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# *Commission Meeting*

of

## NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

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**LOCATION:** Committee Room 11  
State House Annex  
Trenton, New Jersey

**DATE:** October 6, 2000  
10:00 a.m.

**MEMBERS OF COMMISSION PRESENT:**

B. Carol Molnar, Chair  
Anthony F. Annese, Vice-Chair  
Robert A. Roth

**ALSO PRESENT:**

Caroline Joyce  
(representing Senator Robert E. Littell)  
David Rousseau  
(representing Senator Bernard F. Kenny Jr.)  
Jerry Traino  
(representing Assemblyman Francis J. Blee)  
Mary Alice Messenger  
(representing Assemblywoman Barbara Buono)  
Gail Alexander  
(representing Roland M. Machold)  
Edward Troy  
(representing Janice Mitchell Mintz)  
Gary Brune  
(representing Office of Management and Budget)

John Geniesse, Acting Executive Director  
New Jersey Commission on Capital Budgeting and Planning



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

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**B. CAROL MOLNAR (Chair):** I'd like to call the Capital Planning Commission meeting to order.

In accordance with Chapter 231, Open Public Meeting Law, the Commission has provided adequate public notice of this meeting by giving written notice of time, date, and location. Notice of the meeting has been filed at least 48 hours in advance by mail and/or faxed to the Trenton *Times* and the *Star-Ledger* and filed with the Office of the Secretary of State.

We'll now take the roll call.

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

MR. ANNESE: Here.

MR. GENIESSSE: Mr. Roth.

MR. ROTH: Here.

MR. GENIESSSE: Senator Littell. (no response)

Senator Kenny. (no response)

Mr. Traino for Assemblyman Blee.

MR. TRAINO: Here.

MR. GENIESSSE: Ms. Messenger for Assemblywoman Buono.

MS. MESSENGER: Here.

MR. GENIESSSE: Ms. Alexander for Treasurer Machold.

MS. ALEXANDER: Here.

MR. GENIESSSE: Mr. Troy for Commissioner Mintz.

MR. TROY: Here.

MR. GENIESSSE: Ms. Villane. (no response)

Ms. Molnar.

MS. MOLNAR: Here.

MR. GENIESSE: Madam Chair, we have seven members or their designees present. That constitutes a quorum.

MS. MOLNAR: Thank you.

The next order of business is election of Chair and Vice Chair.

MR. ROTH: Madam Chair, I'd like to thank you for your work on this Commission, and I'd like to nominate you again for the position of Chair of this Commission.

MS. MOLNAR: Thank you. It's been a pleasure serving with you.

MR. GENIESSE: Do we have a second?

MS. ALEXANDER: I'll second.

MR. GENIESSE: Are there any other nominations? (no response)

I guess we close the nominations.

We'll take a vote.

Mr. Annese.

MR. ANNESE: Yes.

MR. GENIESSE: Mr. Roth.

MR. ROTH: Yes.

MR. GENIESSE: Mr. Traino.

MR. TRAINO: Yes.

MR. GENIESSE: Ms. Messenger.

MS. MESSENGER: Yes.

MR. GENIESSE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESSE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESSSE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESSSE: Motion carries.

Thank you.

Thank you very much.

As many of you know, I was appointed by Governor Kean in 1988 and appointed Chair by Governor Whitman in 1993. So it's been a pleasure working with the State government.

Our next item is the election of a Vice Chair.

Do I hear a motion?

MR. ROTH: Madam Chair.

MS. MOLNAR: Yes.

MR. ROTH: I'd like to nominate Anthony Annese as Vice Chair.

MS. MOLNAR: Okay. I'll second that.

Any other nominations or discussion? (no response)

If not, we'll take a roll.

MR. GENIESSSE: Mr. Annese.

MR. ANNESE: Oh, absolutely. (laughter)

MR. GENIESSSE: Mr. Roth.

MR. ROTH: Yes.

MR. GENIESSSE: Mr. Traino.

MR. TRAINO: Yes.

MR. GENIESSSE: Ms. Messenger.

MS. MESSENGER: Yes.

MR. GENIESSSE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESSE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESSE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESSE: Motion carries.

MS. MOLNAR: Thank you.

The next item is the approval of our scheduled meetings.

As you see, we have very aggressive agendas coming up in the next two meetings. Four meetings-- Four hearings have been condensed to three. It has been suggested that, perhaps for the October 27 and November 17 meetings, we start at 9:30.

Is there any comment or any really big objection, or would you rather keep it at 10:00? Any discussion? (no response)

MS. ALEXANDER: It's not a problem for me; I'm here.

MR. ROTH: I think we can try.

MS. MOLNAR: Okay, we can start at 9:30, and if we don't have a quorum, we'll hold off on any action items, especially if you hit traffic or something. Some meetings-- The next two meetings, we have seven departments.

Okay, we will try to start as close to 9:30 as possible.

Thank you.

Next item is our Executive Director's report.

Oh, I'm sorry, we have to actually adopt the schedule that was in your packet. The next meeting is October 27, then November 17, which will

include the debt report, and then we decide on the recommendations on December 8.

Do I hear a motion to accept the schedule to begin at 9:30?

MR. ROTH: Madam Chair, just a comment first.

MS. MOLNAR: Sure.

MR. ROTH: November 17 is the week of the League of Municipalities' Convention. It's going to be very difficult for some of us to be here.

MS. MOLNAR: Yeah, we were aware. We were originally going to meet that Wednesday, I believe. And that was switched to the 17th. The League is over on Thursday, or does it continue through Friday?

MR. ROTH: Friday.

MS. MOLNAR: It is through Friday. I thought it was over by Thursday.

Well, I think we can plan to meet, and we just won't be able to vote on an item if we don't have a quorum.

MR. GENIESSE: Yes, Madam Chair, that meeting will probably be-- Is the debt report that meeting?

MS. MOLNAR: Yes, that's the debt report.

MR. GENIESSE: Okay, all right, well--

MS. MOLNAR: I don't think we had a lot of flexibility on that because of the debt report.

So, if our colleagues at the League meeting-- If you could make it eventually, it would be good, that day.

Any other questions or comments? (no response) If not, we'll move on to the Executive Director's report.

Oh, I'm sorry, we didn't vote on the schedule.

Do I hear a motion to accept the schedule?

MR. ROTH: So moved.

MS. MOLNAR: Do I hear a second?

MR. ANNESE: Second.

MS. MOLNAR: Okay.

MR. GENIESE: Mr. Annese.

MR. ANNESE: Yes.

MR. GENIESE: Mr. Roth.

MR. ROTH: Yes.

MR. GENIESE: Mr. Traino.

MR. TRAINO: Yes.

MR. GENIESE: Ms. Messenger.

MS. MESSENGER: Yes.

MR. GENIESE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESE: Ms. Joyce.

MS. JOYCE: Yes.

MR. GENIESE: Eight votes in the affirmative, motions carries.

MS. MOLNAR: Thank you.

And now, the Executive Director's report.

MR. GENIESSE: Okay.

Madam Chair, I'll be very brief.

I just want to inform the Commission members, if they aren't aware of it already, that, in addition to the resignations -- we had the resignation of Martin Davidoff in December of last year. That appointment, which comes from the Senate President's office-- We are still awaiting a recommendation appointment for that position.

Assemblywoman Buono has been appointed in place of Assemblyman Romano.

Michael Ferrara, who was a member of this Commission for several years and a colleague and a friend at the Office of Management and Budget, resigned from State government and resigned his membership on the Commission effective August 31. That is the Governor's appointment, which is not completely through the process, but we did want to introduce everybody to Gary Brune, who is the pending appointment for that spot on the Commission, and we look forward to his participation on the Commission. He's sitting in today. So, at the present time, we have actually two vacancies on the Commission.

I wanted, also, to thank the Commission members and the agencies who are affected for the changes that we did make in the schedule that were necessary. We had two agencies which asked to change the Department of State to accommodate the Secretary of State actually presenting his Department's capital presentation. And the Department of

Health and Senior Services, who, as the Commission members know, received funding this year for a feasibility and programming study for a new health laboratory. And that contract was just recently awarded. And they wanted to have-- The Department wanted to have the benefit of preliminary findings of that feasibility study to present to the Commission with regard to the health lab. So again, we appreciate your understanding on those changes.

So the meetings may be a little bit longer, but through the good offices of Gail Alexander and the Treasurer's Office, we won't go hungry. Just to inform you, if you didn't know, we do have some food in the back and coffee, as well.

And I just want to point out, we also left for you the midyear economic report from the Council of Economic -- Governor's Council of Economic Advisors for your information.

Madam Chair, that concludes my report.

MS. MOLNAR: Thank you.

Any questions or comments? (no response) If not, we have to do some administrative work and approve the minutes -- six meetings -- you should strike the 8-13-99 minutes, as they were approved at the September 19, 1999 meeting, so the balance still has to be approved. I believe you all got a packet sent to your home of these minutes.

Do I hear a motion to accept these minutes?

MR. ROTH: Madam Chair, I move to accept the six minutes.

MS. MOLNAR: Thank you.

Do I hear a second?

MR. ANNESE: Second.

MS. MOLNAR: Thank you.

Any discussion? (no response) If not, we'll take the roll.

MR. GENIESE: Mr. Annese.

MR. ANNESE: Yes.

MR. GENIESE: Mr. Roth.

MR. ROTH: Yes.

MR. GENIESE: Ms. Joyce.

MS. JOYCE: Yes.

MR. GENIESE: Mr. Traino.

MR. TRAINO: Yes.

MR. GENIESE: Ms. Messenger.

MS. MESSENGER: Since the Assemblywoman wasn't a member for most of those meetings, we will abstain.

MR. GENIESE: Ms. Alexander.

MS. ALEXANDER: Yes.

MR. GENIESE: Mr. Troy.

MR. TROY: Yes.

MR. GENIESE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESE: Seven votes in the affirmative, motion carries.

MS. MOLNAR: Thank you.

We will begin our capital presentations.

We are taking the schedule a little out of order. We will do the Department of Education first due to an emergency.

Okay, I'd like to welcome the Department of Education.

Could you introduce yourself for the stenographers?

Welcome.

**MICHAEL MADDALUNA:** Good morning, Madam Chairwoman and members of the Commission.

I want to thank you for the opportunity to testify about the Department of Education's Fiscal Year 2002 capital budget request.

My name is Mike Maddaluna, Coordinating County Superintendent for the Central Region, representing Dr. Maria Nuccetelli, Acting Executive Commissioner, Division of Field Services.

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 Geniesse, Mr. Ted Kukowski, and Mr. Ken Kutch of the Commission staff for their assistance and advice in preparing this budget request. Their continued support has been greatly appreciated.

I would also like to introduce my colleagues from the Department of Education, Dr. Arthur Spangenberg from the Division of Administration. Also with me today are Mr. Ron Goodwin, Superintendent of the Katzenbach School for the Deaf, and Mr. Al Long from the Division of Field Services, who serves as a liaison to the Katzenbach School and the Regional Day Schools.

The capital projects that you approved last year and which were appropriated in the State's Fiscal Year 2001 budget are scheduled for completion during the next 18 months. Your support of the priority projects we have identified for Fiscal Year 2002 is especially critical if we are to fulfill

our responsibilities under State law to provide a healthy and safe environment for the students with disabilities who attend these State schools.

We have carefully reviewed the requests submitted by the schools and have included, in our package, 13 priority projects that we consider critical to the maintenance of the buildings and to the health, safety, and well-being of the students who use them.

Our total request of \$3.895 million is based on a thorough review of all of 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 the most essential projects for your consideration.

Although I am aware of the constraints on funding for the capital projects, I can say that each of the projects I am proposing are essential and merits your serious consideration and full support.

The Katzenbach School for the Deaf provides facilities for education, 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 nine projects at the school, totaling \$1.965 million. Priorities 3, 4, 6, 7, 9, 10, 11, 12, and 13 reflect the current capital construction needs at Katzenbach.

Priority 3 requests \$265,000 to remove and replace the asbestos floor tile in Building 28 that is over 40 years old and in varying stages of decay. There are in excess of 20,000 feet of worn, cracked tile in this building, which is used as a dormitory and for instructional purposes.

Priority 4 is a request for \$125,000 to relight the lower school building, No. 14, to bring illumination levels in classrooms, dormitory rooms, and the cafeteria to acceptable minimum standards. Over 160 fixtures must be replaced along with rewiring. Current illumination levels vary widely with the best lit areas in the 40-foot-candle area. The standard is 50 F.C.

Priority 6 reflects the completion of a fire alarm system upgrade at a cost of \$135,000 that was initially funded in FY '99, \$158,000. In that first stage, electromechanical sensors were replaced with digital head ends and transmitters throughout the campus. This current request, triggered by a fire marshal inspection report, will fund the replacement of over 100 strobe light warning devices. Currently, the strobe lights are capable for registering a false-positive test signal. The installation of an additional 92 devices in various locations on the campus was also recommended by the fire marshal.

Priority 7 requests \$400,000 to rehabilitate 40 student dormitory bathrooms. Work includes replacing wall tile, replacing toilets as needed, installing shower inserts, fabricating new vanities and mirrors for student use. The bathrooms are over 40 years old. Tile is missing and broken, vanities are broken, heating vents are rusted, and showers are leaking into rooms below. If this situation is not addressed, the bathrooms will continue to deteriorate.

Priority 9, \$320,000, proposes the installation of an elevator in the middle school building, No. 1. This is the instructional and administrative center of the Katzenbach School for the Deaf. Currently, there are no elevators allowing wheelchair access to the portion of this building in which classes are held, while there is wheelchair access at the lower school and high

school. This lack of access leaves us noncompliant with the provisions of the Americans with Disabilities Act.

Priority 10 requests \$150,000 to address the replacement of worn out steam and water valves feeding the major buildings on campus. The main steam and water valves are old and deteriorated. They no longer function effectively. When water or steam repairs are being done on one building, the school is faced with a potential campus-wide shutdown.

Priority 11, \$250,000, is a request to replace the domestic water mains supplying the bathrooms and the wastewater piping in Building 29. This building has over 4000 square feet of finished school space in the basement. Having had two basement floods in the last five years caused by breaks in the 70-year-old galvanized pipes, this priority addresses a very real problem.

Priority 12 would provide \$75,000 to replace the roof, on Building 24, Jochem Center. The roof is approximately 20 years old and has reached the end of its anticipated service life.

Priority 13 requests \$245,000 to upgrade the electrical service and wiring in Building 7. This building provides classrooms for over 140 students, whose educational needs, including their increased use of computers, is not supported by the current electrical system.

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 17 years old or more, and we are in the process of replacing key structural building units.

The Department is requesting funds for four projects at the Regional Day Schools at a cost of \$1.93 million in priorities 1, 2, 5, and 8.

Priority 1 is for \$1.6 million to remove and replace the roof of the Bleshman Regional Day School in Bergen County. The capital budget had included funding of \$130,000 in FY '99 for repairing leaks to that roof. In the course of repairing the roof and preparing for the HVAC ductwork replacement, FY 2000, an engineering study done by the Office of Design and Construction verified that the roof had failed. Plans to replace the HVAC ductwork, FY 2000, are on hold until the roof is replaced. Due to the extensive nature of the project, it cannot be undertaken and completed during a summer while children are not present. Consequently, the job will have to be completed in stages while school is in session. This roof is in such poor condition that it must be replaced as soon as possible.

Priority 2 is for the Newark Regional Day School's request of \$15,000 for the construction of a covered entrance canopy. The vestibule will enable the Regional Day School to load and unload children with multiple disabilities during inclement weather. This project is important, because it directly affects the health of these medically fragile children.

Priority 5 involves expending \$80,000 at the Piscataway Regional Day School to replace their front entry doors with dual automatic powered doors. This project will facilitate the arrival and departure of the students with severe multiple disabilities, many of whom are wheelchair bound. The project

responds not only to ADA concerns, but to health and safety issues relative to building evacuation.

Priority 8 is concerned with completing the sealing and waterproofing of the exterior of the Piscataway Regional Day School at an expense of \$135,000. In FY 2000, a capital request for \$110,000 was approved to repair exterior wall leaks, which were causing wall separation. The preliminary work on that project revealed the additional need to repoint the cement work and seal the brickwork. This will complement the structural integrity.

This completes my presentation. Thank you for your consideration of our requests. Your continued support is very much appreciated. Myself and my colleagues will be glad to respond to any questions that you may have.

MS. MOLNAR: Thank you for your presentation.

Any questions or comments from Commission members?

MR. ROTH: Madam Chair.

MS. MOLNAR: Mr. Roth.

MR. ROTH: I have one question concerning the elevator at Katzenbach Middle School. Do you know how much that's going to cost, annually, to maintain?

MR. MADDALUNA: I don't know. I have to ask--

**RAY A. LONG JR.:** The annual cost, no, but we can find out for you.

MR. ROTH: Thank you.

MS. MOLNAR: Any other--

Ms. Alexander.

MS. ALEXANDER: In the regional schools, you were talking about a canopy for a vestibule. Is that a permanent, or were you-- Is that a concrete or permanent canopy, or were you considering a canvass?

MR. LONG: What we're trying to do is put in a-- Actually, it's even more than a canopy, because it will have sides on it. We have children-- There's an expanse that is probably, I would guess, maybe the distance to the back wall that needs to be -- where we need to have an overhang. We have very medically fragile youngsters there. And we also have kids who have very severe physical disabilities. And in inclement weather, particularly, this is really a hazardous situation.

MS. MOLNAR: Any questions? (no response)

I had just one question.

Have you developed a long-range capital plan for the Regional Day Schools?

MR. LONG: Yes, we have.

MS. MOLNAR: Okay. This, somehow, dovetails with it -- some of these recommendations?

**ARTHUR H. SPANGENBERG, Ed.D.:** We have-- There's two pieces that fit as part of the Commission's plan. We have a seven-year capital plan for Katzenbach and all the Regional Day Schools. In addition to that, as part of the annual process of reviewing the budgets and tuition rates of the Regional Day School operators, we require them to submit to us their ongoing maintenance and repair programs with the buildings.

MS. MOLNAR: Terrific, thanks.

Any other questions or comments? (no response)

If not, I'd like to thank you for your presentation.

MR. MADDALUNA: Thank you.

DR. SPANGENGERG: And I thank the Commission for letting us go so I can get to the hospital. I appreciate it.

MS. MOLNAR: Our next Department is the Commission on Higher Education. I'd like to welcome Jim Sulton.

**JAMES E. SULTON JR., Ph.D.:** Good morning, Madam Chair, members of the Commission.

I'm joined by President George Pruitt of Thomas Edison State College, Vice President Mike Scheiring of Thomas Edison State College in my presentation today.

I am James Sulton. I'm the Executive Director of the New Jersey Commission on Higher Education. It is a pleasure to appear before you to discuss the capital needs of New Jersey's four-year public colleges and universities.

Over the past several years, the Capital Commission has supported the Commission on Higher Education's requests for funding to address deferred maintenance needs at the senior public institutions, and that support is greatly appreciated.

As a result of the requests of the higher education community and your ongoing support, in September 1999, the Governor and Legislature created the Higher Education Capital Improvement Fund for the four-year public and independent institutions. This fund specifically directs \$500 million to the four-year public institutions for deferred maintenance, facility compliance, and other construction. It is a shared commitment to address the

needs, with the institutions paying one-third of the debt service and the State paying two-thirds.

I'd like to provide you with a brief status report on this program. At our Commission meeting on September 22, the Commission approved projects totaling almost \$29 million, \$26 million of which is for public institutions. To date, the total value of the projects we have approved is \$367 million, two-thirds of the amount authorized. Eight of the eleven public institutions have requested approval for all or part of their allocations, as have nine of the fourteen private colleges and universities. Last July, the Educational Facilities Authority sold the first \$133 million of bonds, with another sale anticipated in December. In short, institutions are working hard to clear up the backlog of deferred maintenance and renewal programs that has concerned us all.

As the former Commission chair, Al Cade, said last year, the Commission believes that the critical next step is an annual appropriation to assist the senior public institutions with ongoing capital maintenance needs.

Specifically, the Commission encourages you to recommend a Fiscal Year 2002 appropriation for each of the 11 institutions, based upon the replacement value of their academic facilities. According to information provided through a survey we conducted in 1997-98, this total is \$3.417 billion; the annual capital appropriation would thus be \$34.2 million.

Most recent figures would, of course, change that amount. We recognize that the institutions must be ever vigilant in designating funds to maintain their campus assets, but ongoing maintenance of these assets should be a priority for the State, as well.

Although our emphasis has been on maintaining higher education's assets, I do not want to diminish the need for new construction. For the next decade, there will be increasing demand, in sheer numbers of potential students, for higher education. Many of these potential students will be looking for a traditional collegiate experience, meaning that all kinds of facilities, residence halls, student centers, classrooms, and labs will be needed or even demanded. To cite one example, our schools of education point out that increasing the numbers of teachers that they prepare will require not only more faculty, but also more and different kinds of space in which the new teachers can learn their craft.

As you are aware, financing new construction on college campuses can be complex. The traditional means is to issue debt, which is redeemed through earmarked tuition or fees, but here are opportunities for fund-raising and even Federal support to offset costs. The Commission on Higher Education therefore urges you to review the institutions' requests for new construction in light of the State's priorities, as well as financial alternatives.

Through your past recommendations, the Capital Commission has acknowledged the importance of maintaining the infrastructure that supports teaching, learning, and research at our public colleges and universities. You have recognized the economic dividends New Jersey reaps from a higher education system prepared to serve the workforce, conduct research with commercial applications, and directly meet the needs of business and industry. We encourage your continued support of the four-year public colleges and universities to ensure the future health of our higher education system and the prosperity of our state. The need for new facilities must not be neglected,

although we continue to believe that the first priority for the State's capital dollars should be annual appropriations for maintenance.

In closing, I also would like to thank Mr. John Geniesse, the Executive Director of the Capital Commission on Budgeting and Planning, for his assistance throughout the years, and this year especially.

Thank you.

MS. MOLNAR: Thank you.

I had just one question.

You mentioned that there will be another bond sale in December. Do you know the size of that bond?

DR. SULTON: We don't have all of the institutional requests yet, Madam Chair, so I can get that information once they're all in. We usually get those a month before, so we'll have that in November.

MS. MOLNAR: Do you think it will approach the \$133 million?

DR. SULTON: I do think it will, because they are anxious to exhaust that funding -- or they are anxious to meet their needs, I should say.

MS. MOLNAR: There's still \$417 million left in that bond, I believe.

DR. SULTON: I think that's right.

MS. MOLNAR: Yes, 550 -- and you've appropriated \$133 million.

Any questions or comments?

MR. ROTH: I have a comment.

MS. MOLNAR: Mr. Roth.

MR. ROTH: In prior years, we've always shown concern with the amount of dollar impact on either increased cost or savings as a result of making these capital expenditures. But I notice-- I'm very happy that there are perhaps two or three dozen of your projects that have these impact statements. But I also noticed that there's probably at least that number, if not more, that don't have the statements.

I think it's important that we show what we think we're going to have to spend each year to maintain these facilities so that we can assure ourselves that you won't be back here five years, six years, seven years from now asking for the money all over again. And I'm wondering if we can fill in the blanks where there presently are zeros.

DR. SULTON: I appreciate the comment. I think it's well-taken.

We have also noticed the need to do a better job with projecting costs. We appreciate the Capital Improvement Fund, but we would like to be able to project needs so that we don't have to address deferred maintenance on a crisis basis. That, to me, means that we should do exactly what you're talking about. And we currently have, in higher education, a committee working on capital construction, planning to come back to the Commission, hopefully soon, with an overall recommendation for how we should approach capital construction planning in the context of higher education. That would include both deferred maintenance and new construction.

MR. ROTH: Thank you.

MS. MOLNAR: Now, this may be a question for John.

Last year, this Commission did not recommend any funding. It's because of the bond -- the moneys that were available under the Higher Ed Capital Improvement Fund?

MR. GENIESSE: Yes, that is correct, Madam Chair. Because of the \$550 million bond authorization, which had not been yet accessed or appropriated, the Commission recommended no current capital funds.

MS. MOLNAR: Okay, good.

Any other questions or comments?

MR. TROY: Madam Chair, if I could--

MS. MOLNAR: Yes, Mr. Troy.

MR. TROY: Just to follow up on Mr. Roth's statement.

There's still \$417 million left in the bond issue, yes? And I noticed in the column that's been allocated by schools -- and rather specific, down to \$600 and whatnot. Is there any schedule or anything that you can provide exactly what these dollars are for by projects within the school?

DR. SULTON: Yes, we have that information in our Commission minutes from our Commission meeting. Each one of the institutions submits detailed requests according to the guidelines or the regulations we issued for the implementation of the capital improvement fund. So there are details.

We have asked the institutions to indicate, in the context of their overall facilities master plan, as well as the individual project plans, how these dollars are going to be spent. So they have them at the institutional level, and they share them with the Commission.

MR. TROY: Thank you.

MS. MOLNAR: Is that available, perhaps, on CD-ROM so that you could actually hand it off.

DR. SULTON: I would think it would have to be inputted on a CD-ROM. I'm a little skeptical about saying it is, yes, definitely available. I don't think it is.

MS. MOLNAR: Okay, thank you.

Any other questions or comments? (no response)

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

DR. SULTON: Thank you very much, Madam Chair.

MS. MOLNAR: Our next Department is the State Library, Thomas Edison College.

I'd like to welcome Jack Livingstone.

Good morning.

**JOHN H. LIVINGSTONE:** Thank you and good morning, Madam Chair and members of the Commission.

You've already met Mike Scheiring, Vice President of Thomas Edison State College. Brian Goldsmith is here to help me from the State Library staff, as well.

In the last three years, the State Library, as an affiliate of Thomas Edison State College, has acquired new equipment to properly serve State agencies, the Legislature, and other users.

Your recommendation and support for modernizing the State Library's technology has allowed us to: one, replace the online cataloging and circulation-control system with a state-of-the-art system; two, replace the outmoded public access workstations with high speed, large-memory PCs;

three, provide computerized workstations for staff for research; four, provide equipment for scanning and imaging of unique materials, both historical and current, for distribution on the World Wide Web.

Earlier capital improvement projects have allowed the State Library to install stack shelving at the Library for the Blind, upgrade their telecommunications and Audiovision system, and install a fire-suppression system at the State Library.

Your approval of these capital budget requests has propelled the State Library forward and permitted us to vastly improve services to the blind and handicapped while establishing a computerized research system for the benefit of State agencies and the Legislature. It has allowed the State Library to become current with today's technology and to participate as a full partner in the State's Libraries 2000 technology plan for public libraries.

This plan was framed as a partnership, building upon local investment and local strengths. It is practical, cost-effective, and is working. It has allowed us to provide free Internet access to all the public libraries of the state. In a matter of two years, we have connected 95 percent of the state's 450 public library buildings to the Internet with dedicated high-speed lines. This system has received recognition as a model for other states.

As we direct this massive effort, it becomes essential that several capital project needs still must be met if the State Library is to continue its leadership.

For Fiscal Year 2002, our first priority is for \$319,000 to reconfigure the Level 2 area just vacated by the State archives. We will now be able to finish the fire-suppression project with the installation of sprinklers.

We then will convert the 13,000-square-foot area to library use. New shelving will be necessary to house collections, including thousands of volumes that were shifted to the Library for the Blind because of lack of space. This includes rare genealogy collections, law materials, and many volumes of American and New Jersey history. This material now occupies one-sixth of the shelving at the Library for the Blind; that equates to 192 double-faced sections. By freeing up this shelving, we will add 21 percent to the collection space needed at the Library for the Blind and Handicapped for the continuing inflow of new materials.

Thus, this move into the former archives area of Level 2 will accomplish several purposes. It will open needed space in other sections of the State Library, with an internal shift of materials. It will permit key elements of the collection, now inaccessible, to be shifted from the Library for the Blind to the State Library, and again be available to researchers and the public. It will open much needed space at the LBH for further growth of the collection.

This area will need furnishings for reader space, including tables, chairs, and computers. Office space will need to be equipped for staff use, and it will require construction of telephone/data and electrical closets. New lighting and carpeting will be necessary. Move-in expenses will also be incurred.

Without this funding, this much needed space will be unusable, 10 percent of the collection will continue to remain split between two buildings, and the Library for the Blind will still be unable to use one-sixth of their space.

Our second priority is for \$400,000 to continue to upgrade the computerization of the State Library.

To give you a picture of the levels of use by our patrons, the number of what we call content hits, via the Internet through both the CyberDesk reference service and the Library for the Blind and Handicapped Web page, was over 1.3 million for the Fiscal Year 2000. This is an increase of 136 percent in just two years.

This funding is needed for more PCs and printers for staff and users, statewide access to databases, electronic software upgrades, climate control for the computer room, and video conferencing hardware. Appropriations of previous years, approved by this Commission, have pulled the State Library out of the backwaters of technology and into the forefront of electronic services. We thank you for that assistance.

The third priority is for \$400,000 for the State Library to hire an architect/engineer in Fiscal Year 2002 to review and update the entire building program. The Commission recommended funding this project for Fiscal Year 2001. This study, which would inventory library collections, determine growth rates, and specify the impact of technology on the library's services, both to the state, is a necessary first step in updating the State Library for the future. By spending \$400,000 in Fiscal Year 2002, the State Library will gain a year, thereby cutting a year from the planning to construction phase, at an estimated savings of \$2.8 million.

The final priority is to expand and renovate the State Library at a cost of \$58.894 million. The State Library building will be 38 years old in Fiscal Year 2003. It is functionally obsolete and out of space for its growing

research collections. Today's building still contains the original furniture, broken and patched, with plaster crumbling from the walls, threadbare carpeting, and an unsightly patchwork of outdated lighting fixtures. This fine research library is housed in an old building with outdated, unserviceable furnishings, broken chairs, and original lights and ceilings.

We are requesting a new State Library building of 203,000 square feet, including the total renovation of the existing 103,000-square-foot facility, which would be designed and equipped for 21st century demands.

The State Library serves the Legislature, the Executive Branch, State agencies, the libraries of New Jersey, and the people of the state. An updated and fully functional building is necessary to do this job.

To summarize, the building needs new space for collections and reading rooms and meeting rooms for the public. It needs to be completely wired for technology, with furniture designed for computers and associated hardware.

This is a huge undertaking, for which continuity and commitment of the State will be required. For that reason, it is proposed that one appropriation be provided for overall funding for the project, permitting the hiring of one architect, the preparation of one set of construction documents, and construction by one set of contractors. The cost estimate for this construction is based on the assumption that the 100,000-square-foot addition will be on State-owned land, adjacent to the present library. The working estimate for this is \$32 million for the Fiscal Year 2003.

The renovation of the present 103,000-square-foot facility is based upon the 1995 cost estimates of the U.S.A. Architects for the Division of

Property Management, Department of the Treasury, with construction costs for the State Library portion rolled forward to Fiscal Year 2003.

If the request for the architectural study is awarded, \$400,000 can be deducted from the \$58.9 million building cost.

I trust, from the above, that the Commission will understand that a continuing capital investment will be needed to replace obsolete equipment and to provide for new developments unforeseen at this time. Today's technology is changing so rapidly that all our libraries must make a continuing investment in this technology in order to serve the information needs of the public. The State Library's position is no different, as it works to open its collections, through the Internet, to all New Jersey residents. This is a new era for the dissemination of information. Already, much that was available in a published format is only provided electronically. The latest hardware and software are essential for the State Library to properly serve our clientele. This capital investment will ensure that we can effectively prepare our citizens in the new century.

I thank you very much for this opportunity and really for your very strong and continuing support for all the years that I've been testifying before you.

Now, Madam Chair, with your indulgence, I would like to take just a few minutes. I have some architectural sketches, which can give an idea of the vision that we have. Nothing is complete, obviously, but it will make what I'm talking about a little clearer.

MS. MOLNAR: Okay. Thank you.

HEARING REPORTER: Madam Chair.

MS. MOLNAR: Yes.

HEARING REPORTER: If he could sit and speak -- otherwise we won't hear it.

MS. MOLNAR: Oh, okay.

You're going to have to be by a microphone.

MR. LIVINGSTONE: I'll do that.

I'd like to say that I asked Mr. Faridy of Faridy, Veisz, and Fraytak to do this for me to just give an overall view of the conceptions that we've been thinking about.

Mr. Faridy is an architect who has done dozens of public library buildings, a number of schools all over New Jersey. He's worked at the UN Building and right here in Trenton. You've probably-- Every one of us has probably visited the Riverfront ballpark. That was designed by Jim Faridy.

This is a vision of the whole area -- the cultural plaza area that we're talking about. (indicating sketches) This is the existing library -- this oblong building right here. The Museum exists right here. This is the planetarium. We're looking from West State Street. The proposed addition would be to the front and a little to the side of the present library. The plaza is over to the left on this side, with the new park that's just been finished -- or being finished. The existing auditorium is right here.

Now, these are some very rough sketches that Mr. Faridy and his staff put together with some different views and concepts of how the library would look from West State Street.

Here's a curved entranceway off to the right. (Indicating) And as you can-- This would probably be all glass so that you'd be able to look

straight through and have a clear vision of the dome of the existing planetarium. This is a different approach here again with some curves at the entranceway and a different glassed-in approach at the top two or three stories.

In this view here, this would all be open at this point, with the -- looking directly through to the dome of the planetarium. And finally, another approach with a different emphasis on a slightly different entrance -- and over here, some glassed area, possibly with elevators.

This gives us a diagram of the-- This white is the present State Library footprint right here. The yellow is the addition. And you can see this is the five floors -- five levels of the State Library. We now have five levels in the present footprint. And this would continue that effort, and it would add about 20,000 square feet on each of the levels for a total of about 100,000 square feet to the building, which now is 103,000 with all five levels.

And then finally, a different view of how this could possibly look. Here we're looking from West State Street to the front of the Library -- the Museum off to the right -- the dome is visible of the planetarium behind here. And this is the new entranceway, with possibly something special going on here -- a glassed-in area, which could have the elevators going through there and that sort of thing and the ability to look straight through to the dome of the planetarium. And this view is from the other side -- from -- looking from the planetarium side toward the rear. And this would be the back of the State Library from that vantage point -- from the river.

These are, obviously, not finalized in any way. I just asked Mr. Faridy to come and spend some time with us and then put together some visions of how a new library would appear on the present lot. And you can see

it would be a tremendous visual and cultural asset to this beautiful, cultural park that we're now putting together.

Thank you very much.

MS. MOLNAR: Thank you.

I had one question -- well, one comment.

Mr. Faridy has just dedicated his 1003rd school building, so he's really very busy.

MR. LIVINGSTONE: Yeah, he is a busy man. We kept him busy and his whole staff busy for a week on this, because I just handed it to him at the last second.

MS. MOLNAR: I have more of a global question on this library. I know our local library-- They claim their attendance is down due to the Internet. I'm wondering, is there less of a need for mortar and brick and more of a need for more technology, perhaps? And why are you doubling the size of the Library?

MR. LIVINGSTONE: Well, that's a good question.

What's your local library?

MS. MOLNAR: Westfield, New Jersey.

MR. LIVINGSTONE: Westfield, that's interesting.

Most libraries-- What's down is the circulation, but the use of the library is up, because we have more people coming in to use the technology to get onto the Internet, to take advantage of such things as statewide contracts for periodicals that can be printed out right there -- latest articles for thousands of periodicals that can be available now at the library, that kind of thing.

The State Library's role is a little bit different, however, than a public library. We're a research facility. We do very little weeding of the collection, for example, because being a research library, we have the need, from time to time, to be able to go back and pull out basic records that people are looking for, supplemental material that's been published to dwell on a particular object and subject, for example.

We've been out of space for a long time, so we need more space, because the collection now-- At least 50 percent of our collection are in compact shelving. It was not designed to hold the new part of the collection. The compact shelving means that only one person or two people at a time can get into those stack areas. They have to open them up and see what it is they want. So we've done everything, including, as I've mentioned earlier, the fact that we've stored 10 percent of our collection at the Library for the Blind because of the lack of space.

We need meeting rooms. We envision that we will be serving the public in a lot broader and larger fashion than we have ever done before. Now, with this new technology, we can already see the difference, as well as the lawyers of the State agencies.

MS. MOLNAR: Thank you.

Any other questions or comments?

MR. TROY: Yes, if I may, Madam Chair.

MS. MOLNAR: Yes, Mr. Troy.

MR. TROY: Can I just go back to Slide 1 here for a minute?

MR. LIVINGSTONE: Sure.

MR. TROY: Mr. Livingstone, in terms of the proposed library addition, is that the \$58 million that you have listed here? That's the total?

MR. LIVINGSTONE: The \$58 million would be the total for completely renovating the existing library and the addition, as well.

MR. TROY: So this is for the whole package.

**MICHAEL J. SCHEIRING:** That's the whole package, right.

MR. TROY: If you didn't add the proposed-- How much is just the proposed library addition, exclusive--

MR. LIVINGSTONE: I think I said that would be \$32 million, something like that.

MR. TROY: So, for about \$20-some million, you could renovate the existing structure to the point of where you're going.

And just one last question. In terms of your first priority, the reconfiguration of Level 2, which one of that is Level 2?

MR. LIVINGSTONE: Level 2 is one level underground. We go down two levels below street level. And that's the first level underground at the present time.

MR. TROY: Okay, thank you.

MR. LIVINGSTONE: I should add, too, that while this is being done-- The way this is configured, we will not lose any time open to the public, because the new part of this library can be constructed while we continue to operate under normal condition. And then, of course, we'll reverse our operation when it comes time to gut the present building and reconfigure it. So that's a consideration, too.

MS. MOLNAR: On that issue, would work on the Level 2 -- once that's completed, would that be affected by the addition? Would the addition have to -- put steel or affect that level at all?

MR. LIVINGSTONE: No, it wouldn't.

MR. SCHEIRING: It's underground.

MR. LIVINGSTONE: But they're going to go down those two levels, you're right. But it will not be affected.

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

MR. LIVINGSTONE: Thank you very much.

MS. MOLNAR: Our next Department is the Department of Law and Public Safety. I'd like to welcome Tom O'Reilly.

Good morning.

**THOMAS J. O'REILLY:** Good morning. How are you?

Chairwoman Molnar, members of the Commission, Acting Director John Geniesse, on behalf of Attorney General Farmer, I am pleased to be here today to present the Department of Law and Public Safety's Fiscal Year 2001 Capital Improvement Plan -- 2002, excuse me.

I'd like to, at this time, introduce Dan Foster, who is our Director of Budget and Facilities; also, Lieutenant Mark Kaminski, who heads up the facilities unit at the Division of State Police.

I'd like to extend my appreciation to you for your support of our Department's capital projects, and more recently, the support of the Hamilton State Police Facility. This facility will play a major role in improvements in the

Division of State Police and also improvements in the services that the Division provides to the citizens of New Jersey.

I'd like to highlight a few of the requests for this year's capital submission. Last year, the Attorney General issued both an interim and final reports of the State Police Review Team. The reports strongly emphasized the need for improvements in the information technology capabilities of the Division of State Police. Last December, we also entered into a Federal consent decree that requires the automation of management information for that Division.

To meet these mandates, and other self-identified reforms, a three-year, \$36 million information technology master plan was developed. We have made tremendous progress in implementing this plan. We are infusing technology into every State Police Patrol Vehicle. We have installed in-car video cameras in all patrol cars. I want to mention we're the first state in the nation to do so, by the way. And we're installing mobile data computers in each vehicle. This will provide troopers with immediate access to Federal, State, and local databases, and again, more importantly, improve public safety and officer safety.

We are making progress in meeting the requirements for an automated management awareness program that is mandated by the Federal consent decree. This program will ultimately provide a computerized way to track and manage individual trooper activities. We have completed the installation of our computer-aided dispatch program, also known as CAD. This is a system for all patrol stations and will be teamed -- and we have teamed with the Office of Information Technology to also automate the

records management portion of CAD. This is critical to assessing information regarding traffic stops and public safety actions taken by our troopers.

We have also awarded a contract for the automation of the records of the Internal Affairs Bureau. And finally, we are currently completing the request for proposal to purchase systems to automate training, medical, human resource, and personnel systems. Timely, accurate data is critical to assisting the Division of State Police with providing services to the citizens, and also to address some of the recent controversies that we've been confronted with.

Our FY 2002 capital request will permit us to continue to complete the three-year plan for technology enhancements and will provide us the necessary capital to make adjustments for nonbudgeted consent decree expenditures.

This request will also aid in upgrading the capital infrastructure, in terms of the training academy, to include campus network connectivity and Internet access. This will support our new training curriculum being taught in all our academy classes.

I just wanted to divert for a moment on this -- is that we've recently adopted the Royal Canadian Mounted Police Adult Training Program in Sea Girt. This uses an adult education program, which is highly technology dependent, in terms of many interactive training modules, as well as much smaller classes. And the technology proposals that haven't been funded and are being requested in this year's request are critical to that -- to the success of that initiative.

Diversity in the workplace is a primary goal for our Department. To that end, the interim and final reports of the State Police Review Team

included a recommendation that all facilities used by the State Police, either owned or leased, must accommodate female troopers. We have reviewed all of these facilities, and 31 of the facilities require some type of retrofitting. We have initiated work on 17 projects, 4 of which are full-scale construction projects.

Last year, we continued to repair and replace roofs and HVA systems. This year, we are installing a sprinkler system in Building 15. The sprinkler system project is a cooperative venture with the Office of Information Technology, since that building, 15, also supports many of their facilities.

Furthermore, we have asked for capital funds for the installation of fire-suppression systems for various buildings at State Police Headquarters, as well as the academy dormitory, located at our academy in Sea Girt.

One of the very important HVAC projects included in the capital plan is the replacement of the failing systems in the State Emergency Operations Center. Although I will shortly talk about a need to build a new operations center, we must replace the HVAC system in the existing facility. The current center is located by ground without proper humidity controls or cooling systems. Many people throughout the state worked in the center during our recent activations for Hurricane Floyd and Y2K. They saw firsthand how difficult it was to operate effectively in that situation.

But upgrading the HVAC system is not enough. The present building is not conducive for emergency operations. The operations center supports daily the operations of the Division of State Police Emergency Management Section. And when a crisis occurs, this center holds upwards of 190 people in less than 7000 square feet. We would like to begin constructing

a new, modern emergency operating center as soon as possible. With the money that has been requested, we could begin the design phase in 2002.

Turning to another State Police issue, funds for our forensic lab equipment are an important part of our capital plan submission. As you know, our central laboratory will be moving to the new Hamilton facility with your help. The State Police will then be able to centralize its biochemical and trace evidence operations, as well as DNA testing.

DNA testing is an essential tool for criminal investigations. This testing is the underpinning of Megan's Law. DNA's value to society and law enforcement increases with every scientific breakthrough and advancement. As technology advances, DNA will be routinely applied in more investigations.

Recently, S-439 was passed by the State Legislature and signed into law by the Governor. And this will require a significant increase in our DNA analyses and also bring under the jurisdiction of DNA testing many additional crimes besides the existing sex crimes that are currently our jurisdiction.

The complexity of cases confronting the State Police crime laboratories requires continuous application of ever-changing technology. The labs' scientific findings must withstand legal challenges. Our request will provide the division with the latest technology and equipment to move the lab -- Hamilton lab forward. The requested equipment, such as the fast gas chromatograph, can analyze arson debris and identify a single dose of GHB, commonly known as the date rape drug, faster and more accurately.

In addition, so much of our current equipment continually needs replacement, as it has surpassed its life expectancy, or it's cost-prohibitive to

continue to repair it. Often, as well, there are new, more efficient ways of doing business. Within the request that's been submitted to you is a request for funding for a laboratory information management system, which is a computerized bar-coded evidence tracking system which will allow us to track the evidence from the time it's collected at the crime scene or submitted by the local police department through the entire analytical process.

In keeping with the movement to E-government, this project will provide for electronic submission of a request for examination to our labs and will allow us to do the subsequent electronic notification of the results to the prosecutors' offices. This should have a significant impact on both investigation speed and also on court -- backlog.

We have asked, also, in this year's capital plan, to replace the present radio system operational at the Division. The State Police system that they're currently using is 15 years old. It supports 21 other State agencies. It has already reached the industry standard for becoming obsolete. The Division of State Police cannot afford to incur busy signals or failures within the system. It is the troopers' and the public's communication lifeline. And most importantly, this system can no longer have dead zones that we currently experience in some locations within the State.

We've also requested funds in FY 2002, coupled with this year's appropriation, would complete our helicopter replacement program. This program would support the critical medevac and law enforcement missions of the State Police and allow them to have the necessary equipment to participate in fugitive searches, investigations, rescues, and highway enforcement.

We have just completed an RFI for this process. The specific request that's presented here would include for three additional helicopters, which would allow us to standardize a multiengined fleet. This would also allow for the interchangeability between the current three medevac ships that are underway, in terms of being purchased, with the law enforcement mission.

Shifting from the air to our water responsibilities, the State Police Hopatcong station sustained severe flood damage this past August. The facility was closed and relocated to a temporary trailer. We have requested funds, as a new station must be built, and it cannot be built on the land that's currently occupied due to the flood zone location.

As we began to implement State Police reforms, unanticipated capital projects were encountered. For example, there is now a need to construct storage space for all of our mobile video recording tapes. The courts have ruled that these tapes, which are tapes that are generated out of each of the patrol cars, must be secured and maintained for future legal actions. We have asked for all of the planning and construction money in next year's capital budget request. We feel we cannot wait two years for this project to commence.

We are engaged, currently, in a joint venture with the Department of Military and Veterans' Affairs at Sea Girt. And the remaining State Police project is directly tied to the reform efforts at that Sea Girt academy. As you are aware, as I mentioned earlier, the type and length of training provided to the recruits has changed. In order to comply with the consent decree and other reform issues, improvements to the Sea Girt academy must be made. We are asking for design funds for the construction of a new, two-story building with

10 classrooms and an amphitheater. This building would also include an indoor firing range.

Though the State Police have taken the majority of my time, the Department does have four capital projects this year that are being requested on behalf of our other divisions. One high priority is the critical repairs that are needed in our office of the State Medical Examiner. Each year, this office is responsible for completing 1600 autopsies and over 3000 toxilogical examinations.

The facility is 20 years old. We must replace buckling concrete floors in autopsy rooms, the condensers in the morgue room, and install -- and the fire sprinkler system must be installed on the second floor for the safety of our employees. Lab equipment also needs replacing, and the parking area needs to be resurfaced.

As space becomes a premium for all State Departments, our Department is fortunate in having the Johnstone Campus in Bordentown available to us. We are asking for renovation funds in the first year for improvements to two buildings on the campus. These funds would be used to create offices for the Juvenile Justice Commission, which is currently in leased space in Lawrence Township, and to determine if the remaining buildings could be renovated or used by the Commission for possibly Juvenile Justice Commission activities, the State Police, or the Division of Law. The cost of renovations, we anticipate, would be offset in future years by lease savings.

Finally, we have two projects for the Division of Consumer Affairs. The first is the purchase of a comprehensive licensing and case management tracking system for the Division's offices of Consumer Protection, Weights and

Measures, the Bureau of Securities. These units are responsible for regulating business. And again, this would help move us towards the E-government accessibility that has been set as a priority for this administration.

It also calls for the purchasing of two 25,000 pound scale test trucks. These trucks are used to weigh both manufacturers' products and to test the shipping scales at our ports of entry and are critical to the commerce within the State of New Jersey.

Those are highlights of many of the projects that we have requested in the 2002 capital project. There are other ones. And I'd be happy to answer any questions on any of the ones I discussed or any other ones I did not cover.

MS. MOLNAR: Thank you.

I have one question on Priority 1, the technology enhancement program. Will these mobile data computers in patrol cars-- Will they be able to access the E-ZPass database?

MR. O'REILLY: Not at the present. There's no plan. I can look into that. Right now, on a priority basis, the first priority for those would be to access the State criminal history files, wanted person files, protection order files. The next level of priority would be to go to what they call NCIC 2000, which is the national crime information center, which includes access to all the FBI files, again, for wanted persons, criminal histories. It would also go out to - At that point it gives us access to the other 50 states, in terms of DMV materials and things like that. I'm not aware of a plan to connect to E-ZPass, but we can explore that and report it back you, Madam Chairwoman.

MS. MOLNAR: Also, would the patrolmen be able to fingerprint someone and send their fingerprints over the computer?

MR. O'REILLY: One of the capabilities of NCIC 2000 is to take a -- both a digitized photograph at the car, as well as a one-fingerprint option. It's not a full 10-print, which is the usual basis for identification. But that capability is in there. There are certain legal issues associated with that that our office is currently reviewing. But on a national level, that was a capability that the FBI built into the system. Yes.

MS. MOLNAR: Terrific.

Any questions or comments?

Mary.

MS. MESSENGER: On the same topic -- on the terminals. How many cars have them already? Any?

MR. O'REILLY: On the E-car terminals? I think there were 10, and I think we're rolling out about 30 a week, so it's probably about 60 or 70 right now, as we're speaking.

MS. MESSENGER: How many vehicles are there, and what percent are we looking at?

MR. O'REILLY: We're looking to install, I think, a total of 870 altogether.

MS. MESSENGER: And that's not included in here, right? There are only 12 new ones in the request.

MR. O'REILLY: It is part of the-- I think this is current-year appropriation, in terms of the actual dollars for the terminals.

MS. MESSENGER: To cover all 800?

MR. O'REILLY: Yes.

MS. MESSENGER: Okay, thanks.

MS. ALEXANDER: Madam Chairwoman, I have a question.

MS. MOLNAR: Yes, Ms. Alexander.

MS. ALEXANDER: Thank you.

On your Priority 4, the construction of the emergency operations center-- Is this the first time that facility experienced flooding?

MR. O'REILLY: The emergency operations center is-- The flooding was with the Lake Hopatcong--

MS. ALEXANDER: Oh, I'm sorry.

MR. O'REILLY: --Police Station. And it's the first time it experienced flooding to that level of a particular -- where it was total wipeout. Part of it was associated with some of the dam issues on Lake Hopatcong.

MS. ALEXANDER: But you feel that you can't build there. You can't just fix that building up, you need to build it elsewhere?

MR. O'REILLY: No, there's a tendency there, in terms of what's going on in a larger geography of that area -- that the water level there is such that the engineer reports that were done for us said that the tendency of flood in the future is going to increase dramatically. The piece of property is actually, I think, slightly below the level of the lake. And historically, it had been protected by land -- flooded by the stream or whatever it was -- the access point that comes into the lake.

MS. ALEXANDER: Thank you.

MS. MOLNAR: Did you have a question, Mr. Troy?

MR. TROY: Yes.

Thank you, Tom. Good morning.

MR. O'REILLY: Good morning.

MR. TROY: Tom, I noticed that of the \$84 million, about 55 is for equipment and computer systems. And you know we've been involved in meetings where there's dollars available. And I believe there's always a discussion about what qualifies capital versus operating costs, whether software is capital or whether it's costs. And maybe my colleague Mr. Brune over there can jump in here-- But of the \$55 million, Tom, could some of it actually be presented in this year's budget request as operating cost and a direct appropriation, as opposed to capital?

MR. O'REILLY: The way we've dealt this in the past on the State Police reforms is that the first-year expenditure, to get it up and running, has been a bundling approach in terms of both the hardware and the software, because, obviously, they're interdependent in terms of doing it.

The operating costs, once the programs have been funded up front, are then switched to the direct State service budget in terms of the maintenance of the software and the maintenance of the equipment.

From a policy point of view, I suppose the software could be considered as part of that, but because it's inherent to the reforms, we've tried to keep the two together in preponderance of the expenses and the hardware, which fits more in the capital side of the house. That's why they've been merited that way.

MS. MOLNAR: Gary.

MR. BRUNE: Tom, good morning.

MR. O'REILLY: Good morning.

MR. BRUNE: Quick question on your emergency operations center. There's a statement in here that says, buildings not conducive to emergency operations, and there's a discussion of the HVAC. Is it not conducive in ways beyond the HVAC? Could you--

MR. O'REILLY: Yes, absolutely. That may be slightly confusing. Thank you for the opportunity to clarify it.

We're looking to put the HVAC in that building for two reasons. One is that we anticipate if we do get funding for a new building that it will be several years away before occupancy occurs, and we have to operate in that existing facility for that period of time.

The building itself is kind of a subterranean operation. It was, at one time -- actually in the 1950s -- a bomb shelter for the Division of State Police. The building is extremely tight. During Hurricane Floyd, when the Governor and members of her staff came in for assessments, we had to move out of the emergency command center and go into other parts of Division headquarters, which were disconnected, in terms of communications and things like that, from the center or the think tank operation, in order to hold those meetings. We had to deal with members of the press -- people come in, in terms of coordinating -- every State Department, the National Guard, the Red Cross, the FEMA, the Federal folks come in. It's just trying to put upwards of 190 people in that location is a proverbial sardine can. It just does not lend itself to an operation.

There's more and more responsibility also being placed on the emergency command center. In addition to your natural disasters, in terms of floods and hurricanes and that type of thing, there's also a major move by the

Federal government in terms of domestic terrors and weapons of mass destruction. Those responsibilities have also been placed on the Division of State Police. And that emergency command center doubles during the nonemergency days as office space. So it's a doubleduty issue. I don't want to suggest that it sits fallow, not being used, waiting for something to happen. It also supports the staff of the emergency management section.

MR. BRUNE: Two other questions in regard--

MS. MOLNAR: Sure. Go right ahead.

MR. BRUNE: Tom, on the helicopters, there's a request here, if I understand it right, to replace two -- or to require two additional helicopters. And I guess in the '01 budget, we replaced three. I'm trying to get a sense of how many is in the total fleet, and what--

MR. O'REILLY: It's a vision that there will be a total of six. There will be the five multipurpose, multiengined aircraft, which can be used both for medevac purposes and law enforcement purposes, and then there will be a larger one, which would be used for rescue operations, transporting State Police in terms of response teams, those types of operations. This, in addition--  
- Actually, there's one that is fondly referred to as the baby Bell, which is a very small training helicopter, but that's just for that purpose. It's used to train the pilots in terms of the first step to move up to the larger ships. So the overall plan would be to replace the fleet with five multiengined, similar, exact, same aircraft, and then one slightly larger one, which would be used for rescue and State Police transportation.

MR. BRUNE: So, at this point, we replaced three of the six?

MR. O'REILLY: We haven't replaced any yet. We just went out with an RFI and basically had a showing of interest of about seven or eight manufacturers. They had given us information as to what their capabilities are. And we have certain standards. It has to be two-engine, two-pilot equipped for safety purposes because of the medevac function in some of the disastrous experiences that have occurred in other states where they've not gone with that standard.

The RFI gave us a lot of information. We're in the process of absorbing all that information. We expect to go out with an RFP sometime in the early spring, approximately four to five months from now. At that point in time, we would engage in the purchase of the three aircraft that are covered in the 2001 budget. And hopefully we could do with the RFP that would have, perhaps, an add/delete provision that says that we need three. Also, if we were to go to a fourth or a fifth, give prices on those, subject to the availability of the appropriation.

MR. BRUNE: Okay.

Just one last question.

Tom, you and I have spoken in the past about what appears to be, at least in some cases, a fair amount of time that gets spent traveling to and from court for many of the troopers to appear in court. And I was wondering if, in this day and age, when we sometimes -- there's an acceptance of alternate ways of testifying-- Is there anything in the reform package, Priority No. 1, that in any way addresses the issue of that shortening that time that's spent -- the sheer time of traveling to and from court?

MR. O'REILLY: Not directly, indirectly there is. Something like the possibility of video conferencing or video testimony is not there yet. It's something that-- Actually, we're going to engage to AOC in some discussions, because I'm currently negotiating with the Office of Employee Relations, the State Police contract. And when you start to look at some of the overtime issues and stuff associated with court time, it's a very difficult issue to deal with. And we need some consideration from judiciary.

But the one part that is in here is the current system as we go, in terms of the scheduling system. It's a complicated issue. It's actually probably the second most complicated is maybe the Department of Correction in terms of their coverage. Ours is made more complicated because of the testimony issues and those types of things. And when a ticket is written and there's a no-show or request for continuance, it just further complicates the issue in terms of what has to happen.

The scheduling system that we envision as part of the human resource and personnel system will greatly allow us to facilitate that by having schedules of troopers that are projected electronically. We can share that with the municipal courts. Hopefully, we'd then get some consideration in terms of when they're rescheduling so that when they reschedule, it's on duty time instead of on their personal time, which costs us time and a half through the current contract.

MR. BRUNE: Thank you.

MR. O'REILLY: You're welcome.

MS. MOLNAR: I have one more question. The State Police has moved toward regional centers. You no longer have the local barracks.

I'm wondering, how has response time been now that you've consolidated?

MR. O'REILLY: Actually, we have three regional troop headquarters, but we still maintain approximately 28 road stations. We have-- In the process of doing the Hamilton one, we will consolidate, probably, Hightstown and Wilburtha. But basically, those consolidations are tracking municipalities where the municipality has elected to provide their own police services. Where we are the primary police department, which is approximately 78 towns -- and we also do about 30 when we were the midnight police department, in terms of the night shift -- we still maintain the barracks, and response time is more than adequate.

In addition, the State Police, about two years ago, with the help of a Federal grant, employed 42 additional troopers, and we have moved towards a community trooper program. So, in those towns where we have primary jurisdiction, the Colonel has also assigned a primary trooper to be in that town and not leave -- not to just pass through it two or three times a day, but to stay there devoted to that municipality. Obviously, it's only one shift four or five days a week, but it's still a presence.

In fact, this year -- last week, at the State Police banquet, the Trooper of the Year was a community police officer. On his initiative, that individual was able to reduce the calls for service in a particular community by over 50 percent, both due to troopers' presence and the initiative that troopers took to analyze some of the calls for services where they were occurring and take some corrective action in terms of that, including some legislation or

ordinances in terms of different types of housing issues and things like that that were permitted in that municipality.

MS. MOLNAR: That's fantastic.

Any questions or comments? (no response)

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

MR. O'REILLY: Thank you very much for the opportunity.

**(PAUSE)**

MS. MOLNAR: I'd like to call the meeting back to order.

On behalf of the Department of State, I'd like to welcome Secretary Soaries.

**SECRETARY OF STATE DeFOREST B. SOARIES JR.:**

Good morning.

MS. MOLNAR: Good morning.

SECRETARY SOARIES: I'd like to thank all of you for extending what has turned into a very long morning to accommodate me. You have a written description of our request in summary.

It's about a \$15 million request, two-thirds of which is for the State Museum, which, as you've read, is in a state of need. The HVAC system is about 36 years old, the seats about 37 years old. And we have, beyond the issue of aesthetics, which are important in image, we have some very serious issues that relate to accreditation and our ability to be accredited with an institution in the physical state that it's in. And also, the issue of safety--

There was an incident in July of this year at the Museum that could have been an unsafe situation. Fortunately, no people were hurt, and no

damage was done to any of our valuable items. But the Museum is the primary focus of our concern here, and the bulk of the request relates to the Museum. And I'd be happy to discuss any specifics that you'd like to.

And so HVAC system and the storage capacity will be doubled by this request, using existing space but new apparatus for storage. And then, of course, the final phase of Morven, which has been a very, I think, remarkable public-private partnership where we've seen what had been the Governor's residence turn into a blight on that community, but now has been restored with public funds and private funds being matched to become a very beautiful facility. We were there two weeks ago for its grand opening -- grand reopening, and it was a lovely affair -- lovely work done.

The other portions of our request relate to the document imaging services. There's a request here for \$1.3 million, almost \$1.4 million. And it simply speaks to our ability to remain state-of-the-art, as we fulfil our statutory responsibility to maintain State records.

The final has to do with the theatrical equipment need at the War Memorial Building. As you know, the State invested some \$34 million in creating a state-of-the-art facility. There were some infrastructure items that relate to our ability to host world-class performances that this request speaks to for lighting and the sound system, etc.

And so in all, the \$15 million request, in my view, addresses needs that have existed for some time and a need to upgrade facilities and equipment that are mandatory for our successful operation.

MS. MOLNAR: I had two questions.

SECRETARY SOARIES: All right.

MS. MOLNAR: On Morven, after Phase 3, are there any additional items to complete the facility, or will this pretty much finalize it?

SECRETARY SOARIES: This, as I understand Morven, and as I've seen it, completes the development and restoration of Morven.

Is there a Phase 4?

UNIDENTIFIED SPEAKER FROM AUDIENCE: No.

SECRETARY SOARIES: I didn't think so.

MS. MOLNAR: And then on the War Memorial equipment-- Is there any funding available from the Council for the Arts, perhaps, for some of this?

SECRETARY SOARIES: No, not for this particular need. No. This is all capital. It speaks to, really, the ability to function on a performance basis. And if we don't spend it on the front end, we have to spend it incrementally as we go along, which makes the facility less feasible as a venue, as we compete for the kind of attractions we'd like to have or as we attempt to present performances ourselves.

MS. MOLNAR: Are there groups that are requesting enhanced equipment that you could rent the facilities to?

SECRETARY SOARIES: Virtually every group requires this equipment. And what we're finding is our need to go out to secure this equipment on behalf of groups 85 to 90 percent of the time.

MS. MOLNAR: Terrific. Thanks.

Any other questions or comments?

Mary.

MS. MESSENGER: On the same issue.

As you said, Mr. Secretary, we just spent \$34 million renovating the War Memorial. Why wasn't any of this undertaken as part of the project? Was it envisioned at the time?

SECRETARY SOARIES: It's a great question, and I wish-- Had I been here, perhaps I could explain, at least, what happened. But I inherited a beautiful building that had some obvious inadequacies in this regard.

MS. MESSENGER: Is any of this project, for example the lighting, undoing any of the \$34 million, or is just enhancement?

SECRETARY SOARIES: Oh, no. It's creating, within that space, the kind of apparatus that one needs to use that kind of space. The quality of productions that the \$34 million facility attracts demands a certain quality equipment. And the quality equipment wasn't included in what -- in the restoration.

MS. MESSENGER: Okay, thanks.

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

I had just one other question on that same issue.

Was there a bond-- Did the Building Authority issue bonds for this renovation of the War Memorial? I can't remember.

SECRETARY SOARIES: It was bonded.

MS. MOLNAR: It was bonded.

So, as far as you know then, the moneys for equipment of this kind was not included in that bond issue?

SECRETARY SOARIES: As far as I know, it went.

MS. MOLNAR: Thank you.

Any other questions or comments?

Gary.

MR. BRUNE: Just one.

Secretary, on the first priority, State Museum, HVAC system -- \$10 million--

Evidently, this did not come up in the '01 capital plan. And we were wondering-- I realize the system is 30 years old, but is there-- Typically, projects percolate up. Is there a reason this suddenly became the No. 1 priority for capital if it wasn't on the radar the year before?

SECRETARY SOARIES: Well, it was on radar, but it wasn't on everybody's radar.

MR. BRUNE: Okay.

SECRETARY SOARIES: So we've made it No. 1 because, frankly, the Museum, as an institution, is threatened by the deferral of these capital improvements. And it's been--

Museum staff has always had it on its radar. And my reading of history says the Department of State has had it on its radar, but it's not been able to penetrate the larger radar. And so I'm seeking to penetrate the larger radar and essentially say to the State, this may be the time to decide whether or not we want to have the Museum.

MR. BRUNE: Just to clarify, this is a preemptive measure, I'm assuming. There's been no-- Well, the system's 30 years old. Was there a recent -- possibly a recent breakage in the system that gave rise to the urgency, as well?

SECRETARY SOARIES: Yes, the July incident really brought this to a head where there were -- there was a ceiling failure that caused some pretty serious damage.

MR. BRUNE: Well, that's what you were referring to before.

SECRETARY SOARIES: Right.

MR. BRUNE: I'm sorry.

SECRETARY SOARIES: And that really did it.

MR. BRUNE: Okay.

Thank you.

MS. MOLNAR: Thank you.

Any other questions or comments? (no response)

If not, Secretary, I'd like to thank you for your presentation.

SECRETARY SOARIES: Thank you.

MS. MOLNAR: We have other business.

Is there any old or new business that anyone wants to bring up at this time? (no response)

If not, I want to thank the Office of the Treasurer for the coffee and munchies.

Thank you very much.

Meeting adjourned. See you on October 27 at 9:30 a.m.

**(MEETING CONCLUDED)**