operating budget, the cost would be substantial. And in there, you know, we have to address some policy issues about the physical residence of court record information. You know, that -- there's some policy issues with that.

MR. TROY: If I could. Your imaging system, I presume, FileNET?

MR. REBO: We do not use FileNET. We're moving to IBM's Content Manager.

MR. TROY: Okay. And you currently now have -- what's your current imaging. Do you have an imaging system in place now?

MR. REBO: In a very narrow pilot operation, in Monmouth County, in Special Civil Part cases. At the present time, it's a very successful system. We would hope to roll it out someday to the other -- it's developed well, and give the other counties the benefit of it, but that's not -- and we have that in here to move that forward. But right now we are in the process of moving from a product called WaterMark, which is an ended product -- where its support ended last September -- to IBM's Content Manager. That's happening as we speak. I'd hope, in the next few months, that actually that conversion will occur.

JUDGE WILLIAMS: I think it's fair to say that's not a major -- a significant part of this request, however. Am I correct?

MR. REBO: That's correct.

MR. TROY: If I could just -- the Judge mentioned that the platform systems are -- need renovation. Are we talking OIT mainframe systems rewrite? What exactly do you refer to when, you know --

MR. REBO: Well, in that area -- if we're talking about the Legacy Systems -- actually a very small part of our needs for the Legacy Systems qualified for capital budget. We have that in here, I think, for about \$1.7 million -- I'm sorry -- in, over the course of the next couple of years. Actually, our need there is about \$30 million, and that's all services to convert our program logic from the older Legacy technology to new relational database technology. Going from IDMS to DB2.

JUDGE WILLIAMS: But that's not the capital -- that's not a capital request.

MR. REBO: That's correct. So, what is in here is what we felt -- as a part of that conversion would qualify -- our Legacy Systems, which to some extent we are a victim of our own success. We have probably the most comprehensive standards system statewide in any of the 50 states, which also means that we are highly dependent on it, moment to moment, in the operations of the courts. And that technology has to be totally redone, and we have found a way -- United Airlines depends on that technology, so do major brokerage houses. We're planning to do what they're doing right now -- is to engage some special consulting services that would literally translate the program logic through -- a program, itself, that actually translates it to the new technologies, who would run it at a relational database like DB2. So, that we've only put in here what would actually qualify for your program.

JUDGE WILLIAMS: Let me see if I could sum that up in layman's language that I understand -- I'm not sure. But the basic platform is a thing called IDMS, developed by Computer Associates. That's what is going to be phased out, no longer supported. We need to shift to a thing called DB2, which is a different basic program, but it is the foundation, if you will, that underlies all of your basic operations.

MR. REBO: The thing is, it'll take us about five to six years to do it. And we desperately need to get started.

MR. TROY: Just a last question. In terms of your desktop, are you in a Windows 98 environment?

MR. REBO: We're moving from Windows 95 to Windows 2000.

MR. TROY: You still have Windows 95, your operating system?

MR. REBO: Primarily, yes. We -- Banyan VINES, which is the local area network technology we have -- as Judge Williams mentioned, the company that developed and sold it doesn't use it themselves. We have to get out of that. Support for that is stopping. We're just now, today, getting rid of some Windows 3.1. We're mostly Windows 95, but to move forward on the local area network and the E-mail, which has to happen together, we have to go to Windows 2000, both for the servers, as well as the desktop clients. It's all tied together for us.

MR. TROY: So, during your Y2K remediation efforts, you did not update any of your desktop, in terms of Windows 98 at that time?

MR. REBO: Windows 98 had no advantage for us. Generally, it had no advantage for just about anyone in the industry. In fact, there was a great deal of industry wisdom, coming from the Gartner Group and others, that

there was no particular advantage to go into Windows 98. And that it's one thing to do it at home on a stand alone PC, but for a whole network, with the range of compatibilities and integration you have to worry about, it was clearly the best plan for us, and for many others throughout the industry and the public and private sector, to go to Windows 2000 directly from 95, and that Windows 98 would have really been wasted time and resources.

MR. TROY: Thank you.

MS. MOLNAR: Mr. Brune.

MR. BRUNE: I just have three questions, actually, one in which has to do with the Garden State Network. In any of your discussions with Adel, did you consider whether it's in anyway less expense to -- if the State was to make, say, a significant investment in the Garden State Network, which would have ancillary benefits for us -- whether that's, in anyway, less expense than what's proposed here, long term?

MR. REBO: Historically, it is, for us, never been less expense. However, we have collaborated with OIT, formerly OTIS, for the last 16 years. We have shared broadband trunk line circuits with them. In a few instances, we run the primary circuit into a municipality, and law enforcement goes through it, or vice versa. The municipal court goes through their circuit, so we have collaborated. We do plan together, and have actually shared equipment at certain nodes, and so I think we've really done the best of both worlds in that regard.

I have been in communication quite a lot with Adel Ebeid. We've talked a lot about our communications -- our mutual communications needs

and concerns. And so I think we really have the most optimal approach on the table.

MR. BRUNE: I guess I'm asking, prospectively, has anybody done any analysis of this, versus an investment on a network that already exists today? Has anybody looked at that?

MR. REBO: We have looked at what OIT has to offer, and we are collaborating on some things directly and coordinating planning on others. We right now -- I'll give you a prime example, prospectively. They have gotten a lot of Federal money for the State Police for the NCIC 2000 -- National Crime Information Center -- with the FBI 2000 program, where there is a lot of Federal money coming in to put high broadband communications to every municipality, and we're talking to them about tying in our municipal court communications into that and saving a lot of money on our part, in that regard. So where there are mutual advantages, we're doing that, since they depend on our information and we depend on theirs, dynamically, everyday. We are collaborating where it really makes a lot of sense. We have about 530- some locations for municipal courts themselves, and to get broadband into those locations, which we might not otherwise be able to afford, it would be of tremendous benefit, collaboratively, with our law enforcement community. So, we are, clearly, doing those things. And that is a huge example.

MR. BRUNE: Two other things. Have you surveyed any other states for, say, components of what you want to do? We often, as a State, sort of start from scratch on everything that we do. Is there any possibility that somebody else owns a segment of what you're doing that would be less

expensive to adopt something that already exists and graft it on to New Jersey for any component of this?

MR. REBO: Well, if you're asking in regard to the design of the functional applications -- the computerized docket, the computerized calendar, those kinds of things. In my career, I have worked in five states in court information technology. There are, conceptually, things that we all have in common, but we operate under different state constitutions, statutes, court rules, terminology. Basic data definition is different.

MR. BRUNE: I appreciate that. I'm just wondering whether anybody's considered --

JUDGE WILLIAMS: Let me respond to this.

MR. BRUNE: -- whether that's possible.

JUDGE WILLIAMS: If I might, New Jersey is in a somewhat different position from many of the other states. There are some underlying political -- not partisan -- but political issues, in that most judiciaries in other states, because they are elected judiciaries, are locally oriented. New Jersey has a different dynamic underlying its judiciary, with gubernatorial appointment and a strong chief justice. Strong -- I'm not talking personally now -- but, I mean, in terms of the structure of the position. And so what develops in other states are a variety of local type of programs. And so you may hear about a terrific program in Wayne County, Michigan or in Phoenix, Arizona, or whatever, and we will look at those. But the difficulty, often, with those kinds of things is the scale. You're talking about local matters, and we're trying to run, in one of the larger judiciaries in the nation, statewide systems and interrelate with State

agencies. And so, we do need to be cognizant of what's going on and, oftentimes, you'll see the articles.

And interestingly, whenever they talk about articles out of New Jersey, more often than not, when they're talking judiciary you'll see it referred to a local judiciary, and you'll see -- you'll hear that they're doing electronic filing. Well, if you want to do electronic filing in one county, we could set that kind of thing up, too. But, doing it statewide becomes another whole issue.

So, part of the answer to your question is, we do need to be cognizant of what is going on, and, in fact, as we work with people like Accenture or like Gartner, who also have experience elsewhere, we will try to learn from them. We participate in national -- our people were at the National Court Technology Conference in Baltimore, in August of this year, to try to become familiar with what is going on and what other opportunities are. So, we will look at that, but one of the difficulties we experience in New Jersey is that we are trying to do things on a statewide level, and there are not that many models throughout the country where you have systems of the size and scope of what we need to do.

MR. BRUNE: Okay.

MR. REBO: There really are no models. If you really want a short answer.

MR. BRUNE: Okay. I just want to ask one last question, financial in nature. Has anybody looked at the role, for any portion of these costs, that an increase in fines -- for lack of a better term, your independent revenue -- might help?

JUDGE WILLIAMS: We need to look at a variety of -- at all possible ways of dealing with this. So, the possibility of increasing -- basically, would be fees, I suppose -- but to some extent you're talking about legislative action that is necessary for that. But beyond that, even if that can be done, what we're asking for in the capital budget is part of this piece.

The general operating budget is going to require at least this much, if not more, over the long haul. And so, even if we can find ways to either increase fees, to pass costs along to users, or things of that sort that we are looking at, the problems that we have are two-fold. One is does it offset capital expenditure or regular budget expenditure? And there may be reasons why it would -- policy reasons why it might be preferable to do it, offsetting regular budget expenditures, as opposed, to capital. Those are issues not for me to determine, but for the Legislature and Governor to deal with, I suppose. But -- so that's a factor there. But, even beyond that, as we look at that -- and we will do that, and are doing it -- the problem is that we need to start now and, even if we can do that kind of thing, that doesn't alleviate the critical nature of the request that we confront right now.

MR. BRUNE: Can I just make one closing comment, and maybe this has already been handled, because I know Chris is here. Has that analysis been shared with OMB in some way, shape, or form about the sensitivity analysis of fees, fines, what it could raise, or how you are going --

CHRISTINA HIGGINS: (speaking from audience) Robert, we could get them --

MR. BRUNE: That might be a help.

MS. HIGGINS: Let me point out that --

HEARING REPORTER: Excuse me. She has to come up.

MS. MOLNAR: Christine, could you speak in the microphone.

JUDGE WILLIAMS: I'm sorry.

MS. MOLNAR: Give your name and also speak into the microphone.

JUDGE WILLIAMS: This is Chris Higgins.

MS. HIGGINS: Let me just point out that, at least at this point, all of the fees and fines, with the exception of the \$2 on the traffic tickets, defaults to the General Fund.

MR. BRUNE: Okay.

MS. HIGGINS: So we do take in substantial fees and fines, but they are anticipated revenue to the General Fund. Analysis will be shared though.

MR. BRUNE: Thanks.

MS. MOLNAR: Any other questions or comments? (no response)
If not, I'd like to thank you, Your Honor, and your staff, for your presentation today.

JUDGE WILLIAMS: Thank you, very much.

MS. MOLNAR: Under other business -- I don't think we have any other business other than our next meeting will be October 12th at -- we'll find a place -- it may be here, I don't know.

MR. GENIESSE: It will be here.

MS. MOLNAR: Probably be in the same room, here, on the 12th of October. Meeting adjourned. Thank you.

(MEETING CONCLUDED)