
Commission Meeting

of

NEW JERSEY CAPITAL BUDGETING AND PLANNING COMMISSION

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

DATE: October 11, 2002
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

B. Carol Molnar, Chairwoman
Anthony F. Annese, Vice-Chair
Senator Wayne R. Bryant
Assemblyman Joseph Cryan
Patrick Brannigan
Gary Brune
Robert A. Roth



ALSO PRESENT:

Beth Schermerhorn
(Representing Assemblyman Peter J. Biondi)
David Rousseau
(Representing John E. McCormac)

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

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(The New Jersey Commission on Capital Budgeting and Planning met on October 11, 2002 at 10:00 a.m. Members physically attending: B. Carol Molnar, Anthony F. Annese, Senator Wayne Bryant, Assemblyman Joseph Cryan, Gary Brune, Robert A. Roth. Members attending telephonically: Senator Robert E. Littell, Kevin McCabe.)

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 will now take the roll call.

MR. GENIESSE (Acting Executive Director): Senator Littell.

SENATOR LITTELL: I'm not hearing very well.

MR. GENIESSE: Okay, we'll try to speak louder.

SENATOR LITTELL: Is there any volume control that you can turn up?

UNIDENTIFIED SPEAKER: Is that better, Senator?

SENATOR LITTELL: Oh, that's great.

MR. GENIESSE: Senator Bryant is not present at the moment, but he'll be here.

Assemblyman Cryan. (no response) Oh, we lost him, too.

Assemblyman Biondi. (no response)

Mr. Rousseau for Treasurer McCormac.

MR. ROUSSEAU: Here.

MR. GENIESSSE: Mr. McCabe.

MR. McCABE: Here.

MR. GENIESSSE: Mr. Brune.

MR. BRUNE: Here.

MR. GENIESSSE: Mr. Brannigan.

MR. BRANNIGAN: Here.

MR. GENIESSSE: Mr. Roth.

MR. ROTH: Here.

MR. GENIESSSE: Mr. Annese.

MR. ANNESE: Here.

MR. GENIESSSE: Ms. Molnar.

MS. MOLNAR: Here.

MR. GENIESSSE: Madam Chair, we currently have eight members present. That constitutes a quorum.

MS. MOLNAR: Thank you.

I'd like to welcome our two newest members, Kevin McCabe, who is here telephonically, and Senator Wayne Bryant.

MR. McCABE: Thank you.

MS. MOLNAR: Now, the next item is the Executive Director's Report.

MR. GENIESSSE: And I think I will defer my report, Madam Chair, to go into the presentation of the Building Authority project.

MS. MOLNAR: Thank you.

Our next item is the New Jersey Building Authority project. I'd like to welcome Chuck Chianese and Tom O'Reilly.

CHARLES CHIANESE: Thank you, Madam Chair.

Good morning, members of the Commission. My name is Chuck Chianese. I am the Executive Director of the New Jersey Building Authority.

On September 17, the New Jersey Building Authority Board approved the project report, which is before you this morning. The project report was submitted, on behalf of the Department of Law and Public Safety, to build a New Jersey State Police Professional Training Center, in the Division of State Police Headquarters Complex, in Ewing Township, Mercer County.

This project report was a result of a thorough and comprehensive feasibility study, which took place over nine weeks during the summer, lead by David Ziskind, of STV Architects, in association with Michael Graves and Associates.

With me this morning, to my right, is Mr. Tom O'Reilly, Administrator of the Department of Law and Public Safety. To Tom's right is David Ziskind of STV architects. And to David's right is Gary Lapera of Michael Graves and Associates.

The New Jersey Building Authority has enjoyed a long-standing relationship with your Commission and appreciates the opportunity to come before you this morning.

At this time, with the approval of the Chair, I would like to ask Tom O'Reilly, Administrator for the Department of Law and Public Safety, to begin the presentation to you, which will be followed by David Ziskind of STV Architects, and Gary Lapera of Michael Graves and Associates.

After the presentation, we would be happy to address any questions that Commission members may have.

Madam Chair, if this is acceptable to you, we will begin our presentation.

MS. MOLNAR: Thank you.

THOMAS O'REILLY: Good morning. I am Tom O'Reilly, with the Department of Law and Public Safety. On behalf of Attorney General Sampson, I want to express our appreciation for the opportunity to address you today on this critical public safety priority.

The issue of training of law enforcement, in particular, the New Jersey State Police and also local police officers, is paramount in today's society. It's the number one priority for us, particularly driven by the consent decree that we have with the U.S. Department of Justice, as well as the consent decree that we have with the NAACP.

When we looked at the training limitations that we currently have, we approached the administration to see what options would be available to us. We took a look at the current facilities at Sea Girt, as well as what other land was owned around the state that would allow us to move forward with the least amount of cost.

The guiding principles, as we move forward on this project, were, certainly, budget; the functionality, as it relates to training and the overall mission of the State Police; and, as a result of 9/11 of last year, security.

When we looked at the options, we first looked at Sea Girt. As an overview, we saw a facility that was extremely limited. It's a shore community. It has limitations as it relates to infrastructure concerning roads, water,

electricity, and other utilities -- access. The firing range, which is on the beach area, is extremely limited and has always presented a problem to the National Guard and the State Police.

Environmental considerations, in terms of flood plains, which we had experiences over the last couple of years, which we've lost a lot of equipment, in terms of both the ocean coming into the property, as well as some of the inland water that's adjacent to it--

We also looked at the issues as it relates to West Trenton. West Trenton is a physical location that has some of the infrastructure issues that are critical to the type of mission that we're doing, particularly when we're training -- looking for a central location in the state. And it was adjacent to the existing headquarters.

What I would like to do is, after I'm done, ask our consultants, in terms of -- to go into more detail as to the infrastructure issues and the environmental issues, which I'm not qualified to go into. But just to set the stage-- So, we looked at Sea Girt, and we looked at Trenton.

Before we go further, though, I'd like to talk about some of the functionality, because that's a critical issue that we need to always keep in front of us. Let me first start with, again, what was our first priority, the New Jersey State Police Professional Training Center.

The history of the State Police training goes back to 1921. We first started to train in West Trenton. We bounced around to a couple different locations. During the '80s, we had a co-location agreement with the Army at Fort Dix. We then returned to Sea Girt. Sea Girt is a shared facility. Technically, the landlord is the National Guard. It's shared by the National

Guard with the Division of Criminal Justice, the Department of Corrections, the Juvenile Justice Commission, the State Police, and, on occasion, the New York-New Jersey Port Authority.

We looked at the basic mission of training. And in addition to the consent decree issues that are out there, we also see an organization which has a mission that is changing. It is changing, although we are still, certainly, responsible for rural patrol and interstate patrol, but it is taking on a renewed emphasis as it relates to urban crime issues, counter-terrorism issues, and supporting our local police departments in the critical functions that they're not able to perform, such as bomb disposal and dealing with other things of that nature: arson, major crime types of investigations, and forensic science.

As part of the overall reform issues, the Division of State Police reviewed and scrutinized its basic training approach. They looked at a couple different options around the country, and they settled on the option that's currently delivered by the Royal Canadian Mounted Police. The Mounties, several years ago, switched from a more traditional boot camp approach for training police officers to a more adult-based education approach. It's founded in terms of a problem-solving issue. And it's used as a high reliance on technology and interaction with these students, with the leaders and teachers being more of facilitators than a lecturer type of situation.

In some ways, it's more equivalent to a college type of situation, or, in many ways, the current structures used by many of our major corporations for training both their employees and their potential managers, in terms of whether it's Squibb, or IBM, or Johnson & Johnson. So, driven by

the reforms in the consent decree, we have changed the approach and the mission. We've changed the approach to education.

As part of the monitors -- excuse me, as part of the consent decree, we have frequent visits from the U.S. Department of Justice and the monitors that they've hired to watch our progress. Every time we meet with them -- it's, approximately, on a quarterly basis -- the one thing that continues to come out of it is to train, train, train.

They recently have completed a report that suggests to us that the staffing at Sea Girt is, currently, not adequate to meet some of the issues on the consent decree. We may have to increase the staff to as many as 80 personnel there in order to address both the in-service and pre-service issues that they've asked us to deal with.

The in-service issues are, particularly, critical in addition to the basic training, because that deals with the continued reinforcement of the conditions of the consent decree. And equally as important, it deals with training police officers to be more vigilant, in terms of issues such as terrorism or other types of behavior. And it's been emphasized on a number of occasions, in terms of our Office on Counter-Terrorism, that the police officers, both State and local, are the forefront, or the first line of information as it relates to dealing with the terrorism situation in the State.

So, basically, the final and bottom line is, the training issue is critical to implementing our training, our changes, and it's, certainly, critical in terms of state of preparedness as a State.

I just wanted to take one minute to, also, demonstrate to you that our cycle, kind of, our reform cycle that we're using right now-- Basically, it

deals with-- The first issue is researching the issue. The second issue is planning, in terms of taking that research and converting it into either standard operating procedures or some form of protocol. The next issue is training all the personnel on it, both the bosses and the people on the line, so they understand what the issues are. And then, implementation or operations are critical in terms that the operation and training be connected, and then monitor feedback and retraining.

What is before you today is a proposal for a new training headquarters. This is going to be part of a several-phased approach to our training issue. In addition to this, there will be a proposal, which I'll speak about later this morning, when Law and Public Safety presents its other capital projects, as to three regional training facilities -- which will allow us to deal with the delivery of service that is of a one-, or two-, or three-hour duration -- so we don't have to pull troopers from Cape May into West Trenton or other locations for their training -- it's shorter than a full-day duration -- as well as the creation of a management training, or a command and general staff school, that we're going to do in conjunction with Rutgers University Graduate School of Criminal Justice at Newark.

When we looked at the siting and saw that the Sea Girt facility did not lend itself to the training mission, we then looked at other property that we had, including the West Trenton site. And for reasons that the consultants can get into in a couple of minutes, it was viewed that, perhaps, the best site to put the training academy was some of the sites that were currently being occupied by the current State Police headquarters in West Trenton.

Just as a little background on that, the headquarters at West Trenton is the nerve center for the Division of State Police. The Division of State Police is an operation that has in excess of a quarter of a billion dollars in budget. It has over 3700 personnel, and it's our first law enforcement agency, in terms of response, to many of the issues that confront us in today's society.

The operational issues are, again, driven by State Police reforms, by the consent decree. The operational needs, in terms of -- from a headquarters function, have, certainly, a heavy degree of reliance on technology. There are words in our vocabulary today like MAPS, the Management Awareness Program, and some of the other things that were not in our vocabulary two or three years ago. But with the assistance of this committee in past funding, we've been able to invest in technology. Some of that technology just doesn't fit, in terms of the current buildings that are out there.

There are numerous space limitations. We have converted, in some of the fields next to some of the existing buildings -- have literally become a trailer park, in terms of our need to add on space. We are renting facilities all over the central New Jersey area. It's very difficult to function, from the command and control point of view, when you have to go 20 miles to find some of your critical people, in terms of, particularly, trying to coordinate in the event of a crisis, or major crime issue, or something of that nature -- where it spread out to Bear Tavern Road, in Ewing Township, to the building adjacent to the training station in Trenton, to the Justice Complex, to the old Holiday Inn Hotel on West State Street, some of the locations in Freehold for

Internal Affairs and our recruiting functions, as well as our Gang Intelligence Unit in Lakehurst. All of these issues are functions that need to be in the headquarters area.

Let's talk, for a minute, about the current conditions of the headquarters. The complex there consists of, approximately, 18 buildings. Ten of the buildings were built in the 1920s, three-quarters of a century ago. Three of the other buildings were built in '47, '48, and '56, half a century ago. And only three buildings that are on the complex there today were built after 1956. Issues in terms of health and safety, issues in terms of technology, and other things, certainly, weren't taken into consideration in the 1920s. Certainly, the issues, in terms of the Division of State Police in the 1920s, existed with several hundred people, not the 3700 people and the diverse mission that it has today, including Marine Police, air ambulance, counter-terrorism, and some of the things that were not even thought of back in the 1920s.

We've had to use basements. We've had to use closets. We've had to use former horse stables, and that's not an exaggeration, in terms of, back in the '20s, we did have horses. And some of the buildings have been converted, now, into office space. We've had to suffer through the issues, in terms of poor adjacencies. The Superintendent, in the event of emergency, needs to -- if he needs to find his Criminal Investigations Major, needs to go across the campus, in terms of interaction. If he needs to, then, coordinate the Intelligence Major with the Investigations Major, it's another across-the-campus type of trip. It just does not lend itself to rapid response in these times.

The technology issue is difficult. And the technology, in combination with an antiquated infrastructure, is a dangerous combination. Just several weeks ago, we had a major pipe leak that ruptured. It, literally, took out our Emergency Command Center on a temporary basis. It took out our dispatch function for the central New Jersey piece for a brief period of time. It took out some of the other heavy information technology issues that were there. I got a call about 11:00 on a Sunday night. We had to have people go in and remove electronic equipment in order to save it from the onslaught of the water. It's a maze, it's joy-rigged, and it just doesn't lend itself to modern, 21st century police operation.

The facilities hinder interaction with the staff. It does not allow for daily interaction. And perhaps, more importantly, it does not allow for critical interaction during a time of crisis. It's also the-- I need to, kind of, convey to you, in terms of from a business continuity point of view, it's the center of government, as the alternative to where we're sitting right now, in the event of a problem. It houses-- It will be on that campus as the Emergency Operating Center, as the nerve center for all State communications, in terms of the Office of Information Technology.

That facility, in combination with the new training academy and the headquarters issue, in terms of, hopefully, the replacement of that operation, will give us a continued progress towards an alternative center of government in the event that something occurs. And that's not so far-fetched, in terms of if we think back to September and October of 2001, with the Anthrax situation. And one envelope, strategically received in the State House, could cause that as a potential problem.

The other thing I want to talk about is the functions of headquarters. I think, sometimes, there's a misperception, and to use the vernacular, it's the brass. It's just the bosses who are sitting there, in terms of dealing with it. Headquarters of the State Police is the operational nerve center for all the operations.

Housed in that complex will be the central investigation staff, organized crime, narcotics, corruption -- for the whole State of New Jersey -- coordinating the various field operations. It's also the center for the intelligence function, which is more critical today than ever before. Certainly, the administrative function, in terms of keeping track of those 3700 employees -- providing them with the critical supplies they need to do their job.

Field operations is headquartered there. That's the people who are in uniform. That's the road patrols, Troops A, B, C, the Turnpike and the Parkway, along with Marine Police, aviation, and some of those functions. That's the place where the people -- the managers, the lieutenants, the captains analyze the data, look at the crime stats, look at the fatal accident reports, and make determinations as to where to allocate the troops for the best public safety impact that it could have for the citizens of the State of New Jersey.

That's where all our technology is housed, in terms of the think tank and the people who develop that -- the systems that are critical to the monitoring, critical to solving crimes, such as the criminal history files, AFS files, the automatic fingerprint files. All our records and identification functions are housed there. The vehicle maintenance, the radio maintenance, in terms of our two-way communication issues-- The Internal Affairs issues, professional standards, and, yes, the brass, in terms of the Superintendent's

office, which makes up for, maybe, that in combination with the Majors, about 10 percent of the overall structure, in terms of the layout of the headquarters.

It will also allow us, if we can build that facility, to reunite some of the people that we've had to throw off campus. Right now, off campus is our whole narcotics function. Off campus is our corruption function. Off campus is our A-901, which is our solid waste, hazardous waste investigation unit. Off campus is our gang unit. Off campus is our counter-terrorism unit. And I can go on and on. But these are some of the issues that that facility, the majority of which was built in the 1920s, can no longer accommodate.

In conclusion, the headquarters and the academy -- number one priority being the academy -- are both old and no longer fit the functional requirements of the business. We feel that it would be a bad business decision to continue to sink more dollars into facilities that are over three-quarters of a century old in the headquarters, and, in some cases, over a half a century old, in terms of the Sea Girt facility.

Our reforms, that are driven both internally and externally, are dependent on facilities that lend itself to modern management techniques, to proper adjacencies, and to the technology issues, which we've grown so dependent upon.

I wanted to just share -- just ask Lieutenant Kaminski, if he's here, just to hand out a couple of pictures. Sometimes a picture's worth a thousand words -- but just some of the conditions that currently exist in the headquarters. You can thumb through that. You can see the pictures. I asked this last night at 4:00. So these were not rehearsed -- just have the Lieutenant walk through with a camera and take a couple quick shots to share with you

today. But you'll see the overcrowded conditions, you'll see the naked wiring, you'll see the lightbulbs that are hanging from the ceiling, and some of the ceilings have collapsed, literally, in terms of the suspended ceiling issues.

The haphazard adjustments with the rental space, the haphazard adjustments, to some degree, with the basement conversions, and the use of trailers don't lend itself to the best trained, best equipped police organization in the State. The technology issues are severely handicapped. If we're going to continue to make the progress that the Department of Justice monitors have indicated that we've done, we need to continue to invest in the facilities for the operation.

We need to invest in the future. Nineteen hundred twenty-one was over 80 years ago. Our recommendation is, we don't look back 80 years, in terms of the Division of State Police, but we look forward to the next 80 years, in terms of the Division of State Police, and we invest in that function.

Since the year 2001, critical public safety functions, including the housing of the chief law enforcement agency, the emergency management structure for the State of New Jersey, the potential location for the chief executive in the event of a crisis, must be housed in buildings that support the technology and the functional needs of this critical mission.

Again, we feel these recommendations represent the best practices. We feel they take into consideration the three guiding principles that I mentioned in the beginning: budget, functionality, and security.

I appreciate the opportunity to address the committee, and I'd be happy to answer any questions at your convenience.

MS. MOLNAR: Thank you.

You may be covering this later, I'm not sure. Can you explain how you're going to finance the project over time?

MR. CHIANESE: Madam Chair, we could address that issue at the end of the presentation.

MS. MOLNAR: Okay.

(PowerPoint presentation begins)

DAVID MILES ZISKIND: Good morning. My name is David Ziskind. I'm a Principal at STV Architects.

On behalf of STV, Michael Graves and Associates, and our dedicated consultants, we are pleased to present a concept design for a state-of-the-art New Jersey police professional training center and new consolidated police headquarters complex.

With me today is Margery Lynch, from STV, our project manager; Gary Lopera, Principal Designer; and Russell DiNardo, a project architect from Michael Graves and Associates.

As part of our study, we analyzed sites at Sea Girt and in West Trenton at the police training facility, and evaluated existing conditions at police headquarters in West Trenton. After a thorough investigation, it became very clear that the most cost-effective and program-efficient approach would be to develop a campus at the West Trenton site for both the training facility and the headquarters.

Our study included an evaluation of all existing facilities as part of the headquarters' complex. This included an extensive condition analysis, including architectural issues from roofs to basements; a structural analysis; mechanical, electrical, plumbing, and fire protection analysis; an environmental

analysis, including lead and asbestos issues; and a code review, which included accessibility.

Many of you who are familiar with the layout of the existing headquarters' campus understand, currently, that staff is spread out inefficiently in 17 buildings and many trailers. Most of the buildings are about 80 years old, and in very poor condition. Our research also found that the original uses included buildings that had been designed as stables for trooper horses, barracks, and warehouses.

We also did a cost analysis of each of the buildings and concluded that, with the exception of the Museum and three other buildings, the 14 remaining buildings would be more expensive to renovate than to build the same square footage new.

To meet the program requirements, the new headquarters operations will consist of, approximately, 200,000 new square feet, and the new training complex will consist of, approximately, 210,000 square feet. The total cost is estimated at \$125 million -- the project cost. Based upon our experience, we believe the total project can be accomplished within a three-year period.

Following a site analysis, and the development of a detailed facility program, the team looked at several concept options. I would like to ask Gary Lapera to present the selected options.

G A R Y L A P E R A: Good morning. I'm Gary Lapera, and I am a Principal at Michael Graves and Associates.

I am going to run through the final version of the master plan. What I'd like to mention, before I start, is that we went through nine, very

intense, weeks of studying the problem. And the final solution you see is, actually, the end result of an exercise that we looked at many different strategies. And, basically, there was a litmus test for each of the strategies. The first, of course, being function, would it suit, most importantly, the training academy, would it deliver a state-of-the-art training academy for the State Police? Secondly, could it be built within budget? And finally, what would be the highest and best use of the land that it would occupy?

In the end, we came to a, kind of, overwhelming conclusion that the West Trenton site was, indeed, the best site for the academy. There were several factors. One is, the West Trenton site has direct access from I-95. It is easily reached. It's got several roads that lead out of the site. It provides for the proper vehicular circulation.

Secondly, what made the West Trenton site, perhaps, even more ideal than a place like Sea Girt is that it had enough land and topography that it allowed for adequate privacy, protection -- both giving the community protection, as well as giving the State Police protection, as well.

When we look at the site, the site consists, essentially, of the older campus, which is here, which are the older buildings. Building 15, which is newer, and Building 17 -- and then, of course, the existing State Police Museum.

When we speak about demolishing 14 buildings, I think that that number is a bit confusing because, actually, those 14 buildings, in total, if you were to look strictly at square footage, would probably be equal to about two floors of a modern office building. So those 14 buildings are, by any standard, woefully inadequate both to accommodate office or technological functions.

The other thing that I should mention that the West Trenton site had over any of the sites is, really, very good infrastructure, in terms of the road systems, and in terms of the parking. What that means is that those dollars that would be earmarked for developing a new site would not have to be spent in West Trenton. We can accommodate, approximately, 750 cars in the existing parking lots, as well as a road system that can really -- a mature road system, well developed, that can serve the number of buildings.

Now, when we take away those 14 buildings, the buildings deemed inadequate, what we're essentially left with now is a, kind of, clear -- a campus site. OTIS is right here, which is also an existing building not part of the State Police. It, again, exists on this secondary loop road system. Now, when we look at the campus, physically-- Again, I go back to the, sort of, tree-lined buffer that, again, protects the community from the goings on in the academy and the headquarters and then, again, the adequate road system bringing people to and from the site. But you can see that what we're talking about, really, the area to be redeveloped -- is in here, which is existing headquarters, and then some of the older buildings.

The whole strategy of this site was, really, to redevelop the site. It wasn't to-- It really wasn't that the site needed, in terms of, again, the roadways and infrastructure -- needed that much. What it, really, needed was the proper, kind of, build out of this area of the site.

Now one of the things about the West Trenton site is, actually, the topography. You should know that the site has some very steeply sloping areas. The site we're showing you in green is, actually, a drop of about 40 feet, which is about equal to a four-story building. The reason we show that is,

because, given costs and budget, it is an area you would prefer not to build in. You would incur tremendous expense.

So looking at this as a, kind of, analytical problem, what happens is, both the topography of the existing road system, basically, gives us two areas of development. This larger square is, really, dedicated to the academy and the headquarters. And then, finally, the second rectangle with OTIS will now become the new, sort of, second campus for both OTIS and the new Emergency Operation Center, which would be located off of this loop road right here.

Again, I show the road systems being more than adequate for both bringing in the public, bringing in deliveries, and being able to reach the second campus of OTIS and the new EOC.

Now, in the blue areas, we began with this, kind of, blue circle here. And this is, really, an issue of both security and access. The existing State Police Museum is right here. And that is, really, what we see as, kind of, the front door of this new campus. The reason we, kind of, highlight that area is because, as we envision levels of security-- It was the intent of the master plan to give the public a, kind of, continued access to the State Police through the Museum, and that that building is in a, kind of, ideal location, because it is, kind of, not only at the front door of the campus, but it means that visitors can still access the site without ever having to overlap with the higher security State Police functions.

In the bottom of this site -- again, it goes back to the, kind of, logic of site development. That blue rectangle is the area we see for the delivery of packages. It's a transfer station. We're seeing in embassies, and FBI, and all

police facilities, that the delivery of package goods is happening at the perimeter of the site. Again, we have an adequate road system to be able to develop a transfer station here.

And finally, when we see the general location of the new Emergency Operations Center, we then begin the need, obviously, for security buffers -- is this 20-acre security buffer, a relatively open flat site providing adequate security distance for both EOC and for the OTIS building.

Now, in this new master plan, before I, sort of, delve into the kind of description of how this master plan is developed, I should mention that in the development of the, kind of, strategy for the campus, taking the police training academy is, obviously, the number one priority. The one thing we found out is -- and I refer back to what Tom mentioned about traditional headquarters and, really, what happens in the State Police-- This program is, really, operations in instruction. It is less about headquarters, in terms of administration, and more about the constant delivery of services.

The true benefit goes to budget and operations -- of mixing the headquarters, the operation center, and the academy -- is that you can allow them to both share very expensive services. And I'm talking about auditoriums, dining halls, gymnasiums. If you were to separate these services, you would, really, have a redundant building program of building the most costly facilities twice. So the fact that these two would exist on the same campus, again, speaks both to the budget and to the function.

Essentially, the way we develop the campus is, we really-- There was a, kind of, logic. There was a logic to the way the site laid out, and there was a logic to the way the program would then begin to address this site.

At the very top of the hill, with OTIS and the new Emergency Operations Center, we locate the tactical driving area and the outdoor training facilities along with the K-9 facilities, here. Now we did it for two reasons. One is, it provided -- the 20-acre security buffer was relatively flat. It allows us to take advantage of that flat area and develop tactical driving. It also means, in an emergency, the tactical driving area can, one, function as a helicopter pad, and take overflow parking areas for the Emergency Operations Center, again, finding simultaneous uses for single functions.

As we move down the hillside, I spoke about a 16-acre area that is too steep. That 16-acre area then becomes the natural privacy buffer between OTIS and the Emergency Operations Center, and the new training academy, which is here, and the new operations headquarters' center, which is here.

Organizing those buildings is a, kind of, giant lawn. This is a relatively flatter area of the campus. It, actually, occupies some of the area of the existing buildings. What we did is, the training academy requires the, kind of, not only, running track, but it requires a, kind of, parade ground or exercise area. We use that programmatic requirement to become a, kind of, great lawn for what is a campus of, mostly, academy buildings, beginning with physical education here; two dormitory buildings, each housing 100 beds each; the operations center at the top; and then, finally, the, kind of, academic quadrangle here. You have the classrooms here, dining, and then the instructors' office is here.

We were able to capture, as I mentioned before, 750 parking spaces between these three existing parking lots, having only put in one new

parking space. What we were also able to do is a, kind of -- given the topography -- is to be able to install a, kind of, discrete level of security, keeping cars 100 feet away from the buildings, which is now a requirement for glass conditions. So, again, the site had some natural amenities that we were able to take advantage of.

Now, as we look at the overall campus, you begin to get a sense of how this, kind of, seamless interactivity is between dormitories immediately adjacent to classrooms, the dining hall -- obviously, being able to be used by everyone -- and then the physical education athletic building also being able to be used by operations in headquarters, and then, obviously, there for the use of the academy.

The tactical driving and the firing range-- All of the louder functions are, then, at the top of the hill, allowing, really, this area of the campus, really, to function for the training of the police academy.

Just an overall view of the site. You begin to get an idea of how these buildings, kind of, nestle into the hillside. What that means is we're saving dollars on things like retaining walls by using buildings like the gymnasium that don't need a lot of windows -- kind of use those to hold back the earth, and then using the flatter areas of the site for physical training, parade ground, running track, etc.

Just a, kind of, closer up view. You can see the buildings that are maintained. Building 15 and Building 17 are, obviously, newer buildings. You have the Museum here and the, kind of, outer parking lot, which, again, gives the State Police that front door -- that, kind of, openness to the public -- and

then layers of security as you get back to headquarters and operations being farthest removed -- again, another level of discrete security.

And then, we just have some overviews of the parade ground here. You can see the EOC, barely, in the background at the top of the hill. But you get an idea of how the building fits into the hillside. And then, this is a view of the academic quadrangle, the dining hall, the classrooms, and then, finally, the administration office.

What we did in the overall -- now looking at a, kind of, artist's rendering of what this could be -- is, we made the most, really, of what's there. It is a very, very simple strategy that, in the end, solves a very complex problem and, we think, makes a very compelling argument to, really, realize this campus all at once and to take advantage of, take the greatest advantage of, the new police training academy and tie that into the, kind of, seamless operations and headquarters' facility. And that's it.

MS. MOLNAR: Thank you.

I had a few questions.

SENATOR LITTELL: I'd like to ask a question.

MS. MOLNAR: Sure.

SENATOR LITTELL: I think it's a wonderful job they put together, but I don't understand why we have 1580 parking spaces. That land may not be needed right now, but in the future, who knows what they'll need. I think a parking garage, three stories high, would be better, by far, than to have that many parking spaces.

MR. LAPERA: Senator, we have, approximately, 1200 cars. And that's, actually-- It's a requirement of the building code. If we looked at a

parking garage-- The problem was that the parking garage was considerably more expensive than--

SENATOR LITTELL: Hang on a minute. I can't hear you. For some reason, it just isn't as strong as it was before. Try me again.

MR. LAPERA: I'm sorry, Senator. I think it's a matter of distance.

We actually looked at a parking garage. It was considerably more expensive than, basically, making use of the 750 spaces we had there, and then only, really, putting in one more lot. There's, actually, not 1580. I believe the number is closer to 1200 parking spaces.

SENATOR LITTELL: Well, it says 1230 in one space, and 350 in another.

MR. LAPERA: I don't believe that's correct.

SENATOR LITTELL: Okay.

MR. LAPERA: We had looked at the parking garage option. It is a very expensive option.

SENATOR LITTELL: Well, my concern is there's not a lot of extra space, and in the future, they may need that property for something else.

MR. LAPERA: Oh, no. One of the things I did mention is that we looked at, kind of, smart growth, how the campus would develop. And, actually, the notion of putting in a parking garage, should the campus grow in the future, can easily be accomplished. There's two locations that we could locate a parking garage. And, actually, where Building 17 is, would be the next growth area of the campus. And we could, probably, accommodate up to

another 200,000 square feet, almost immediately. So the campus has significant room to grow, based on the strategy in place.

SENATOR BRYANT: Let me follow-up on that question, Senator.

As I understood it, the new spaces are, really, for the public to come to the Museum, as opposed to existing spaces, which are already there. So, in essence, it's part of, as I understand it, this layer of protection, keeping the public from parking in spaces that are already in existence that are closer to the campus, and keeping them further away. So the 300 new spaces, really, are, sort of, part of the security of allowing folks access, but not really access to the more critical part of the development.

Am I wrong?

MR. LAPERA: No, you're absolutely correct.

MS. MOLNAR: Any other questions, Senator Littell?

SENATOR LITTELL: On the savings versus the cost of this facility, it seems to me that there ought to be, for the benefit of the members of the Legislature and the public, a cost analysis. If you had 16 buildings that are being torn down, the new facilities that are being built in their space are going to be much more energy efficient. They're going to be a lot easier and more comfortable for the people that have to work in those buildings. After all the savings are added up, it would seem to me that we would more than break even on it.

Right now, you've got people driving from one facility to another where you have all of these satellite operations. If you want to go to Sea Girt to participate in a training program, you've got to drive all the way across the state and back. Electrical facilities are going to be energy saving. Water use

will be reduced, because you're going to have water saving toilets, and right on down the line. If you consider all of the things that are part of a code today, they're going to save you enough money to more than pay for the buildings and the improvements.

MR. CHIANESE: Senator, this is Chuck Chianese from the Building Authority. In fact, if I didn't know better, I would think that you were actually sitting at the table when we were with the project team discussing these matters. Everything that you've just indicated is right on target. Clearly, notwithstanding the hard cost calculations of the renovations, all of the other areas you've just identified, i.e.: energy-efficient approach, efficiency of work productivity, etc., most certainly, also, add to the savings, bottom line.

ASSEMBLYMAN CRYAN: May I follow up on that?

MS. MOLNAR: Sure.

SENATOR LITTELL: Well, has anybody done any cost analysis on the savings versus the cost of the new facility?

ASSEMBLYMAN CRYAN: Do you have that -- what the Senator asked for? And also, if you could-- My follow-up question is, you mentioned that you're paying rent on the facilities. We'd, certainly-- I mean, I'm requesting that you tell us how much you're paying out in rent as a result of how much that cost savings would be. The bottom line is what?

MR. CHIANESE: That analysis, certainly, could be put together.

ASSEMBLYMAN CRYAN: And since the Senator mentioned about square footage and so on, how much of a total square footage are you currently using when you add up everything you're renting, in terms of-- You're looking for 200,000 square feet, here, of office space. How much, when

we add in the satellites, whether it's the Holiday Inn or the other facilities -- how much current square footage are we using, versus how much of an expansion do we have?

MS. MOLNAR: Any other questions Senator Littell?

SENATOR LITTELL: Yes, did anybody do a cost analysis on that? I didn't hear the answer.

MR. ZISKIND: Senator, it's David Ziskind. We did a cost analysis.

SENATOR LITTELL: Now, I can hear the Chairwoman. Why can't I hear you better, Chuck?

MR. ZISKIND: Senator, can you hear me now?

SENATOR LITTELL: Oh, that's fine. What's the difference there? Did you move to a different microphone?

MR. ZISKIND: No, I moved to where the speaker is.

SENATOR LITTELL: Okay.

MR. ZISKIND: I'm David Ziskind, with STV. We did a thorough cost analysis, and we looked at the existing facilities -- cost of renovating those facilities versus new facilities. In terms of the capital cost, it was more expensive to renovate those facilities, bring them up to code conditions. But still, the campus would not work efficiently, because you're spread out in 17 different buildings. We did not look at the life-cycle analysis, and we're happy to do that.

SENATOR LITTELL: Yes, I think the members of the Legislature and the public would like to know that that's the case. I'm confident that if you compare all of the standards of today to what they were 70 years ago,

when this thing was built, there's no doubt in my mind that you're going to save money. But it should be documented so we can say it with certainty.

MR. CHIANESE: Senator, this is Chuck Chianese from the Building Authority. We certainly, based on your comments, will be prepared to address this issue once the project report advances, if this Commission approves the project report, to the Legislature for consideration.

SENATOR BRYANT: I think the Senator is asking that that be done sooner than later, so the public, at the public hearings -- that also should come out to the public.

MR. CHIANESE: We will have that analysis available.

MS. MOLNAR: Any other questions, Senator Littell?

SENATOR LITTELL: No, I'm fine, Madam Chairwoman. Thank you very much.

MS. MOLNAR: Okay. I just had one question. Will the construction differ in light of September 11?

MR. LAPERA: Yes, I think that we're involved in embassies and courthouses, as well as STV, in (indiscernible) the nature of security, as in construction, differing. I mean, there are things you can do that, really, just make sense, like keeping cars 100 feet away from key buildings, that, really, don't have cost implications. They have, obviously, security implications. And all that's, really, in place. But in certain buildings, yes, you will see that -- you will see heightened security reflected in the architecture.

MS. MOLNAR: Thank you.

Any other questions or comments?

Senator Bryant.

SENATOR BRYANT: I have one question. I think you really answered it, but I think you need to amplify on it. As we move into this new millennium and this new era, where terrorism is a real threat -- and also with technology-- As I see these buildings, which were built 80 years ago or better, 85 years, they're not, some of them are not, even conducive to bringing about the new technology, whether it be in headquarters or in training facilities. Is it your view, after going through all these buildings, that it does not make much economic sense to try to retrofit buildings, number one, that might be spread out, and, number two, that might not be able to be conducive to the new technology necessary, and that by integrating both the headquarters, with its functions and operations, and the training facility, that we actually save money, technologically, by having all these things integrated at one time, and it leaves us in a position to be ready for future additions that might happen 30 or 40 years down the line?

MR. LAPERA: I would say one -- is by combining the headquarters and the academy, you're maximizing every dollar you're spending on construction. There's no doubt about that. It's just by sharing facilities.

I think, with regard to the buildings that are recommended for demolition, they could never sustain in this -- either the equipment, whether it's HVAC or electricity, for the state-of-the-art today. They simply cannot do it. They barely can sustain what was in the 1950s when the buildings were built in the '20s. So I think that in order to be at the forefront of technology and security and safety, yes, you have to, really, build a new headquarters, as well as an academy.

SENATOR BRYANT: Just a follow-up. What you're suggesting to me -- we already have a museum -- unless we plan to keep Sea Girt as a permanent museum of how things were done in the early 1900s, something dramatically must happen.

MR. LAPERA: Yes, something dramatic has to happen.

MR. ROTH: Madam Chair.

MS. MOLNAR: Yes, Mr. Roth.

MR. ROTH: I'm interested in finding out how the transition is planned from old to new. Obviously, when you're tearing down old buildings, the things that take place in those buildings will have to continue. Where will they be continued during that period of transition?

MR. LAPERA: What happened is -- and again, it goes back a good-- After having studied the site long enough, we can phase around a lot of the existing buildings. A lot of the existing buildings, because they're sitting on flatter ground, are either going to be part of playing fields or parking. So we really -- it's phased in, in a way that the construction can happen around the existing buildings and in an effort to, kind of, minimize the disruption to the campus. I mean, there's going to be some. It's a significant amount of construction. But, again, we tried to plan it so that we worked around the existing buildings.

MR. ROTH: A follow-up-- Are you planning to use trailers and things of that sort? And if so, are the cost built into the projection?

MR. O'REILLY: Let me just address that for a moment. I think from the occupants perspective, what we'd like to see, from a phasing in point of view, is the operational headquarters building go up first, which would allow

us, then, without any disruption, to vacate the buildings that would be coming down. In addition, we have a little bit of swing space in the Hamilton site, which is going to become operational in May or April of this year.

So, from my perspective, in terms of having to keep the critical functions running, along with the Superintendent and the Attorney General, you will see the phasing being, first, the operational headquarters, and then coming back and moving the people into that building, and then doing the training academy second.

MR. ROTH: Thank you.

MS. MOLNAR: Mr. Annese.

MR. ANNESE: You mentioned, in passing, several times about the OTIS facility currently existing at the site. Does your proposal for the \$125 million contain any OTIS facilities?

MR. O'REILLY: No, it does not. Although having the critical infrastructure of the State, from a communications and IT point of view, they'll have a benefit of the enhanced security, in terms of this campus, but there's no money that's associated with them at this time.

MR. ANNESE: Thank you.

MS. MOLNAR: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Thank you.

Can you just get me grounded here, for a minute, on the amount of buildings? I have a document in front of me that says 17. I think you said 18. How many are staying, because Law and Public Safety says, in their thing, that three are staying? How many buildings are there, currently?

MR. ZISKIND: There are 17 existing buildings. One of the buildings, 15 actually, has four different components. It's called A, B, C, and D. There are several trailers that, at least three trailers, that are on site, also. The buildings that are remaining are 15 A, B, C, and D; and 17, which is a relatively new building; and, of course, the Museum, which, I believe, was recently renovated.

ASSEMBLYMAN CRYAN: Okay, are 15 and 17 the ones that were built in '76 and '95, just so I get grounded here a little bit?

MR. ZISKIND: No, I believe the building in '95 was a warehouse.

ASSEMBLYMAN CRYAN: Okay, so two buildings are staying, for the nomenclature to stay the same. Just so I understand, is it two buildings, plus the Museum?

MR. ZISKIND: Fifteen and Seventeen.

MR. LAPERA: Two buildings, plus the Museum. Yes, that's correct.

ASSEMBLYMAN CRYAN: Just so I know, how old are 15 and 17?

MR. ZISKIND: The warehouse was in 1995, and Building 15 was built in the '70s.

ASSEMBLYMAN CRYAN: Okay, and Building 17? Those are the two that are staying, right?

MR. ZISKIND: That's correct.

ASSEMBLYMAN CRYAN: Building 17 is the warehouse. I got it now.

A couple other points, and in no particular order-- I mentioned the rent, which is the thing I wanted to, kind of, understand. How much of the cost of this project is in the demolition? Is demolition a large cost of this, or is it a minor cost, overall?

MR. CHIANESE: Actually, it is, approximately-- Off the top of my head, I want to say \$4.7 million of the \$125 million.

ASSEMBLYMAN CRYAN: And how much of the project, since I know you're going to provide us with a whole lot more information here-- How much of the cost is in technology, new technology upgrades -- that's the communications equipment -- versus the actual buildings themselves?

MR. CHIANESE: I don't have the breakdown at this point. I don't have that level of detail at this point. We have the hard costs, which includes the demolition of about \$103 million, which would include--

ASSEMBLYMAN CRYAN: It's the hard--

MR. CHIANESE: --which would include all of the technology infrastructure at this point.

ASSEMBLYMAN CRYAN: Is it \$130 million or \$125 million.

MR. CHIANESE: The total project is \$125 million. The hard cost itself, within the \$125 million, is about \$103 million, which would include all the technological and building infrastructure issues.

MR. ZISKIND: We call it construction cost -- is \$103 million. And the project cost is \$125 million.

MR. CHIANESE: Which you have your AE and designs, CM services (phonetic spelling) permitting, etc., etc., on top of the \$103 million.

ASSEMBLYMAN CRYAN: I don't have any problem with that. I guess my question is, of the \$103 million, I understand that \$4.7 million is in demolition. And I'm asking -- you don't have to give it -- obviously, I know you can't give it to me today, but I'm certain that you will -- for how much of it is technology versus the actual walls and stucco?

MR. CHIANESE: We would have to work that number out.

MR. O'REILLY: Assemblyman, let me just address that for a second, if I could. When you say technology, I don't want you to think that there's any money in here for the actual computers, the desktop type of issues, or the servers, or any of those things. That's not included here. When we refer to technology, we're referring to state-of-the-art wiring, fiber optics, those types of things that, when one does a new building today, you put the necessary jacks and lines that can handle the volume and the speed that's required by the technology instruments that are on either end of those two pieces of wire. So there are no actual technology dollars in the sense of hardware or software. There are, as part of the integral wiring, HVAC and other considerations of the building.

ASSEMBLYMAN CRYAN: And we'll see the request for the actual technology aspect of this under Law and Public Safety?

MR. O'REILLY: Yes, sir. Much of the technology has been purchased. But you will see, in my next presentation some time this morning, the balance for the State Police.

ASSEMBLYMAN CRYAN: Okay. How many recruits are in an average class?

MR. O'REILLY: The average class, right now, runs, in a platoon, approximately 40 to 50, although most of the time we will be running, concurrently, three to four platoons at a time. So in the last training cycle, I think, we were averaging about 200 troopers in class at that time. What happens is, they're sequenced. So Platoon 1 would come in at one point. The next one would come in two weeks later. The next one two weeks later. But during the 26 weeks, for the most part, you'd have 200 in residence, although some of them are not there in the beginning, and some fall off before the graduation date. That allows us to maximize the instructor staff so that we, kind of, do an A and B, morning and afternoon. Some people are in physical training or self-defense while some people are in classrooms, and vice versa.

In addition to that, though, we have, also, municipal classes that are going on where we provide some of the training for the municipal police officers, both basic training and in-service training, speciality training.

ASSEMBLYMAN CRYAN: I want to follow up on the municipal in just a second. The dormitories only hold 200. Do the four platoons sleep there at the same time?

MR. O'REILLY: Yes, that would give us what we project as being our maximum capacity. The majority of the State Police is a residence program. The other programs, the in-service and things like that, are not residential.

ASSEMBLYMAN CRYAN: That will lead me now to the previous point. Can you talk to us a little bit more about this idea of bringing in municipalities for training, and what that means?

MR. O'REILLY: Yes, over the last 50 or 60 years, the Division of State Police has had an integral role with the overall training that's available for municipal and county law enforcement agencies. We divide it into two areas. In the pre-service area, there's a network of about 20 other academies that are run by either our large municipalities or counties that deliver pre-service training. The State Police also does that because of the capacity issue. In the last couple of years, many of the Federal funding programs -- there's a State Safe and Secure Program that provides subsidies to municipalities for additional police officers. There's been more demand for training than there is capacity. So we continue to deliver that issue.

Quite candidly, that's, kind of, slipped to a little lower priority because of the consent decree requirements for training right now in the State Police, but we intend to maintain a presence in the municipal training pre-service.

On the in-service training, there's-- A lot of the specialty courses are delivered by the State Police to the municipal police officers. I think we're the only K-9 training program in the State of New Jersey. That's taken on renewed interest, because it's no longer patrol dogs. These are bomb, arson, and those types of dogs, in terms of terrorist response issues. We also provide the training, in terms of advanced investigative techniques, polygraph, those types of issues, this whole cadre. We can provide, through the Chair, if you'd like, a whole syllabus of offerings by the State Police that, I would say, rival any community college in the State of New Jersey, in terms of what we deliver.

ASSEMBLYMAN CRYAN: I know I would. In terms of the amount of money that we're investing, here, in the State of New Jersey, I'd

sure like-- I'm sure Senator Bryant would agree -- our municipality -- is to understand what benefits are there for them.

I had one other question I wanted to ask. The 16 acres -- ever usable? I saw it acts as a natural buffer and a 40-foot slope, 4-story slope -- 40-foot-- Is it ever developed -- for lack of a better way to put it -- developable for the future?

MR. LAPERA: It is developable. I think there are certain costs there that were not necessary to incur now. Clearly, there was enough land there that there was no reason to, really, build into that hillside. Actually, there are more areas of that campus that you would develop before you-- You can build into it. The answer is yes, but there are other areas that are, probably, more economical, even on continued growth, before you build into that. Yes, you can build into it. There's no reason why you couldn't.

ASSEMBLYMAN CRYAN: And the Sea Girt facility didn't allow you any expansion opportunity, whatsoever. Is that right?

MR. LAPERA: The Sea Girt, because, mostly, of coastal commissions and code issues on setbacks, really had a limited amount of area to develop. In the Sea Girt area, really, a lot of the development, especially related to the academy, really was a problem with the community. I think that there was no buffer on Sea Girt, really, from the community. And I think a lot of the things like tactical driving, when you see the expanded driving pads and things, would present us with major community issues.

ASSEMBLYMAN CRYAN: And my last point is, you'll follow up with all the savings costs -- that's what I'm particularly interested in -- in terms of what we're going to do here. Right?

MR. CHIANESE: Yes.

ASSEMBLYMAN CRYAN: All right, thank you.

MR. ROTH: Madam Chair.

MS. MOLNAR: Yes, Mr. Roth.

MR. ROTH: If I may follow up with two questions based upon what the Assemblyman has asked. With respect to the \$4.7 million in demolition, have you included, therein, the cost of asbestos removal?

MR. CHIANESE: Yes, sir.

MR. ROTH: You have. Back to the municipal issue. I understand the State Police presently polices several municipalities that don't have police forces. Could you give us an idea of how extensive that program is?

MR. O'REILLY: The Division of State Police currently provides primary police services to 70 municipalities in the State of New Jersey and provides part-time, midnights so to speak, for approximately 28 municipalities. The Division expends an estimated \$60 million to police that group. That group represents about, maybe, 5 percent of the population of the state for rural areas.

MR. ROTH: Thank you.

SENATOR BRYANT: Madam Chair, can I ask a question?

MS. MOLNAR: Yes, Mr. Bryant.

SENATOR BRYANT: Where is the present facility for training?

MR. O'REILLY: The present facility is at Sea Girt, Senator.

SENATOR BRYANT: And so, therefore, that's the reason to do the headquarters, the operations, first, because we can continue it at Sea Girt.

MR. O'REILLY: Yes, sir. As a sequencing point of view, yes, that can maintain itself while we're--

SENATOR BRYANT: I think that needs to be emphasized to the public so folks don't think we're now trying to flip it, to do the operations before. But it really makes sense, because we already have the training done someplace else, and we can maintain that while we clear the site to develop the training.

MR. O'REILLY: That sequence is only a priority, strictly for maintaining operations.

MS. MOLNAR: Ms. Schermerhorn.

MS. SCHERMERHORN: I have a question about the financing. How is the financing of this project, going to be built by the Building Authority, impacted by the Supreme Court decision in *Lonegan v. New Jersey*?

MR. CHIANESE: Well, as you know, statutorily, the governing statute for the Building Authority requires the Building Authority to take the project report through several steps: the first being the New Jersey Building Authority Board, which has approved the project report; next being the Capital Budget and Planning Commission for consideration; after which, we would conduct a public hearing; after which, the record would be assembled and submitted to the Legislature for consideration.

Upon the Legislature approving the project report, the issue as to the timing and the structuring of the financing rests with the State Treasurer, in consultation with the Attorney General's Office, which, certainly, all of the facts relating to the *Lonegan* case would be taken into consideration in rendering a policy decision as to when to proceed.

MS. SCHERMERHORN: Do you think you'll wait to go ahead with the project until after the re-arguments in *Lonegan*?

MR. CHIANESE: Well, again, that-- I'm here on behalf of the Building Authority. That, certainly, is a question that is out of my realm. That's a question that rests with the State, in terms of a policy decision. Upon approval by the Legislature, that decision then rests with the State Treasurer and the Attorney General's Office. I really couldn't speak to that question today.

MS. SCHERMERHORN: Thank you.

MS. MOLNAR: Assemblyman Bryant. (*sic*)

SENATOR BRYANT: Oh, no, I have no more questions.

MS. MOLNAR: Mr. Chianese, could you explain the time line for the financial funding and the process? I know you did some of the process. But over how many years is the bond going to be?

MR. CHIANESE: Generally, Building Authority bonds are 20-year bonds. So at the point we would do the financing-- If the Legislature were to consider the project report, and approve the project report, we probably would be looking at somewhere around a May financing. Again, the timing and the structuring would rest with the State Treasurer.

MS. MOLNAR: Any other questions or comments?

MR. ROTH: Will these bonds be general obligation bonds, or are we going to be faced with some of the arguments we've heard in the past, that the State doesn't have a right to sell bonds without a public vote?

MR. CHIANESE: Again, that relates to the *Lonegan* issue. And the Building Authority financings, as a number of other authorities and State

entities -- the State Treasurer and the Attorney General's Office would make that determination. Our bonds are revenue bonds subject to appropriation.

MS. MOLNAR: Okay, any other questions or comments? (no response)

If not, I need a motion to adopt the resolution. There's a resolution attached to your packet.

SENATOR BRYANT: So moved, Madam Chair.

MS. MOLNAR: Thank you.

It recommends approval of the training center and headquarter complex to the Governor and the Legislature.

Do I have a second?

MR. ROUSSEAU: Second.

MS. MOLNAR: Are there any further questions or comments?
(no response)

If not, we'll take a roll call.

MR. GENIESSE: On the motion to accept the resolution, to approve the resolution, Senator Littell?

SENATOR LITTELL: Yes.

MR. GENIESSE: Senator Bryant.

SENATOR BRYANT: Yes.

MR. GENIESSE: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: I do want to emphasize that we're voting, today, to move it into the public forum in the Legislature. So under that, I vote, but I do look forward to seeing a whole lot more information. But with that, I vote yes.

MS. MOLNAR: Yes, the last few lines of our resolution states that we're just recommending to the Governor and the Legislature.

ASSEMBLYMAN CRYAN: Understood.

MR. GENIESE: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. GENIESE: Mr. McCabe.

MR. McCABE: Yes.

MR. GENIESE: Mr. Brune.

MR. BRUNE: Yes.

MR. GENIESE: Mr. Brannigan.

MR. BRANNIGAN: Yes.

MR. GENIESE: Mr. Roth.

MR. ROTH: Yes.

MR. GENIESE: Mr. Annese.

MR. ANNESE: Yes.

MR. GENIESE: Ms. Molnar.

MS. MOLNAR: Yes.

MR. GENIESE: Madam Chair, you have 10 votes in the affirmative, the motion carries.

MS. MOLNAR: Thank you.

Thank you for your presentation.

MR. CHIANESE: Madam Chair, members of the Commission, thank you.

MS. MOLNAR: We want to thank Mr. McCabe and Senator Littell for coming to the meeting telephonically. At this point, we will continue on with the rest of the meeting.

MR. McCABE: I'm sorry, I can't hear you, Madam Chairwoman.

SENATOR LITTELL: I can't hear either. Too much background noise.

MR. McCABE: Yes.

UNIDENTIFIED SPEAKER: They have concluded this section of the meeting. Thank you for your participation telephonically.

MR. McCABE: Thank you.

UNIDENTIFIED SPEAKER: Thank you, Senator. Thank you, Deputy Commissioner.

SENATOR LITTELL: Thank you.

MS. MOLNAR: Our next Department is the Department of Higher Education. I'd like to welcome Dr. James Sulton.

Good morning.

J A M E S S U L T O N J R., Ph.D.: Good morning, Madam Chairwoman and members of the Commission. I'm delighted to have Dr. Rodney Smith with me this morning. Dr. Smith is the President of Ramapo College of New Jersey.

Thank you for inviting me to appear before you today. I am Jim Sulton, Executive Director of the New Jersey Commission on Higher Education. It's my pleasure to offer a brief presentation and discuss the capital needs of New Jersey's senior public colleges and universities with you.

First, I'm glad to report completion of the system-wide capital planning report that I mentioned in this same forum last year. This report affords an assessment of the physical plants of the State's public and private colleges and universities. It reveals aggregate data about our campuses, as well as prevailing demographic trends and projected enrollment growth. The report offers some policy options for consideration in the current context of long-range planning for New Jersey Higher Education. It illustrates crucial choices that the State must make.

The Commission on Higher Education, along with college and university officials, remains keenly aware of the existing budgetary restraints and realities that New Jersey has to confront. Another difficult fiscal year looms, and its challenges may be greater than those we faced in Fiscal Year 2003.

Higher Education joins all departments and agencies in the difficult task of identifying spending priorities. The State's 1999 Higher Education Capital Improvement Fund exerted a significant impact on addressing deferred maintenance at the senior public institutions of higher education. The Commission and the institutions are grateful for the State's support. Unfortunately, the lack of annual State assistance to address new maintenance and renewal needs over the past few years has exacerbated the deferral of projects. Traditionally, State appropriations for necessary capital maintenance at the senior public institutions have been sporadic and very limited, which produces a continuous backlog of projects and the deterioration of physical plants.

As you deliberate capital budgeting and planning for Fiscal Year 2004, we request your consideration of a means to relieve this vexing recurrent cycle. Nationally recognized standards for annual maintenance of college and university physical plants call for dedicating between 1.5 and 3 percent of current replacement value to maintenance and renewal. Absent State funding, to help maintain our State college and university campuses, associated costs must be addressed principally by increasing tuition and fees or deferring such expenditures into the future.

Consistent with national standards, the Commission and the President's Council propose a State policy calling for an annual expenditure for maintenance of 2.25 percent of current replacement value for the State's senior public institutions. The State should supply a minimum of 2 percent, through annual appropriations, to the institutions that are eligible for capital renewal funds, with the institutions furnishing at least an additional .25 percent.

We have been encouraged, in the past, by the Capital Commission's willingness to acknowledge Higher Education's capital needs and recommend the funding. I urge you, again, today, to recognize the needs of the senior public institutions of higher education.

The revenue constraints in Fiscal Year 2004 may impede full implementation of the above proposal, but we, nonetheless, urge this Commission to recognize the rationale for annual maintenance and renewal funding at the senior public institutions and endorse the proposal as a long-term principle. We also ask that you recommend, at least, a minimal level of funding during these times of extraordinary fiscal constraints.

With that, I will turn the floor over to our colleague from the President's Council, Madam Chair. And I will certainly be happy to answer any questions you or your colleagues may have.

MS. MOLNAR: Thank you.

RODNEY D. SMITH, Ed.D.: Good morning.

MS. MOLNAR: Good morning.

DR. SMITH: Madam Chair, members of the Commission, thank you for inviting me to appear before you today. I am Dr. Rodney Smith, President of Ramapo College of New Jersey.

It is my pleasure to speak to you today. I'm on behalf of the 12 senior public college and university presidents. Thank you for your supportive recommendations for capital funding for higher education over the years.

Collectively, the 12 senior public colleges and universities are the State's principal baccalaureate resource, as well as a major source of graduate education and research. The 12 colleges and universities serve approximately 147,210 full-time and part-time undergraduate and graduate students, the majority of whom are New Jersey residents seeking a residential experience.

Over the next 10 years, the growth in the number of New Jersey high school graduates is expected to be the fifth highest in the nation. Considering we have one of the highest high school graduation rates, this means that the numbers seeking entry into higher education institutions in New Jersey will double, and even triple, in the coming years.

This phenomenon, known as the baby boom echo, is projected to increase the college-going population by 16,000 students by 2008. Enrollments are expected to stabilize at a higher level past 2012. A large share

of these students is likely to enroll at public colleges and universities as full-time residential students.

Additionally, New Jersey has one of the highest rates of new immigrants, with each segment of this population facing significant demands for continuing adult education. Currently, the State colleges and universities have the highest number of full-time equivalent students, FTEs, of the four-year public and private colleges, and the least amount of academic gross square feet per student, placing New Jersey near the bottom, nationally, in this category. The impending student increase will have the greatest impact on this sector's capacity to meet demand for educational programs, services, and physical facilities.

It is important to note that New Jersey's public colleges and universities are constantly acquiring greater debt; hence, the State colleges and universities have the highest debt service payment per student of the public and private four-year institutions.

While bond programs such as the Equipment Leasing Fund, the Higher Education Capital Improvement Fund, and the Dormitory Safety Trust Fund have helped to address some capital needs, these programs require institutions to contribute up to one-third of the cost of debt service. This requirement did not exist before the mid-1990s, and it has added to the indebtedness of these institutions, thereby decreasing their spending flexibility and adding to the tuition burden.

In addition, the colleges and universities are building more dormitories and other auxiliary facilities, such as athletic centers, as their campuses become increasingly residential. In many instances, the State

colleges and universities must, independently, finance the construction of academic buildings, which is not the case in many other states. As a result, the State colleges and universities are more highly leveraged than their peer institutions in other states.

The State has not appropriated annual pay-as-you-go capital funding for the colleges and universities since Fiscal Year 1999. As the demand for programs and services increases, student tuition and fees will continue to support an increasing share of capital project costs. As a result, there is an urgent need for the restoration of annual maintenance and preservation funds, as well as new construction funding to meet the current, as well as long-term, needs of an increasing student population.

To use one institution as an example, Ramapo College of New Jersey, the lowest funded of all the four-year residential State colleges, has never had its funding formula adjusted to be on par with our other State institutions. Yet, Ramapo College has been designated by the Legislature as New Jersey's Public Liberal Arts College. The College serves over 5500 students on a campus that is nearly 300 beautiful acres, most of which is unbuildable wetlands.

Like other State institutions, Ramapo College needs to acquire more land; Ramapo College needs to expand classroom spaces; Ramapo College needs space for student services, storage, and for administrative offices. Ramapo College had to increase its debt services ratio to levels above the national average, because the College needed to build residential halls for New Jersey students. I cannot over-emphasize the dire needs of our institutions of

higher learning, needs which translate into the needs of New Jersey parents and students.

Today, Ramapo College's beautiful residential campus is marred by the presence of almost 20,000 square feet of space provided in trailers. Ramapo College has 19 trailers that some, euphemistically, refer to as modular structures. I assure you, they are trailers. They were either rented or purchased to provide a short-term fix for a long-term problem, and one that will become increasingly acute in the years ahead.

The senior public colleges and universities endorse the Commission on Higher Education's recommendation that future capital funding be based annually upon 2 percent of the replacement value of the State's public higher education institutions to cover ongoing repair, maintenance, and upgrading of State-owned academic facilities.

In closing, allow me to remind all that investing in institutional capacity is investing in people, programs, and infrastructure in alignment with institutional mission and State goals. Long-term sustained strategic investment and predictable funding help to ensure affordability by decreasing the student's share of educational expenses, mainly in the form of tuition and fees, that are used to support institutional programs and capital goals.

I thank you.

MS. MOLNAR: Thank you.

Any questions or comments?

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Just a couple quick questions, and a thank you.

What is the national average of debt service?

DR. SMITH: I believe it's around 4 to 6 percent. Ramapo College is 10 percent right now.

ASSEMBLYMAN CRYAN: I don't know if you can answer this for me, or the other gentleman can. In the summary that we received, it talked quite a bit about this idea that New Jersey students that now go out-of-state will stay in-state. I read that in the summary. Do you know what I'm talking about here?

DR. SULTON: That capital planning report talked about the number of students who select out-of-state institutions, yes, sir.

ASSEMBLYMAN CRYAN: Right, and therefore, there's a feeling or a belief, based on some study, that these students will now, and in the future, look to stay home here in New Jersey.

DR. SULTON: There is an expectation that other states are experiencing the same, sort of, demographic crunch that we are, which is to say they have more in-state high school graduates to accommodate on their own, meaning that there will be fewer slots, if you will, to accommodate New Jersey students who might want to go out-of-state, than there have been in the past.

ASSEMBLYMAN CRYAN: So based on this -- from Dr. Smith's testimony today, where we talk about a baby boom echo, and the graphs that I saw in here, how does that -- is that -- is the idea you just, that we just, discussed, that New Jersey kids are going to stay home, in the vernacular-- Is that extrapolated into this data?

DR. SULTON: Yes, it is. One of the graphs in there shows what the upward trend would be if the number of students who current enroll in

New Jersey institutions keeps along the same trajectory. And the extrapolation is another line on that same graph that shows how it would increase if more students decided to stay in-state.

ASSEMBLYMAN CRYAN: And my last question is, Lord knows you've provided enough backup here to read through--

DR. SULTON: Sorry.

ASSEMBLYMAN CRYAN: That's for sure. Are there any of these schools that are non-competitive, that take every student, as opposed to a competitive process where there would actually be a rejection if they weren't academically eligible?

DR. SULTON: We have community colleges that maintain an open admissions policy, Assemblyman.

ASSEMBLYMAN CRYAN: Right.

DR. SULTON: Our four-year institutions have moderately selective and more competitive standards of admission.

ASSEMBLYMAN CRYAN: So all the four-years do do some selective admission process.

DR. SULTON: They all have their own institutional admission processes, as sanctioned by their individual governing boards, or boards of trustees.

ASSEMBLYMAN CRYAN: Okay.

DR. SMITH: If I might, a statistic that might bring home the message a little clearer-- This fall semester, all of these institutions we referenced increased their enrollment. Ramapo College has broken every single enrollment record this semester. Statewide, we had about 20,000 students that

actually qualified to go into colleges and universities, public colleges and universities. We were only able to accept 9000 of those students.

ASSEMBLYMAN CRYAN: Well, let me ask -- let me follow up with your school then, because-- How many kids did apply, and how many did you turn away?

DR. SMITH: We were only able to accept 43 percent of the students that applied to the college, because we had no other space. We are in the process of completing a residential facility, which is already completed, which is already filled, in terms of spaces, and we have plans on the drawing board for another residential facility, which is, again, already filled, based on the number of requests for students to live on campus.

ASSEMBLYMAN CRYAN: So are these extrapolations, and this capital funding-- It's based on current enrollment, or do we ever become, for lack of a better way to put it, more competitive? Do you see where I'm going here? I mean, do we make the standards a little tighter? Is that what this is based on? Or do we simply expand, based on a 43 percent acceptance rate?

DR. SULTON: The information you have before you is based on enrollment trends over a decade, and it extrapolates from that. So you're right, there is a stock choice, in terms of the prospect of raising admission standards to the point that you have fewer admits. Against the possibility of having more open enrollments and providing slots for as many students as you could possibly accommodate, we try to strike a delicate balance so that we can take the academically qualified students, who want to pursue a four-year baccalaureate education in New Jersey. And we fall short of that, typically, because of the capacity crunch.

ASSEMBLYMAN CRYAN: And only as it relates to fiscally, not whether I agree or disagree with that process-- I just want to understand it from a financial standpoint, which is what my role is here, as I understand it. Is there a thought process out there, among you folks that lead us in higher education, that should we, at least, be considering being more selective on the higher education front, and for community colleges, looking at more capital expansion there, where it's more of an open enrollment?

DR. SULTON: Many a Maalox moment is spent on that, Assemblyman. We have a lot of angst, and we are currently engaged in a long-range planning process, which includes that as an important consideration, among other things.

ASSEMBLYMAN CRYAN: Thank you.

MS. MOLNAR: I have one question. Dr. Smith's testimony says the State has not appropriated annual pay-as-you-go capital since 1999. It looks like in '99, there was the Higher Education Capital Improvement Fund. I'm thinking maybe there's a correlation. I'm wondering, is the issue with the capital fund the fact that you have to put in a third? Is that the issue?

DR. SULTON: Not with respect to that statement, Madam Chair. I think the issue there is that's devoted to deferred maintenance, as opposed to new construction.

MS. MOLNAR: Okay, thanks.

Mr. Rousseau.

MR. ROUSSEAU: A couple of clarifications on Assemblyman Cryan's points. You said that 43 percent were accepted or decided to come to school there? What are--

DR. SMITH: Forty-three percent were accepted for admission.

MR. ROUSSEAU: So you rejected-- Let me rephrase that. Did you reject 57 percent of the applications, or did some portion of those -- were people who applied to numerous schools and decided not to actually go to Ramapo?

DR. SMITH: No, we rejected 57 percent.

MR. ROUSSEAU: You rejected 57 percent of the applications.

DR. SMITH: And the rejection was not based merely on the fact that they did not qualify. And this goes back to the Assemblyman's question. The selectivity of our institutions is, in most cases, being determined by the supply and demand issue that we're dealing with. So our institutions are being forced to become more selective. So we can only accept those students who are even more qualified than the pool that are actually qualified to attend.

MR. ROUSSEAU: And of those that you accepted, how many decided to attend?

DR. SMITH: That would be about 22 percent.

MR. ROUSSEAU: As just a second follow-up on the Chairwoman's remarks about the Capital Improvement Fund-- One of the things I'd like to point out is that, unlike other departments of State government, you, at least, had that for your capital needs over the last couple of years. As we've seen, other departments of State government haven't even had that money. You, at least, had the ability to have that capital fund out there.

I know that deferred maintenance is another issue, but the deferred maintenance is an issue all throughout State government. And during

that time period, you were treated exactly the same as every other State department that, basically, had no money for deferred maintenance. But you had the advantage of having the Capital Fund that other areas of State government didn't have. I just wanted to point that out.

I understand the Capital -- the deferred maintenance side, but that was-- You had the advantage of three things, Equipment Leasing Fund, Capital Improvement Fund, and the other one that other areas of State government may or may not have had access to.

DR. SULTON: Please don't mistake the testimony, or the testimony we gave last year, for its genuine appreciation for what you're pointing out there. We have been extremely grateful for the support that we've gotten in the capital area. Our only statement was to point out the scope of the needs that still exists.

ASSEMBLYMAN CRYAN: Can I ask one other question?

MS. MOLNAR: Yes, Assemblyman.

ASSEMBLYMAN CRYAN: I'm back to replacement value. And it's just for me to get grounded a little bit more. Replacement value means if we wanted to build these facilities new today, is that correct?

DR. SULTON: Yes.

ASSEMBLYMAN CRYAN: And this 2.25 percent -- does any other state use that?

DR. SULTON: Yes, other states-- It's an average of between 1.5 to 3 percent, which states use as a range. So we struck that as our own. There are some higher than that. There's some lower than that.

ASSEMBLYMAN CRYAN: I'm curious. Our neighbors, Pennsylvania and New York -- any idea what those numbers are?

DR. SULTON: I can get that information for you. I wouldn't be correct off the top of my head.

ASSEMBLYMAN CRYAN: All right, thank you.

MS. MOLNAR: Well, from what I read, our citizens in New Jersey are getting a great value for the dollar at our higher education facilities. I want to thank you for that.

I guess there's no other questions or comments.

I want to thank you for your presentation.

DR. SULTON: Thank you.

MS. MOLNAR: Our next department is the Department of Law and Public Safety. I want to welcome back Tom O'Reilly and Dan Foster.

MR. O'REILLY: Good morning, Madam Chair. It's a pleasure to be back again.

This time, I'd like to address the broader Department of Law and Public Safety capital needs for this year.

On behalf of Attorney General Samson, I want to express our appreciation for the support over the past several years for the Department of Law and Public Safety, in the many critical missions that we perform.

I think this year that's coming up will be very exciting. You will witness the opening of our new State Police headquarters and high-tech criminal science complex in Hamilton, New Jersey, Mercer County. The new complex will be the site of a new State Police Troop C headquarters' building, a state-of-the-art forensic laboratory and high-tech criminal science facility,

which will serve the State Police and all of the law enforcement community within the State.

A particular emphasis should be the fact that it's going to bring us into the state-of-the-art as it relates to DNA investigations, which is becoming the backbone of all criminal investigations around the country.

In addition, there will be a groundbreaking ceremony this year for the new State Police emergency management command center. And with your continued support, we will move forward with the development of the new State Police professional center and operational center at West Trenton.

I'm also pleased to announce that we are making progress toward the acquisition of an enhanced computer-aided dispatch system for the Division of the State Police. In Fiscal Year 2003, this body approved \$6 million to fund acquisition for this enhanced dispatch system, which will support the State Police records' management, our ability to conduct silent dispatch, and also the first phase of the field reporting systems, all systems that are integral to providing maximum safety and efficiency for our road troopers. To date, we have completed the request for information on this, and, shortly, we will be going out to bid.

As we all recognize, September 11 not only changed America, but the priorities of government in New Jersey. Of necessity, one of our State's chief priorities must now be to provide a domestic security plan that protects not only our neighborhoods, our commercial districts, our schools, and our critical infrastructures, but also our State employees and the facilities in which they work. The stability of State government, in the event of a disaster, is the

cornerstone, in terms of our public safety response, our safety of our citizens, and the economic recovery.

Consistent with our Department's mission to ensure the public safety, we have been working to provide the highest level of security available for thousands of State employees not only in Trenton, but throughout New Jersey.

Currently, we are working with the Department of Treasury to develop an add-on security cost for every new construction project. This goes to some of the questions earlier today -- is that, has September 11 changed the face of architecture and design. And the answer is yes. We in the Capital Complex are trying to take that into each of our projects as we go forward. This is a new proposed initiative, which, if put into effect, will provide needed funding to address the various security needs that are -- at the time a building is constructed, instead of going back trying to retrofit it. Many of our capital requests for the next fiscal years address both security and safety concerns.

In the interest of time, let me just provide a few highlights, in terms of some of the initiatives that have been requested this year. As I indicated earlier, the State Police complex at Hamilton will open in May and will house a patrol function headquarters, as well as a statewide communications center and high-technology laboratory.

As an aside, this will be the first time we're also going to co-locate a DOT and Department of Environmental Protection dispatch function, so in the event of an incident that involves, let's say, a truck that's carrying HAZMAT materials, all three of the State's responders will be on one roof and

will be able to coordinate that response, instead of having to call from Trenton to Totowa to West Trenton in order to try to get that response.

The State Police patrol functions from Hightstown, Princeton, and Ewing will be consolidated into the Troop C building, which will house over 200 employees. The state-of-the-art forensic laboratory and high-tech criminal sciences' facility will house in excess of 300 employees.

We have requested funds for the purchase of furniture and equipment for these buildings, because money for that purpose was not included in the construction phase. This will ensure that both facilities become turnkey operations.

As I pointed out to you a year ago, the State Police used the World Trade Center as a communications tower for North Jersey. And the September 11 attacks took away a vital element of the State Police communications system. In light of the critical need for this system, we have installed new State Police antennas in Montclair, and we are forging ahead with plans to install two additional ones in Jersey City and Watchung. It will take three locations to replace the World Trade's single location because of the height of those buildings.

Another vital component of our State's overall preparedness effort is the upgrading of the 18-year-old State Police radio system from an analog technology to a digital technology. We are requesting, in this year's request, an additional \$10 million for this goal.

We are planning a three-year, phased-in program in order to improve this radio system, which we use microwave technology, as well as the conversion to digital technology, and also what they call a *smart zone*

enhancement, which should eliminate many of our dead spots. This will allow us to get back into a uniformed system, and will help us to surrender. Right now, we're using, actually, cell phones as a dispatch function in North Jersey, because of the World Trade Center issue.

The total cost for that project will be about \$40 million. The good news is, we have secured \$30 million from the Federal government to augment that. That's why this year's request is \$10 million, in order to complete the program.

As we learned from the September 11 attacks, cellular telephones can be a vital link during times of crisis. And in the aftermath of September 11, cell phone usage surged. Against this backdrop, our communications centers must be ready to handle the increased volumes. Today, a single emergency that is called in, such as a traffic accident, ends up being called in 50 or 60 times because of the people traveling past that incident. Each one of those need to be responded to.

Currently, there's not enough space or equipment to accommodate the volume of calls, which increases daily, particularly in our North Jersey station area in Totowa, which, as an aside, caught many of the calls from the World Trade Center, because of the bounce of the cellular phones from New York City into northern New Jersey.

We are asking for money to fund the design portion of a project which will expand Totowa's overcrowded 9-1-1 center, the replacement of 9-1-1 radio consoles, as well as to provide space at Totowa for receiving, processing, and storing criminal evidence. Currently, the space at Totowa is

inadequate to handle all of the law enforcement work that is conducted up there.

Our next request involves funding to renovate the Records and Identification Building at State Police Division Headquarters in West Trenton. This is one of the buildings that, as our prior presentation indicated, will remain as part of the new roll out up there. The State Police master plan recommends the total renovation of that building in order to bring it up into full code compliance.

Please keep in mind that this facility has been identified, as I indicated before, as one of the three remaining facilities that will stay on the current campus, assuming that we go forward with the final approvals of the operational center and training academy proposal.

The issue of training for our State troopers has been, and remains, an important issue, in terms of the consent decree and the monitoring of the independent monitor appointed by the Department of Justice. In order to comply with the consent decree, the State Police has restructured the way it recruits, selects, evaluates, promotes, and trains our troopers.

Presently, as we discussed earlier this morning, all the training activities for the State Police take place, currently, at the State Police training academy. We are asking for funds, in companion to the main training academy that we discussed this morning, to start the process for those three regional training centers that we discussed earlier.

As an aside, one of those training centers is incorporated into the Hamilton site, so, actually, we're looking for two additional sites, one in North Jersey and one in South Jersey. We've had some discussion to try to co-locate

these in proximity with Rutgers, so that there's an ability to leverage their educational infrastructure, along with some of our training needs.

The New Jersey State Police Information Technology Action Plan was initiated several years ago, and, through your support, we've been able to transform a manual system to almost a fully automated system in key functional areas.

We have put in place, over the last couple of years, the management awareness performance program, which is part of the consent decree, which serves as an early warning system as it relates to motor vehicle stops and other actions taken by troopers. The Human Resource Management System, Internal Affairs Case Management System, a Terrorism Alert System -- a communicator system to provide critical terrorism-related information to our critical infrastructure partners in the private sector.

However, because of our evolving domestic security needs continued mandates, detailed in the consent decree, the State Police are requesting additional funds to continue the Information Technology Action Plan. I think the Assemblyman had a question on that in the last presentation. I'd be happy to further elaborate on that during the question session.

We are requesting funds for the maintenance of the Technology Renewal Program, which will allow us to make sure that the investment, to date, continues to serve us well. We're also asking for money to protect the network information from a security point of view, and other technological upgrades, so the troopers can spend more time on the roads and doing police work, and less time doing data entry and records keeping.

Another high priority is the standardization of the State Police helicopter fleet. Standardization will enhance the safety and operational capability of our State Police helicopters, help cut maintenance costs, and reduce the amount of training required to become a Medivac pilot. In the Fiscal Year 2003 Appropriation Act, you supported three twin-engine intermediate helicopters, which we are now in the process of pursuing.

The vendors have submitted their bids. Those bids have been reviewed by a committee. We, shortly, hope to award the bids for those three helicopters. The request before you is for two additional helicopters, which will complete the helicopter plan for the State Police. Each of the five helicopters will be interchangeable, as it relates to being able to function both as a Medivac helicopter and for general police emergency response and patrol functions.

As we have said on many occasions, road troopers and road stations are the backbone of the State Police operations. Unfortunately, the current telephone system that serves our road stations is obsolete. As a result, our road stations are experiencing frequent disruptions in phone service, sometimes for extended periods of time. As I'm sure you'll agree, our inability for the public to contact the State Police and the road stations is a paramount public safety concern. We cannot compromise our ability to provide the service to the citizens.

This year, we plan to initiate, with your help, a study to determine the best telephone equipment available for both the road stations and for the Division headquarters, so that we come to the latest, state-of-the-art, in terms of providing that service, both in terms of general phone service and, also, some of the enhanced 9-1-1 call-handling service.

We are also asking, in this year's request, for capital preservation funds to address fire safety projects and do critical repairs in the medical examiner's office in Newark; to repair, to provide repairs for the State Police marine facilities; and also some heating, ventilation, and air conditioning equipment replacements in order to keep up with our preventative maintenance program.

The continued support and funding that we receive from this Commission has been extremely helpful in order to maintain -- allowing us to maintain our infrastructure. Again, I want to thank you for your support. I'd be happy to answer any questions that you may have at this time.

MS. MOLNAR: Thank you.

I believe last year this Commission approved the purchase of two or three Medivac helicopters.

MR. O'REILLY: Yes, there were three, Chairwoman.

MS. MOLNAR: It takes-- There's a long time line in acquiring these, right? I don't believe you've acquired them yet.

MR. O'REILLY: That's correct. We put the bid out. We had several respondents. The bids have been evaluated. I understand the committee has made a recommendation to the Purchase Bureau in Treasury. I'm not sure what the final-- That's kept, kind of, under wraps until the final issue is there. But I anticipate that the award, in all likelihood, will be made public within the next 30 days. After that, it takes approximately nine months from the manufacturing queue to have the helicopters delivered.

MS. MOLNAR: Now, the funds that were appropriated, do you hold them in escrow? What's the process?

MR. O'REILLY: Yes, it was a language provision for this year. And then after that, I think that they're looking, subject to some of the litigation that we referenced before, in terms of the bond issue, as a -- certificates of participation.

MS. MOLNAR: Thank you.

Any other questions or comments?

ASSEMBLYMAN CRYAN: I do.

MS. MOLNAR: Assemblyman--

Oh, I'm sorry, Mr. Rousseau.

MR. ROUSSEAU: I'll defer to the Assemblyman first.

MS. MOLNAR: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Thanks.

I've got a few, to put it mildly.

Under the first priority, the complex -- the high-tech center, in the bid that we talked about earlier-- Maybe you can correct something for me. In the back-up here -- it's on Page 1 of the back-up. It's under the agency capital budget request. I have a couple of questions about what things are, and what things mean.

Is that all right?

MR. O'REILLY: Yes, sir.

ASSEMBLYMAN CRYAN: What's a digital-- There's \$383,000 in the request for a digital voice recorder. What is that, and how many of them are there?

MR. O'REILLY: On voice radio communications, there's what they used to call a 10-track tape recorder, which records all traffic broadcasts,

both from the dispatcher to the car and the car back to the dispatcher. Under the consent decree, we're mandated to move up to the next state of technology, in terms of using digitized data recording. The reason for four of them is, because at any given point in time, we may have as many as eight or twelve bands working, in terms of radio communication. The reason for the digitized is because we have to be able to retrieve the communication issue.

What it amounts to is a sequencing. As you may be aware, we currently have installed, in all marked cars, video cameras to record the transaction. When the lights go on, the video camera goes on. And it's part of the consent decree.

What we need to be able to do is to be able to coordinate that with the dispatch issues and some of the issues that the trooper is required to call back into the dispatcher, in terms of why he's stopping the car, the probable cause issues, and things of that nature. So that's that type of equipment.

ASSEMBLYMAN CRYAN: So there's four of these that we're buying.

MR. O'REILLY: Yes.

ASSEMBLYMAN CRYAN: And we need about -- at a hundred a throw, we need them because they -- we need more bandwidth? Is that, essentially, the answer?

MR. O'REILLY: We need the total number of those in order to cover the total amount of radio traffic out there. And because they operate on the various frequency-- The State Police operate on what they call the 800-megahertz frequency, but there's multiple channels within that frequency. So,

because you may have simultaneous broadcasts, in terms of cars, you need to be able to capture it all.

ASSEMBLYMAN CRYAN: I'm not on it, but I have to-- When I heard \$40 million for radios, which I'm going to ask about-- How many cars are on the road? I mean, how much radio activity is there? Calibrate that for me.

MR. O'REILLY: In terms of the number of troopers on the road, there's approximately 1500 troopers that are in uniform doing patrol functions.

ASSEMBLYMAN CRYAN: Okay, and radio activity, at any given point, is--

MR. O'REILLY: It can be quite high, depending on the station. The reason it's high is because we've -- economies of scale-- Over the last couple of years, we've gone from 21 dispatch points to 10. Now we operate three. There's three dispatch points that are -- one's in Totowa, one's in Trenton, and one's in Buena or Hammonton. And as a result of that, what you have is, all the radio traffic, kind of, funnels through these three points. So it's a very congested issue.

I've witnessed it firsthand, in terms of listening on the radio, if I'm in a particular car going from Point A to Point B. And it's a very voluminous amount of action.

ASSEMBLYMAN CRYAN: I have no doubt that it is. It's just the \$40 million sticker shock, I think, would be a fair way to put it.

MR. O'REILLY: Well, the \$40 million, Assemblyman, is the overall system. Let me just take a minute and go over the size and scope of this.

ASSEMBLYMAN CRYAN: Well, I'll tell you what, hold on that. Let me ask my next question first, because I'm on that same page with the digital voice recorders. And that is-- The \$2 million for the interior and equipment fit out of the central regional training center. How come that's not part of what we just saw earlier?

MR. O'REILLY: As I indicated in the earlier presentation, there's three components to the overall training strategy. The first one is the flagship, if you will, or the training center that we discussed earlier this morning.

ASSEMBLYMAN CRYAN: Right.

MR. O'REILLY: Complementary to that are the three regional centers that will be developed. There's one in North Jersey; one in South Jersey, hopefully in conjunction with the Rutgers campuses; and one in Central Jersey, which will be located here.

The \$2 million that's included here is independent of the earlier proposal, because of the timing issues. This building is ready within the next 12 months or so. So we need this money in advance of when the overall project--

ASSEMBLYMAN CRYAN: This is the West Trenton?

MR. O'REILLY: No, sir, this is the Hamilton.

ASSEMBLYMAN CRYAN: The Hamilton.

MR. O'REILLY: Yes. That's also a critical one, because it's co-located with the DNA laboratory, so it's going to serve as a backbone for

training the over 1000 assistant prosecutors in the state, to be able to better handle DNA evidence in a trial proceeding.

ASSEMBLYMAN CRYAN: All right. Let me move to Priority 2, the Totowa communications. If I read this right, we're going to do a 5000-square-foot expansion, and it's going to cost \$3.8 million to store evidence. Is that right?

MR. O'REILLY: The expansion is two issues. One is that it provides us with additional space in order to accommodate the expanded telephone dispatch function. This is where the 9-1-1, cellular 9-1-1 that I referenced in my remarks, are basically handled. The second issue is, yes, there is space allocated there to handle evidence.

As an aside, right now, in terms of some of the reports I've been reading, the current evidence storage, which is literally closets, co-mingles evidence from fatal accidents and other criminal cases with janitorial supplies, literally, in terms of the difficulty we have there.

ASSEMBLYMAN CRYAN: I accept that you may need that. What I'm still confused on, since it is your second priority-- I want to go through the first four priorities.

MR. O'REILLY: Sure.

ASSEMBLYMAN CRYAN: Do I have it right that you're looking to just expand by 5000 square feet? And is the cost for just the expansion and the storage the \$3.8 million, or is some of it in this communications effort? And if it is, what's the difference?

MR. O'REILLY: It's a total of 10,000 square feet, Assemblyman. Half of that will be for the radio dispatch piece, and half of that will be for the evidentiary piece.

ASSEMBLYMAN CRYAN: Okay, so how much of it is appropriated for the radio dispatch piece, of the \$3.8 million?

MR. O'REILLY: Assemblyman, through the Chair, I'll have to get back to you with that answer.

ASSEMBLYMAN CRYAN: Okay, if you could. I mean, the cost here just-- I accept your need, and I accept your professionalism. I have no problem with that. The dollars and cents just don't add to me.

MR. O'REILLY: The major cost of this, and I can't do it right here at the table -- but the major cost is in the backbone structure for the radio equipment and the consol issues. That's why, in terms of -- if you're looking at it totally as a square footage issue, this one does include both the square footage issue, this one does include both the square footage renovations and the equipment to go inside it, as compared to our earlier discussion where it was just the wiring and the backbone of the building.

ASSEMBLYMAN CRYAN: Let me go to Priority 4 and then back to 3. We're going to renovate two older buildings for the regional training facility, right, at a cost of \$17.4 million?

MR. O'REILLY: That's the estimate for the two buildings combined.

ASSEMBLYMAN CRYAN: If I read the back-up right, which essentially said \$8.73 million -- that's on Page 4.

MR. O'REILLY: That's correct, sir.

ASSEMBLYMAN CRYAN: It's \$8.73 million for each. I mean, that comes out-- I don't have a calculator with me, but it's like \$440 a square foot.

MR. O'REILLY: It's renovation costs, which is extremely expensive. The thought process here was a commitment to the urban centers. To build new is, certainly, an option. To build in the suburban area is, certainly, an option at a lesser expense. But the direction, in terms of trying to make a statement and also trying to assist the urban policing presence, was to try to put these in Camden and in Newark.

ASSEMBLYMAN CRYAN: I respect that, and I respect the need in Camden. I know you folks are in there. I think you're in Camden now, patrolling.

MR. O'REILLY: That's correct.

ASSEMBLYMAN CRYAN: This isn't a question of that. But from the fiscal standpoint of just this committee, it's sticker shock, would you think?

MR. O'REILLY: Well, I can't disagree with you, Assemblyman. I think that's why, in the earlier presentation, the discussion about renovations versus building new-- My experience over the last 30 years or so is that to build new is, actually, cheaper. But there's policy considerations, in terms of that aspect, also.

ASSEMBLYMAN CRYAN: This isn't a policy discussion, but I'm asking you -- not for an answer right now -- but how much more is it to do this versus building new, based on what you folks do, for this need, because that just jumps out at me off the page?

MR. O'REILLY: We'll be happy to prepare and provide, through the Chair, an alternative, in terms of new construction.

ASSEMBLYMAN CRYAN: Okay. And my last question is on Priority 3. Six point five million -- for what? Take me through it one more time.

MR. O'REILLY: The \$6.5 million is to do the renovations to the R and I building, which is one of the three buildings that was going to remain behind, because it's the one--

ASSEMBLYMAN CRYAN: Building 15.

MR. O'REILLY: Yes, exactly.

ASSEMBLYMAN CRYAN: Got it.

MR. O'REILLY: Basically, the cost breaks out to approximately \$50,000 for asbestos abatement; approximately \$2 million in order to replace doors, windows, ceilings, and interior fit up, in terms of making it energy efficient; and approximately \$1 million in order to reconfigure the office layout, that's interior partitions, walls coming down, walls going up; approximately \$500,000 in order to fix the front fractures in the facade of the building, as well as repointing the brick facing; \$30,000 is to extend the fire suppression into the storage areas because of the criticality of the records that are stored, criminal histories, fingerprints, etc.; \$2 million is for the removal and replacement of the HVAC, associated alarm issues. There's an estimate of about \$200,000 in order to do the repainting and cosmetic finishes. And, overall, there's \$700,000, which is the standard, as it relates to the engineering and design permits, and contingency fees.

ASSEMBLYMAN CRYAN: How big is Building 15? I know it has an A, B, C, and D, right?

MR. O'REILLY: One hundred ninety-six thousand square feet. It's a large facility. It also has a-- It houses our records and identification function, primarily, which has both the office space, work space, and has the retrieval issues as it relates to micrographics and hard record retention issues on some of the archive requirements that we have, in terms of, literally, the Lindbergh kidnaping evidence -- in some ways-- That's not-- I'm just using that--

ASSEMBLYMAN CRYAN: You solved that one though, right?
(laughter)

MR. O'REILLY: Yes, sir. I'm just using that one as an example. But there's a retention issue on those evidentiary issues. There's a retention issue on primary fingerprint cards. There's a retention issue on keeping in the first person, or the first hard copy, of certain criminal records that we have to do. Those are issues that are prescribed to us by the FBI and the Department of Justice, in many cases.

It's a fairly large operation, almost 200,000 square feet. That building is equal to the size of the operation center that we're proposing to build new. That's to give you the sense of scale.

ASSEMBLYMAN CRYAN: But it's a warehouse.

MR. O'REILLY: No, it's not a warehouse in the sense-- It's a-- There's a lot of technology going on there. There's a lot of office space. There's working space, in terms of fingerprint coders and people that interact with these records, in terms of retrieval. It's also where things like the nicks

(phonetic spelling), the grading check for handguns. That's where all the phone calls come in to. The people have to be able to not only electronically look up records, but also do certain manual searches, and things like that. It's a 24-7 operation.

ASSEMBLYMAN CRYAN: So is it because of the size of the building that you decided to go with the renovations as opposed to everybody else -- the whole -- balance of facility--

MR. O'REILLY: No, it was the age of the building. It was built in the late '70s, so it had some of the foundation integrity, and the structural integrity of the building was still excellent, based upon the recommendations of the consultants who were here before. And the cost estimates that they provided us with, which we can provide through the Chair, showed that the trade-offs, similar to what you just mentioned before about renovating versus building new-- In this case, the trade-offs were such that the new construction would outweigh the renovation. So in terms of the value -- engineering perspective -- it was viewed as being the better option.

ASSEMBLYMAN CRYAN: Two other questions, and then I'll stop-- Priority 1 and Priority 3 -- your listings, really, go to your earlier presentation, don't they, at a cost of another \$10 million or so?

MR. O'REILLY: Yes.

ASSEMBLYMAN CRYAN: Is there any hope, or is there any other alternative funding? For example, suppose we come in under \$125 million when we build these. I know we have some factors in there -- 10 or 15 percent factors, as well. Are there any alternatives there, in terms of funding for these, or do these need to stand by themselves?

MR. O'REILLY: At this point in time, to be quite candid with you, I don't see alternatives. We, aggressively, are pursuing Federal funds. There may be Federal moneys that come down the pike, as it relates to counterterrorism, which may have subsets, as it relates to training. Most of those don't pay for infrastructure-type upgrades. They might pay for overtime or things like that associated with it.

To the best of my knowledge, there isn't any alternative funding that is available right now, that I see on the horizon. We do aggressively screen that. We bring in \$100 million a year out of Federal funds into the department. So it's not that we haven't mined it, in terms of looking at those options. But in terms of the categorical grants, Assemblyman, I don't see anything at this point in time. But we, certainly, are always on the look out for that.

ASSEMBLYMAN CRYAN: I assume you won't be back looking for furniture for Building 15 next year or anything like that, right?

MR. O'REILLY: No.

ASSEMBLYMAN CRYAN: And my last thing is on the radios. The \$10 million for the radios over the 30--

MR. O'REILLY: Yes, sir.

ASSEMBLYMAN CRYAN: I just was-- How many radios?

MR. O'REILLY: Almost 10,000. Let me give you a sense of the scope-- First of all, based on some committees I serve on for the U.S. Department of Justice, the state of Michigan just redid their radio system over \$200-plus million in order to do Michigan. Pennsylvania just did theirs at

\$110 million. New York state is in the process of doing theirs. It may go to \$250 million, in terms of doing their structure.

This is a statewide radio system that has to support not only the State Police, the Marine Police, our aviation aspect, but also supports over 20 State departments. To my knowledge, the only other State departments that are stand-alone are transportation, to a limited degree. Corrections, Criminal Justice, the Park Rangers, etc., are all supported off the State Police radio system. So this is providing the backbone issue.

What also makes it very complicated for us, Assemblyman, is the fact that we're caught -- it's a thing called spectrum, which is the radio frequency issues. We're caught between New York and Philadelphia. It's a highly congested issue, requiring much more expensive engineering solutions in order to avoid our signals being interfered with, with our big brothers, so to speak, in New York, which tend to overpower you. I mean, it's a goliath situation. And what they end up doing, in order to do their reach, in order to penetrate urban buildings -- because radios don't easily penetrate highrises, they don't penetrate into interiors of highrises -- the big cities to our north and to our south turn up their wattage. That knocks us off. It causes us problems, in terms of being able to broadcast.

There's a whole number of things. And I'd be happy to invite you out to the communications center to walk through it, because it's a complicated process. It's also a very intriguing process to hear the dynamics of it all coming together. Quite honestly, it's amazing that we're able to retain dispatchers, because of the volume and the different types of information, both the telephone calls being answered, the troopers, and the other people being

broadcast simultaneously. They had to do what they call the look-ups, the DMV look-ups, the NCIC, the wanted persons types of look-ups. All that stuff gets to and from the radio system.

In addition now, we're moving to what they call the Mobital digital computers. These are the in-car terminals, which you may see on television. The State Police, from a technology point of view, has lagged behind a little bit on that. I think we've rolled out -- about 300 of our troop cars now have them in place. That's also another part of the radio system -- has to support that. That's all a progressive need, in terms of the technology.

ASSEMBLYMAN CRYAN: Is that in this \$10 million?

MR. O'REILLY: In terms of the interface to the cars, that would be accomplished within that package, yes. It's within the \$40 million. It's the \$30 million of the Feds and the \$10 million that we're asking for from you folks.

Another wild card, though, that I have to tell you that's on the horizon, is the issue of interoperability. There's a lot of discussion going on, in terms of this will allow police to communicate with police -- predominantly State Police, but also some of those other agencies I mentioned to you: Corrections, and stuff like that.

It does not get us to the ability to have fire and first aid to communicate with police. I have to be quite candid with you. There may be a time that I reappear before you asking for additional money for communication that would allow us to tie together our first aid and fire responders with our police responders. Again, it's an issue -- if you may have seen some of the *New York Times* articles after 9/11 saying that the New York

City Fire Department and Police Department just did not communicate. The Police Department got the message to evacuate the World Trade Center, the Fire Department did not, because they were not on interoperable systems.

ASSEMBLYMAN CRYAN: What's the shelf life of the radios?

MR. O'REILLY: Well, the system we're using right now is 18 years old. Some of this depended on the speed of technology. We did something very smart about two years ago, when we upgraded the vehicle fleet. We bought all new, what they call, head units, the units that are in the car. And those were bought with the future technology in mind. So that's one cost that's not in the \$40 million.

I would estimate that the basic radio system has approximately a shelf life of 10 years, in terms of backbone. And the mobile units are approximately 6 to 7 years. Now some of this stuff we don't have enough experience with, like the in-car terminals. But, basically, my understanding, in terms of the literature, is that those are approximately three years, in terms of duration. They're, what they call, ruggedized. These are vehicles and systems that operated 24-7, 365 days a year. Literally -- I won't say all of them don't go off -- but, literally, they're not turned off, in terms of the operation. That's why it has a shelf life that may be shorter than seems reasonable.

Now, once we do the backbone, and do the radio system, and have it upgraded, the sense of any tweaking or improvements is incremental. It's not throw the whole thing out and replace it, because once we get it in place then, basically, it's-- My sense is, you probably have another 18 to 20 years, again, depending on where technology goes -- I mean, the issues of satellites and stuff like that -- I can't predict. But, in terms of a routine basis, I would

say that you probably have about 18 years on that core backbone system. Similar to what we experienced this time.

ASSEMBLYMAN CRYAN: Thank you.

MR. O'REILLY: Thank you.

MS. MOLNAR: Mr. Rousseau.

MR. ROUSSEAU: I'm glad the Assemblyman went first. He covered most of the things I was going to cover. Just a couple issues dealing with Priority 1, the Hamilton facility-- We're going to be moving Hightstown, Princeton, and Ewing into that facility. What's going to happen to all the equipment that's in those facilities? Why isn't that being moved over to the Hamilton facility? I mean, I would assume that they have copiers, fax machines, furniture, gym equipment at those facilities. Why the need for new equipment?

MR. O'REILLY: The age of those buildings, and the level of equipment that's in there, is not something you want to move into a new building. That's not just from a cosmetics or aesthetics point of view. It's an eclectic collection of things from Camp Kilmer and other places.

MR. ROUSSEAU: So you haven't bought new copiers for any of those buildings in the last two or three years. You haven't bought new fax machines for any of those buildings in the last three years.

MR. O'REILLY: Well, minimally, some of the fax machines may be able to be moved over, but in some ways, the shelf life, going back to our prior discussion -- on a fax machine that's operating 24-7, 365 days a year -- is probably two or three years. So I would suspect that the salvageability of that stuff is negligible.

I'd be happy to have you walk in the back door of the Hightstown barracks or-- I haven't done it in about five or six years, but it's not a pretty sight.

MR. ROUSSEAU: I probably haven't done it in about 20 years.
(laughter)

MR. O'REILLY: As a guest, I mean, not as a--

MR. ROUSSEAU: As a guest for me, too.

I'd just like to clarify something the Assemblyman said. It's actually part of Project 1, Project 3, and Project 4 -- all relate to the training center that we discussed earlier. Project 4 is the regional training centers.

Is there any reason why those weren't included in the overall project that you brought to us before with the Building Authority? Was there a reason why it wasn't included as the main center, plus the regional centers, through the Building Authority?

MR. O'REILLY: It was always part of our comprehensive plan to deliver improved training activities to the Division of State Police. The reason it wasn't bundled together was two-fold. One, in terms of the sites in Newark and Camden, we tried very vigorously to look at things like Brownsfields and see whether we could find some properties there that we could build on. But the exploration there, working with the Department of Community Affairs, didn't really produce viable sites that -- we're not able to be site-specific. I think, if I'm not mistaken on this, in order to go forward with the Building Authority type of program, you need to be site-specific, plan-specific, and very detailed as to the actual dollars and cents. So it was not possible to bundle

that, because we didn't have the specificity of those two particular proposals at the time.

MR. ROUSSEAU: Due to the lack of specificity and not having site selected, do you think it's actually possible that you will need this money in '04, that you'll be far enough down the road to have the need, to know where you're going, by that point in time?

MR. O'REILLY: The problem we have is -- I'm not at liberty to discuss it. We have one building we're looking at right now in conjunction to the Newark area. And the problem you have is that when those buildings become available, they become available, and not of long duration, in terms of trying to move ahead.

The answer is -- do we need all the money -- the answer is, no. Do we need some of it, in terms of being able to deal with the State procurement procedures and having the earnest money to be able to put in place? The answer is, yes, we do need some of it.

I'd be happy to submit, through the Chair, perhaps, a revision of that priority package to reflect, maybe, a multi-year funding.

MR. ROUSSEAU: Thank you.

MS. MOLNAR: Mr. Brune.

MR. BRUNE: Tom, just three, I think, relatively quick questions.

On the radio-- The back-up I think you provided to us suggests that it's a three-year phase in. I wanted to know -- because I understand that the \$30 million we're waiting for from the Federal government is not in hand -- I was wondering if there was a timing issue here about the other \$10 million being a 2004 versus a 2005 need.

MR. O'REILLY: The problem that you have is the procurement issue -- is that once we go out to bid, in terms of having that money in hand to do it, becomes a problem. So in terms of the-- To my knowledge, I don't think Treasury or OMB would permit us, in terms of dealing with the comprehensive system-- When we bid the comprehensive system, and it comes in at \$40 million, to only have \$30 million in the bank, I think, puts us in a problematic position, vis-à-vis our State regulations.

MR. BRUNE: No, I understand that. I guess I was trying to understand the three-year phasing. Is that in reference to how long it's going to take to get the system up and running?

MR. O'REILLY: Yes.

MR. BRUNE: Again, quickly, you mentioned that you're the backbone to other State agencies. I didn't hear transit mentioned. They, no doubt, have a statewide coverage. Is there any benefits to including them in ancillary benefits?

MR. O'REILLY: As we sit here, I'm not sure. They have some participation with us. I'll have to look into that. I don't know the answer to that question.

MR. BRUNE: I thought there was some talk about a joint effort there.

Just one quick question, Tom, on the helicopters. At least by my records, it looks like one of the helicopters we would replace, if we were replacing two more, is only about nine years old. Are we replacing it less because of age and, rather, because it's a single engine?

MR. O'REILLY: That's correct. The policy, in terms of -- from an air safety point of view, and from experiences other states have had with Medivac, in terms of single-engine issues, is we have, basically, a rule of thumb. Two pilots, two engines. And that's the redundancy that's necessary, in terms of that mission.

Several of the states, Maryland in particular, several years ago have had some very bad experiences with a one-engine aircraft flying, in terms of the critical mission, because, in many cases, you're flying in bad weather for a Medivac situation. Accidents and transports don't always occur in good flying weather, so the criticality of having that second engine always there to rely on for safety is paramount.

MR. BRUNE: So it's an operational flexibility issue, rather than a replacement cycle issue.

MR. O'REILLY: In terms of the utility of that ship, yes. For that particular one it is.

MR. BRUNE: We would sell the nine-year-old?

MR. O'REILLY: Yes, the thought process is to liquidate the three Sikorskis and, then, those other Bells as we get other ships to bring online.

MR. BRUNE: Just one last, real quick one, Tom. There's an accreditation issue that's referred to on a forensic lab. Can you just characterize-- Is that something that's looming imminently, or-- What does that mean?

MR. O'REILLY: That's a group referred to as ASCLD. I don't have what the initials stand for. But it's, basically, a national certification on forensic science laboratories.

The criticality of that issue, as it relates to how viable your evidence is in court-- When you go into a court proceeding, from a prosecutor's perspective, the defense lawyer, and appropriately so, always tries to impeach the integrity of the evidence, i.e., the O.J. Simpson situation, in terms of how it was collected, how it was analyzed, who had custody, and those types of things.

ASCLD certification is, basically, a third-party that comes in and certifies that the procedures, the training, the equipment, the protocols that we are using are top-notch, are tight, and therefore takes that whole impeachment process, to a large degree, out of the questioning of our forensic sciences and stuff like that.

MR. BRUNE: I just want to-- Basically, the question at this time is, are you under an accreditation finding that you're out of compliance, or is this something you suspect might happen down the road?

MR. O'REILLY: Right now, we don't have it. Our goal with opening the new laboratory is to achieve that. So when we open the laboratory, with an investment that we have in that lab, it would be, kind of, a shame not to have the certification simultaneously. Is a date certain? The answer is no.

MR. BRUNE: Okay, thank you.

MS. MOLNAR: I had one question. Has anyone quantified the total cost associated with the consent decree?

MR. O'REILLY: The answer is no, but Attorney General Samson just asked that same question about a week ago. There's a lot of staff working on that very question.

MS. MOLNAR: It sounds like it permeates every area within your Department -- hard dollars, soft dollars. It could, maybe, eventually hit a billion?

MR. O'REILLY: I don't think it would be that significant. See, what happens is that it starts a discussion, and there's a lot of interlocking issues with it, in terms of when they want to have the video camera--

I'll give you an example. The video cameras: the video cameras then spin off a retention issue. Defense attorneys want them now, in terms of -- not because of profiling, but because of DWI, just as a sidebar issue, in terms of arrest -- in terms of trying to impeach the arrest situation.

We have a retention schedule that segues into the Assemblyman's question as to that space in Totowa. So it, kind of, builds. Is it the direct issue? In some cases, yes, and in other cases, it's an indirect catalyst for other issues of operation that are driven, but it's significant. We will be putting that together, because there's a lot of other states that-- Los Angeles is in the same situation we are. Pittsburgh is in the same situation we are. And Cleveland, to a lesser degree, is in the same situation we are. We get together with these other attorney generals in other state police agencies, and they ask that same question.

I don't have the answer for you, but it's, certainly, something that we are working on. I'm sure we'll probably be quizzed on it during the regular appropriations hearings.

MS. MOLNAR: Thank you.

Any other questions or comments? (no response)

If not, I want to thank you, again, for your presentations.

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

MS. MOLNAR: Okay, our next department is the Juvenile Justice Commission. I'd like to welcome Howard Beyer, Executive Director.

Good morning.

HOWARD L. BEYER: It's good afternoon now, I guess.

MS. MOLNAR: Oh, afternoon.

MR. BEYER: Good afternoon, Madam Chairperson and members of the Commission, Acting Executive Director Geniesse. (indicating pronunciation)

MR. GENIESSE: Thanks, Howard.

MR. BEYER: I want to thank you for this opportunity to present the Juvenile Justice Commission's Fiscal Year 2004 capital budget initiatives.

The Commission understands the tough decisions that are before you, which have been exacerbated by the difficult budget situation throughout the State. Last year, the Commission requested a total of \$21.4 million in capital projects or improvements compared to this year's request of just under \$10 million. This reflects less than half of what the Commission requested for last year. We carefully examined its needs and are requesting further funds for projects that severely impact the services it provides.

I'm going to ask if it's all right if I go off script, because I want to just explain to the Commission exactly who we are. Many times, I have found that we are like the best-kept secret in New Jersey. People, really, don't understand who we are. So, if I could just take a moment--

We are the Juvenile Justice Commission. We are very proud to be a part of the Department of Law and Public Safety. What we do is, kind of, a little bit out of character for the Department of Law and Public Safety in some aspects.

We are responsible for the troubled youth of the state, ranging anywhere from the age of 11 up to age 18. And our responsibility is just to those kids. We are responsible for kids. We are not the Department of Corrections, although we broke from the Department of Corrections, and we're not the Department of Human Services. The difference is that, because we are dealing with kids, our first and foremost responsibility is rehabilitation. It is our responsibility to do the very best job that we can with the very troubled population to try and mold these kids into responsible citizens, because what we ultimately want to do is try to avoid our juvenile residents becoming adult inmates. We're responsible for the troubled boys and girls throughout the state.

I want to start this presentation by making a comment on something you approved last year for us. That was the rehabilitation of the Wilson School at the Training School for Boys in Monroe Township. It's probably our most -- it's our place which we're most proud of. We have completely rehabilitated it from the roof, the windows.

And we've talked about kids and what is our first mission that we do at the Commission -- is provide education, because we are a school district. Every child in our system must go to school. And through your support, I can say, now, that we have a beautiful facility for learning to help mold these kids into the direction that we want to bring them. Their work is now back up on

the walls, they're doing reports, and they're doing the kinds of things that we need to redevelop not only our system, but the kids who we are responsible for.

So as I sit here today, and I ask you for consideration of our projects, I'm really asking for support in things that will help redevelop kids or help develop kids to grow into responsible citizens, if we are successful at what we do. And I'm saying that we don't have an easy job, because as we get the last -- we're the last stop for these kids before they go on to becoming adult inmates. Everything that we asked for -- and, again, it's less than \$10 million -- is all tied to the benefit of the troubled children that we are responsible for.

Our first request has to do with general repairs of the facilities that we're responsible for. It's an aging -- we run a system of aging buildings, and we need the funding to help renovate them so that kids can live safely in these places. Our concern is -- as we have tried to work with the staff -- on a new mission of trying to get the staff, our staff, to understand how important our responsibility is-- We want our staff to understand that you must treat the kids who we are responsible -- almost like they are your own. And so we need safe places to keep the kids in. We need -- from safe roofs, to safe electrical systems, so that we don't have any tragedy in the Juvenile Justice Commission where there is a fire because there's inadequate wiring or there's inadequate fire safety or fire suppression. It's critically important to what we do and for the safety of our kids.

Our second priority has to do with waste treatment, which is -- as the statement says, it's not glamorous. The waste system that we use for the Training School in Monroe Township was constructed over 40 years ago, and

it needs to be upgraded, as it is ineffective for what we are supplying or what our needs are at the Training School.

We would like to tie into-- The Monroe Township MUA has approved the Commission to explore connecting to their system. And with your support, and at a cost of between \$1.2 million and \$1.5 million, with an additional \$600,000 for design construction, it would help us tie into that system. And it, really, would be a tremendous help to us out there.

Again, the modernization of our older buildings--

Our other priorities are, kind of, tied together. Just to explain quickly, our kids are either in secure care like in Monroe Township at the Training School, and then we have residential programs. As the kids move through the system, they move from secure care, if they do well in our system, to residential places. And we have 25 residential places all over the state.

One of our places up in North Jersey, the Vorhees residential, really needs to be completely renovated. And we, again, need the support so that we can keep the kids in those homes and in those communities as a step of returning them to, what we hope will be, productive lives in New Jersey.

Priority 4 and Priority 7 are, really, kind of, tied together in many ways. Because we do take our job very seriously, we had to vacate one of our buildings in Trenton, New Jersey. It was the Saint Joe's facility. We went in, we took a look, and it was so decrepit, it was, really, unsafe to keep our kids living there. We had to close it. We lost a lot of important beds that we desperately need to keep the kinds of kids who are committed to our system, so we can help rehabilitate them and return them.

And then up in Edison, New Jersey, we lost the Edison Prep Unit, because the Department of Labor needed that site. And so we had to move out of there. We lost very significant beds.

So we are asking for \$800,000 to begin a design process to convert an existing State-owned building on our grounds in Bordentown to help renovate a residential building which will help us, perhaps, get some of the kids that we need to rehabilitate into that housing unit.

We also, because we do have children, and because they are, in many ways -- have many problems-- The issue of suicide remains paramount. The last thing we want to happen to one of our children is to be a victim of suicide. So besides vigilance of staff, we have to place our kids in safe buildings with safe furniture, in designed housing units where kids can avoid taking their own lives. So we have asked, in Priority 5, for \$1.5 million in suicide prevention improvements throughout our facilities in the state.

We have also asked for your support for the roofs. On many of our buildings, they are in disrepair. We have brought some pictures to give you an example -- to show you. As you know, if you own a house, if your roof is leaking, then everything else is open for disrepair. We have many of our facilities, which are old -- have decaying roofs. We need your support to help replace those roofs throughout the system.

And we also need your support in our request for technology, bringing our small unit -- so that we can tie information sources together throughout -- have the proper tracking system for our kids and make sure that we run a very smooth Commission for the State of New Jersey.

I'm not going to bore you with a whole lot of dialogue, but I just want to emphasize that we are very passionate about what we do at the Commission. We do believe that if we are successful, perhaps, we will be able to save the State of New Jersey in the long run. You know -- get you now, or get you later. If we are successful in what we do, then, hopefully, as we said, again, these young people-- We can mold their lives correctly -- if we can educate them and make them feel important, and responsible, and successful, then, again, hopefully, they will not become adult male and female inmates, which will be a tremendous burden to the State, as you already know.

I want to thank you very much for listening to our presentation, and I welcome any questions.

MS. MOLNAR: Thank you. I want to thank you for helping our troubled youths in our state.

Any questions or comments?

Mr. Brune.

MR. BRUNE: Just a couple of quick ones. On the sewer plan, is it possible you can share with us some type of cost benefit analysis, because it seems like, just in reading what we've got here, that we would save on things like staffing and sludge hauling, and there will be an associated cost for hooking up. I'm not sure if you have that today, but maybe you can forward it to us.

KEITH POUJOL: We conducted a net present-value analysis through our consultant, who explored a number of options. One was upgrading the existing plan. The second one was to put in a prepackaged plan, and then the two other options for hooking up to the municipal utilities authority.

The recommendations from the consultant, which we concur, over a 20-year net present-value, saves \$500,000 by going into the municipal utilities authority.

Additionally, that excludes the potential, if we continue to operate the plan, for increased standards by the Department of Environmental Protection. Our permit expires every five years. Each year, they increase those standards.

The operating cost that we incur right now for that plan is in the neighborhood for \$100,000 to \$120,000. We must pay a private operator to run the plant for us. It's up for bid right now. The projection on an upgraded plant, from our consultant, is that the operating cost, with these more stringent standards, would, at least, double. So the recommendation, based on that analysis, is to proceed (indiscernible) to hook up to the municipal utilities authority.

MS. MOLNAR: Could you provide your name for the record, please?

MR. POUJOL: I'm Keith Poujol, Facilities Manager for the Commission.

MR. BRUNE: If that's something you can forward to us, Keith, that would be something we might want to look at.

MR. POUJOL: Certainly.

MR. BRUNE: The only other question is, on priority number four, when you talk about a new building, I guess it's for the Vorhees-- I guess the question is, what would you do with the existing building. Is there a hidden cost to renovate that, as well?

MR. POUJOL: There is a cost, which we had put in as an out-year request as part of that. We have 40 packages over a seven-year window in the submission. The existing structure has been shored up with temporary support beams. There are 30 beds in that facility. It also functions as some classroom and program space. The repairs that had been performed allow us to continue operations. The new dorm, which has been designed with funds that were provided through recommendations of this Commission the past two fiscal years, is complete. That dorm, once constructed -- and it will take approximately 18 months to construct -- would allow the Commission the opportunity to move the kids from the existing structure, which was a historic structure -- Governor Vorhees's summer residence -- into the new dormitory. It will provide cost savings in the way it's been designed so that we'll have less staff to have to watch the kids in its present -- this newly designed format.

And then the structure from which the kids have vacated-- In the Fiscal Year '06 request, I believe, we're asking to renovate that structure into program space to provide more opportunities for the kids.

MR. BRUNE: Thank you.

MS. MOLNAR: Assemblyman.

ASSEMBLYMAN CRYAN: Just to follow up on that, how many beds would be -- because the 1.8 actually looks reasonable. How many beds would be in that facility? Would it be 30, as well, or would it be designed for more?

MR. POUJOL: We, actually, were able to increase the capacity to 34, so it's a net gain of four beds.

ASSEMBLYMAN CRYAN: You currently take-- Did I read this right? Kids have to take a shower -- they go outside?

MR. POUJOL: Yes, the existing infrastructure is, there's no entranceway to the bathroom areas. They actually have to traverse about 25 feet, go outside the steps in the middle of winter, take a shower, get dried off as best they can, and come back into the building. And there's no ADA compliance at this structure, as well.

ASSEMBLYMAN CRYAN: Okay. And my only other thing is, can you just explain for me what a suicide prevention improvement will be? It's for my own edification.

MR. BEYER: Keith will explain it in detail, but there is furniture that is specially designed to prevent kids from hanging up, if you will -- smooth sides, things that you cannot hook a belt to, a towel around.

ASSEMBLYMAN CRYAN: Without sounding impersonal or, in any way, without a heart, have you had suicides in the last year?

MR. BEYER: Well, it's a very good question, and we take that very, very seriously. Now, we have had attempts, we have not had success.

ASSEMBLYMAN CRYAN: Okay, thank you.

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

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

MR. BEYER: Thank you very much.

MS. MOLNAR: Our next department is DOT, Division of Motor Vehicles. I'd like to welcome Diane Legreide, Director.

Good morning.

DIANE M. LEGREIDE: Thank you very much. Good morning.

Before I start, I would just like to introduce the other people at the table with me.

MR. ROTH: Please speak into the microphone.

MS. MOLNAR: It might be off. Can you turn your mike on? It sounds like it's off.

MS. LEGREIDE: How's that?

MS. MOLNAR: Excellent.

MS. LEGREIDE: Okay, to my left is Steve Hanson, who is the CEO of the Department of Transportation, and will answer any questions you might have on the Transportation Trust. To my right is Adel Ebeid, who will answer any questions on technology that you might have. And Dennis Rivell will help me on budget issues.

Thank you for the opportunity to come before you today and present the Department of Transportation capital budget request for the Fiscal Year 2004.

After the Transportation Trust, the top priorities focus on the Division of Motor Vehicles and our ability to, more efficiently, serve the customers. Our first DMV priority is the re-engineering of the comprehensive system. DMV is supported, primarily, by two main systems: the comprehensive system, which handles all back-of-the-office functions; and the agency system, which handles most of the over-the-counter functions.

Currently, the agency system, thanks to you, is being modernized with capital funds that were made available in Fiscal Year 2002. Comprehensive system is a general term that identifies the applications that are needed to perform the daily, on-line DMV business functions. The original

system was developed by Pricewaterhouse in the early 1980s, and has undergone major modifications in response to State legislation since that time. Today, thousands of end-users use the comprehensive system on a daily basis to carry out their business. DMV staff, law enforcement, courts, third-party business partners, agents, insurance companies, and other State and local government agencies are part of this use.

In addition, the comprehensive system has more than 50 automated interfaces in place that allow it to communicate and exchange data on a continuous basis. These interfaces translate into hundreds of organizations, both public and private, who consider the comprehensive system an integral component of their business practices.

Unfortunately, the comprehensive system was never envisioned to evolve in the way it has to date. What started out in the 1980s as a sophisticated system to track drivers and vehicles has evolved into an overly complicated computer system that requires a tremendous amount of resources, both human and capital.

Today, DMV is saddled with a comprehensive system that is antiquated and hinders the quality of customer service at the 45 statewide agencies. Simple system modifications to accommodate legislative mandates are very difficult, if not impossible, due to the fragile nature of the current comprehensive system.

DMV is in desperate need of a technology infrastructure that can support its on-going efforts to streamline the way it delivers services and interacts with other jurisdictions.

Re-engineering the comprehensive system is one component of DMV's overall information technology plan aimed at thrusting DMV into the 21st century. The total estimated cost of re-engineering, from assessment and design phase through the implementation phase, is \$23 million over a three-to four-year period, beginning with our Fiscal Year 2004 request of \$6 million.

The second DMV priority is the call center modernization. The call center is DMV's nerve center, and, in many instances, it's a customer's first interaction or contact with the Division. The call center handles over 3.7 million calls annually in general information, and suspensions, and restorations. In addition, the agency help-line handles 240,000 calls annually. Currently, 70 percent of the people that call that call center receive a busy signal.

Busy signals and unanswered calls only result in customer dissatisfaction and frustration. For the calls that are answered, the average wait time for general information is 5.8 minutes and 9.7 minutes in suspensions and restorations. In addition, 1600 calls are abandoned every day. These statistics are far below acceptable levels.

The total cost to upgrade the call center is estimated at \$1.465 million. This includes upgrading all equipment to the latest available phone center technology and provide a more pleasing work environment. Our goals of reducing the 70 percent busy signal rate, decreasing the abandonment rate, and maintaining an average wait time of 30 seconds or less will become possible with the new call center technology.

The third DMV priority is the modernization of a document imaging and retrieval system, which has been in operation since 1985. The

existing system converts paper documents into images that are later indexed and stored on microfilm. The stored images provide historical information regarding driver history, and are available to outside parties upon request. This service provides a significant source of revenue to the State annually. In addition, the State's retention schedule requires that DMV maintain the image records for up to 60 years, depending on the type of document.

The current system has been besieged with malfunctioning equipment, resulting in excessive down time. This has led to the necessity of contracting with outside vendors to supplement the DMV imaging center. Currently, there are 33.5 million microfilm documents. In spite of these extraordinary efforts, we are still faced with a four-month backlog. Delays in processing microfilm records result in unacceptable customer service levels. These records are vital to serving the needs of investigators and the courts.

Error corrections and the processing of refunds: To meet a minimum acceptable service level, DMV needs a 30-day turn-around time from when a document is produced, microfilmed, and ready for retrieval. To achieve this service level, the DMV must upgrade our imaging technology at an estimated cost of \$1.1 million.

The fourth DMV priority is modernization of the mail room. The DMV mail room is an essential component of our commitment to improve and enhance customer service. The mail room is responsible for processing over 23 million documents annually. These include, but are not limited to, licenses and registrations, violation notices, and various other DMV documents.

New equipment is desperately needed to efficiently handle the huge volumes of mail. Due to the aging condition of the equipment, the

agency is hampered in our distribution of sensitive mailings. The current inserting equipment ranges in age from 10 to 35 years old and can only process 2000 to 4000 pieces an hour. New models can process up to 8000 pieces an hour. Upgrading the sorting equipment, postage meters, and laminators would increase productivity and provide a more efficient method of mail processing. The total estimate cost for upgrading mail room equipment is \$664,000.

Our next group of requests covers funding for physical plant improvements at various DMV inspection stations, agencies, and combined inspection agency facilities. Many of these aged buildings and adjoining structures require capital investment to correct major health and safety problems, such as removal of lead-based paint, worn out and leaking roofs, deficient paving in driveways and parking lots, and building code violations. Other facilities require capital investment to prevent future problems.

Work, such as painting of structural steel, masonry walls, and exterior metal panels is needed to prevent buildings and building systems from deteriorating, due to the exposure to the elements.

Also included in these investments -- such as booths, HVAC improvements, and window replacements to improve energy efficiency, health, and safety, as well as comfort both the public and the employees--

We have grouped similar projects in different facilities into a single project request. There are 12 groupings, which include: roof replacement; lane exhaust systems; lane and light sighting; HVAC for computer rooms; HVAC non-shared replacement; HVAC shared replacement; booths; driver testing; and specialty sites, paving, curbing, side walking, striping; building exterior, which includes panels, doors, masonry, and replacement of windows,

replacement of exterior painting, and office construction, to replace deteriorating mobilehome- type trailers. The total value of these capital improvements for Fiscal Year 2004 is \$4.857 million.

New Jersey DOT would like to acknowledge the Commission's support of our request for fiscal plan improvements in the past.

Our final Fiscal Year 2004 capital request is \$90,000 for surface electric vehicle lifts. This request includes one additional lift at each of three specialty site locations that are used to inspect salvaged, untitled, reconstructed, and retitled vehicles.

Currently, each site performs various vehicle inspections, resolves disputed inspection results, and maintains the enhanced inspection covert fleet. The maintenance of the covert fleet prohibits the scheduling of customer inspections since there's only one lift at each facility. The lifts cost an estimated \$30,000 each, and will be installed at three specialty sites, allowing us to more efficiently service the New Jersey motorist.

Before I close, I would like to add that, in addition to customer service issues that were raised and requested -- moneys to replace a computer system -- there's also an extreme security concern on certain controls and security features that are unable to be instituted because of the age and condition of our comprehensive system. Each time we look at trying to impose an internal control, the computer system hampers us in doing it. So I thought it very important to add that to the testimony.

That concludes my Fiscal Year 2004 capital budget request. Once again, I would like to express our appreciation for your past support of DOT capital requests. I would, also, be pleased to answer any questions that

Commission members or the Chairperson may have. Again, thank you very much for the opportunity to be here.

MS. MOLNAR: Thank you.

Any questions or comments?

MR. ROTH: Madam Chair.

MS. MOLNAR: Mr. Roth.

MR. ROTH: I'm just a little confused as to requests for \$1.1 million for microfilming upgrades. Microfilm is technology that's 75 years old. I mean, why would we be putting stuff on microfilm when you could store it on a hard drive just by scanning it in?

MS. LEGREIDE: It's a very appropriate question. We are working, right now, with the Division of Revenue and with the Division of Archives and Records, to reconcile that. To date, the Division of Archives has insisted that we still put our records on microfilm, as they need a shelf life of over 60 years. We're trying to make arrangements, or work with them, in getting that to be changed so that we can simply store images instead of microfilm.

MR. ROTH: Madam Chair, this is in line with a letter that I wrote to the Commission a week or so ago, where, I believe, we approached this last year. I think, at our final meeting of the year, we didn't have a quorum to do the vote. We were going to ask the Legislature to adopt such a legislation.

MR. GENIESSE: Mr. Roth, I believe that we're becoming more aware now that there is a growing -- overall State government -- growing problem, as far as record storage. And I believe there is a task force which has been set up to look at that. You might know about this, as well, but I believe--

MR. ROTH: To my knowledge, that task force has been looking at it for 10 years and has come up with nothing.

MR. GENIESSE: I was assuming it was a new task force.

MS. LEGREIDE: If I might just interject something else. The scanning will continually go on, and the scanning equipment is old. So, I mean, if we can do away with the microfilming, it does not negate the need for the new scanning equipment.

We're trying to work with the department of Revenue, who, quite frankly, is doing a lot of the scanning of other documents now, to see if it would be more cost productive to move that scanning there. If that were to occur, obviously, we would have the memorandum of understanding that whatever moneys were acquired for our scanning equipment would be combined with theirs -- is turned over with theirs.

Clearly, the number of documents the DMV needs to scan on an annual basis will have to be handled one way or another, even if we can do away with the microfilming.

MR. ROTH: Putting them on a hard disc, instead of on microfilm, would make them instantly accessible. You wouldn't have to waste time looking for it and loading individual reels on machines, and what have you. It would be about a hundred times faster, in my opinion.

MS. LEGREIDE: You're absolutely right, and it's one of our top priorities that we're meeting on.

ASSEMBLYMAN CRYAN: I have a question.

MS. MOLNAR: Yes, Assemblyman.

ASSEMBLYMAN CRYAN: Nothing on the Transportation Trust Fund, but on the second priority, the new system, I've heard enough technology here today, and the cost of it, to roll enough eyes. Is this thing going to talk to every other thing that it has to talk to without the need for new upgrades every year?

MS. LEGREIDE: That would certainly be the intent. I'm going to ask Adel, in a second, to talk about the technology. This is a system that I can best describe as being patched together. And as new things have been coming on line, the ability to program and add components to this has become a nightmare. But I'm going to let Adel speak, if he would, to the comprehensive system.

ADEL EBEID: Thanks, Diane.

Obviously, the comprehensive licensing system -- luckily for DMV, there's only one place we need to look at for a computer system that can meet the day-to-day demands of -- whether it's issuing registrations, licenses, titles, or tracking drivers' violations, and so on. It's grown so complex in the last 15, 17 years. It didn't start out with the kind of architecture or blueprint to accommodate all the demands.

ASSEMBLYMAN CRYAN: Oh, I understand you had to build on it. I don't have any problem understanding that. My question is -- and I'm sorry to interrupt you -- but I, absolutely, accept the fact, both from being on the budget committee earlier-- I absolutely understand why you would need something that -- especially with digitized licenses and all the other things that we dream up in the Legislature that, I'm sure, cost you all sorts of headaches.

My question is, for example, two people before you -- we heard where the new \$40 million radios may not talk to the fire departments. I mean, I just heard that a little while ago. I guess my question is-- This was a police versus fire thing, where they may not even talk to each other.

DMV, in particular, I would think, with police and other -- I would guess with all sorts of security issues these days, where we turn to you folks for information-- Is this thing designed to interface with the new technologies that other State departments are looking for, the Federal departments, without having to come back year after year for upgrades?

MR. EBEID: Let me make sure we're all on the same page. There is, currently, no, really, system designed yet. We are starting to initiate the project. What I want to, at least, make sure that we all -- we will commit to is, the critical partners that rely on the DMV data -- such as the Administrative Office of the Courts and local law enforcement, the Division of Revenue for tracking the fees collected -- those folks will become members of the task force when we start to redesign the comprehensive licensing system.

We recognize that a lot of people are dependent on our data to conduct their business. And we want to make sure that we design the system in the future in a way to make those interfaces -- they can easily accommodate adding new partners, or we can just modify them easily in the future. Today, we can't really do that stuff that easily.

ASSEMBLYMAN CRYAN: That I understand. We had the courts in here a month ago, when we met last time, and they're looking for a gazillion dollars for new technology, as well. Is there a design interface in this that coordinates that now, or is it that they have their system, and we're going

to make sure it talks to your system, to the new State Police system? How does that operate?

MS. LEGREIDE: We're very early in the conceptual stages, but rest assured that we will design this with the understanding that this is not necessarily just a DMV system that ought to be designed from a DMV perspective.

ASSEMBLYMAN CRYAN: Through the Chair, can I ask you for a list of those divisions that would, in essence, need -- I don't want to say sign-off, because that may be a bit much -- but would need to be part of that process? I'm only on this thing a couple of months, and the technology costs here are just unbelievable. I guess I just want to have some assurance that when you guys go new, that we don't have somebody else in here saying, "They went new, and we need something else."

MS. LEGREIDE: We certainly will do that. It will be an on-going-- One of the reasons we're not coming in here and simply saying that we want to design this system in this way is, it's so complex, and there are so many people involved in this process, we want to do it right. So the initial appropriation is going to be for the designing phase of this that the State Police, the Division of the Courts, everybody, will be able to be assured that they will have the access that they need. In addition, we want to make sure all the components are there to add the rest of the GDL program, and insurance verification, or different things that we've been unable to do, quite frankly.

ASSEMBLYMAN CRYAN: My last area of questions is on Priority 3, this call center, which I was amazed, when looking at these

numbers-- Sixteen hundred people hang up a day. Is that what an abandoned call is?

MS. LEGREIDE: Yes, and that's only the 1600 that might have gotten through the 70 percent that get busy signals today. It's outrageous.

ASSEMBLYMAN CRYAN: I was reading this. It was like calling Ticketmaster for a Springsteen concert.

MS. LEGREIDE: Probably worse. (laughter) My fear is that if we don't get this improved and upgraded quickly, when we start implementing the digital drivers' licenses, we're going to have increased calls coming through that call center with questions as we go out with the public relations campaign on the digital drivers' licenses. So one, really, interacts with the other, anytime anything happens.

ASSEMBLYMAN CRYAN: Does the call center, in and of itself, reduce the need to go to the counter?

MS. LEGREIDE: Absolutely. If they get accurate information, and can deal with information through that call center, it may negate the need to go into an agency.

ASSEMBLYMAN CRYAN: One of the things-- I mean, it just came up, because I was reading this. Any Internet stuff here that would reduce or help folks get on line a little easier?

MS. LEGREIDE: We've been working on what we have on the Web-based page. But the Web interaction is part of our whole technology plan, to add more features through an Internet component. Right now, it's registrations only that can be done on the Internet.

Do you want to add something, Adel?

MR. EBEID: Sure, just something in a matter of, maybe, about a month or two-- You will, most likely, see, actually, a revamped DMV Web site that provides, for example, frequently asked questions. If we can post the frequently asked questions on the Internet -- and we know what they are. There's about anywhere between 15 and 20 questions that we get most of the calls on. That will reduce the calls and the call volume coming into the call center.

ASSEMBLYMAN CRYAN: So the 3.7 is what you actually answer. Is that right, 3.7 million calls, or whatever it was?

MS. LEGREIDE: Yes.

ASSEMBLYMAN CRYAN: Some staggering number.

One of the things I missed on this, which I always like to see, is, if we spend \$1.4 million, where does the 70 percent busy rate go to? Is there a goal, is there a corresponding way of correlating?

MS. LEGREIDE: I'm sorry?

ASSEMBLYMAN CRYAN: If we have a 70 percent busy rate, and we spend \$1.4 million, does the percentage number drop? What is the new target?

MS. LEGREIDE: Oh, I can't tell you that I have a new target. Certainly it would drop. As we are better able to funnel calls through the system on additional lines, those numbers will drop. It's not just the technology piece of it that will make it drop. It, also, is a personnel side of that.

ASSEMBLYMAN CRYAN: Which is my next question.

MS. LEGREIDE: Absolutely, trained personnel. Right now, I have call center people that are dealing with dumb terminals, a procedural manual that is in front of them that is as thick as this. Every time we make a change to it, a piece of paper has to come through. So you have call center personnel. You're dealing with pieces of paper every time I change a procedure, to tighten for security or whatever it might be, as opposed to coming up on a PC so that they can look at all of the changes. It came over to them in an orderly way, and the public is getting the appropriate, right information.

ASSEMBLYMAN CRYAN: They have a book in front of them?

MS. LEGREIDE: They have a book in front of them, yes.

MR. EBEID: If I could just add, we are in the process, actually, of also automating that book that they have in front of them so that--

ASSEMBLYMAN CRYAN: But today they have a book? I mean, if I call them, they're flipping through a book?

MR. EBEID: They actually do. They have a three-volume set of binders in front of them that they sift through to try to find the right answer for some complex questions.

ASSEMBLYMAN CRYAN: How many people are there that do this?

MS. LEGREIDE: At the call center-- I have to go back to once DMV was modernized, in 1989-90, they had 200 people in the call center. I have 35 people in answering the public information portion.

ASSEMBLYMAN CRYAN: So you have 35 people that answer 3.7 million calls.

MS. LEGREIDE: Yes. Now, through the interim--

ASSEMBLYMAN CRYAN: And then they flip through a book to answer the questions?

MS. LEGREIDE: That's correct.

ASSEMBLYMAN CRYAN: I guess it's safe to say that if you go to PCs, or whatever the right sorts are -- databases or whatever -- that the wait time will also, obviously, be reduced.

MS. LEGREIDE: Absolutely, we've had some conversations with private companies to help us look at the phone center, come up with suggestions, to move us along. This has not been looked at since 1989, I guess.

ASSEMBLYMAN CRYAN: Where is the call center?

MS. LEGREIDE: Where is it? It's in the central office building of DMV. You're welcome to come take a tour.

ASSEMBLYMAN CRYAN: I'm surprised they don't-- Can you walk into these people? They must be frazzled.

MS. LEGREIDE: I'm sorry?

ASSEMBLYMAN CRYAN: These people must have a tough job.

MS. LEGREIDE: They have a very tough job.

ASSEMBLYMAN CRYAN: Okay, that's all I have. Thanks.

MS. MOLNAR: Okay, Mr. Brannigan.

MR. BRANNIGAN: Director Legreide, could I ask if you could forward, to the Commission, copies of the Fix DMV report, which will be coming out soon? And they've had a comprehensive study on which Justice Handler, and former Attorneys General Degnan and Cary Edwards have participated, which identifies a bunch of that, which clearly shows the lack of

investment that has been made in DMV over the last two decades. But that would be helpful to us. I understand it's going to be coming out in the near future.

MS. LEGREIDE: I would be glad to do that. There was an interim report that was released that dealt with, sort of, emergency issues that I could start handling right away. I'll get that to you. The final report is due out at the end of October. As soon as that is released, I'll forward that to the committee, also.

MS. MOLNAR: What is the status of the project to coordinate license renewal dates with alien visa end dates?

MS. LEGREIDE: We've actually been able to give licenses out to legal aliens for the period that they're in the country for. It used to be that we only could do four-year licenses. Now their license will expire when their visa expires. That's one of the reasons that we have to direct all of the foreign nationals through our regional service centers, because they're the only ones that are able to, actually, produce a license that way.

MS. MOLNAR: Are there any Federal funds, homeland security moneys, to help us on this issue?

MS. LEGREIDE: We're trying, looking for them. We've made requests, through Congressman Rothman -- has hopefully identified some moneys that will go for cameras and physical security in some of the agencies, which are greatly lacking. Just recently, there was a State Police -- have been very, very helpful in helping us analyze where some of our breaches of security are, and trying to address that.

MS. MOLNAR: Thank you.

Are there any other questions or comments? (no response)

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

MS. LEGREIDE: Thank you very much, and I will forward the information to you.

MS. MOLNAR: Thank you.

Our next meeting is in two weeks, on October 25. I hope you can all make it.

Are there any other questions or comments? (no response)

Mr. Roth, you mentioned you mailed a letter. I don't believe I got that.

MR. ROTH: I mailed it, I believe, around the beginning of last week, to the Commission post office box. I'll fax it to you if you'd like.

MR. GENIESSE: Okay.

MS. MOLNAR: That would be helpful, because--

MR. GENIESSE: I haven't seen it yet.

MS. MOLNAR: --I haven't seen it yet. So we'll have it prior to our next meeting.

MR. ROTH: It basically recapped what happened in that last meeting of last year.

MS. MOLNAR: I remember that.

MR. ROTH: We didn't have a quorum. We couldn't vote on it. I simply didn't want the Commission to vote on it.

MS. MOLNAR: I think that's an excellent idea.

MR. ROTH: To go on record.

MS. MOLNAR: It's so much easier to save it on a disk.

I want to thank you all for your comments. If there's no other business, the meeting is adjourned.

(MEETING CONCLUDED)