
Commission Meeting

of

NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

LOCATION: 33 W. State Street
Trenton, New Jersey

DATE: January 5, 2018
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

B. Carol Molnar, Esq., Chair
Anthony F. Annese, Vice Chair
Senator Paul A. Sarlo
Assemblywoman Shavonda E. Sumter
Shannon McManus
James M. Rutala
Beth Schermerhorn
Jerry Traino



ALSO PRESENT:

Brian E. Francz
Executive Director

Eugene Lepore
*Senate Majority
Commission Aide*

David F. Patella
Assistant Executive Director

Brian Onda
Budget Specialist

***Meeting Recorded and Transcribed by
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Hearing Unit, State House Annex, PO 068, Trenton, New Jersey***

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(The New Jersey Commission on Capital Budgeting and Planning held a meeting on January 5, 2018, at 10:00 a.m. Members of the Commission present via teleconference were B. Carol Molnar, Esq., Anthony F. Annese, Senator Paul A. Sarlo, Assemblywoman Shavonda E. Sumter, Shannon McManus, James M. Rutala, Beth Schermerhorn, and Jerry Traino.)

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

In accordance with the Open Public Meetings Act, the Commission has provided adequate notice of this meeting by giving written notice of the 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 Secretary of State.

We will now take a roll call.

MR. FRAN CZ (Commission Executive Director): Senator Sarlo.

SENATOR SARLO: Present.

MR. FRAN CZ: Senator Thompson. (no response)

Assemblywoman Sumter. (no response)

Assemblyman O'Scanlon. (no response)

Ms. Schermerhorn.

MS. SCHERMERHORN: Present.

MR. FRAN CZ: Mr. Traino.

MR. TRAINO: Here.

MR. FRAN CZ: Mr. McManus.

MR. McMANUS: Here.

MR. FRAN CZ: Ms. Cimiluca. (no response)

Mr. Rutala.

MR. RUTALA: Here.

MR. FRAN CZ: Mr. Annese.

ANTHONY F. ANNESE (Vice Chair): Here.

MR. FRAN CZ: And Chair Molnar.

MS. MOLNAR: Here.

MR. FRAN CZ: Did someone just join us?

ASSEMBLYWOMAN SUMTER: Assemblywoman Sumter.

MR. FRAN CZ: Oh, good morning; thank you for calling in.

ASSEMBLYWOMAN SUMTER: Good morning; sorry about that.

MS. MOLNAR: Good morning; thank you for joining.

MR. FRAN CZ: Okay; Madam Chair we do have a quorum.

MS. MOLNAR: The next item on the agenda is--

(Interference)

ASSEMBLYWOMAN SUMTER: Sorry about that. I'm learning my phone again. Forgive me, guys. (laughter)

MR. FRAN CZ: No problem.

MS. MOLNAR: The next item is approval of the minutes from November 17, 2017.

Do I hear a motion to accept?

SENATOR SARLO: Motion.

MS. MOLNAR: Do I hear a second?

ASSEMBLYWOMAN SUMTER: Second.

MS. MOLNAR: Thank you.

Any comments, suggested changes? (no response)

If not, we'll take a vote.

MR. FRAN CZ: On approval of the minutes of the November 17, 2017 minutes; Senator Sarlo.

SENATOR SARLO: Yes.

MR. FRAN CZ: Assemblywoman Sumter.

ASSEMBLYWOMAN SUMTER: Yes.

MR. FRAN CZ: Ms. Schermerhorn. (no response)

Ms. Schermerhorn?

MS. SCHERMERHORN: Yes.

MR. FRAN CZ: Mr. Traino.

MR. TRAINO: Yes.

MR. FRAN CZ: Mr. McManus.

MR. McMANUS: Yes.

MR. FRAN CZ: Mr. Rutala.

MR. RUTALA: Yes.

MR. FRAN CZ: Mr. Annese.

MR. ANNESE: Yes.

MR. FRAN CZ: And Chair Molnar.

MS. MOLNAR: Yes.

MR. FRAN CZ: Chair, the motion passes.

MS. MOLNAR: Thank you.

The next item is the Fiscal 2019 capital recommendations.

We'll quickly go through each department.

I can't remember if last year we voted on each department separately, or we did it all at once.

MR. FRAN CZ: We did it all at once, Chair.

MS. MOLNAR: We did it all at once.

Okay, I'll briefly go through each one, and then we'll vote.

The Department of Agriculture requests were \$7.5 million; nothing was recommended for 2019.

The Department of Children and Family Services requests were \$211 million, and we recommended \$211--

MR. PATELLA: It was \$211,000

MS. MOLNAR: Yes, that's in thousands; I'm sorry. It's \$211,000, correct?

MR. FRAN CZ: Correct.

MS. MOLNAR: And we're recommending \$211,000 for all roof replacements.

The Department of Corrections -- we're recommending \$2,100,000, basically for a fire safety study.

MR. FRAN CZ: That's correct.

MS. MOLNAR: The Department of Education -- there's no recommendation for 2019.

DEP, the Department of Environmental Protection, we're recommending \$58,305,000, and they want five items -- five projects recommended.

The Department of Health, \$3,331,000. Two projects, it's basically fire alarm system upgrades and replacing smoke and fire doors.

The Department of Human Services, \$3,595,000. Three projects -- basically, fire alarm system upgrades and roof replacements.

The Department of Law and Public Safety, \$1,770,000 for two projects: the replacement of a boiler system and updating of the 9/11 call center.

Juvenile Justice Commission, \$1,262,000 for three projects. They are all for roof replacements.

The Department of Military and Veterans Affairs -- nothing is being recommended.

I did have a question on this. Are we giving out any Federal funding at this point?

MR. FRAN CZ: Many of the projects do have a Federal match associated with them. So in essence, I suppose we could be leaving some money on the table. But as you know, what we do at OMB is we go through -- we have kind of a scoring matrix that we use that looks at asset criticality, risk associated with the various projects not happening, fiscal impact, and priority to the department. And we have, in the past, funded a lot of MAVA items. The most critical ones in prior years are funded and they're working on them now. Because of that, none of their projects made it to the top of the list when we went through and did all the scoring, because I think we have addressed a lot of their most urgent needs in the recent years.

MS. MOLNAR: Good; okay, that's good news.

The Department of Transportation -- basically, debt service, \$1.33 billion. Is there any update? The note says there might be an update based on the revised motor fuel tax.

MR. FRAN CZ: There are no updates at this time.

MS. MOLNAR: All right; thank you.

Interdepartmental, \$185,640,000. And that is basically for four projects.

Judiciary -- nothing's been recommended at this time.

Judiciary -- they were looking for \$1.5 million for court renovations. There's no funding from the counties for this; is that correct?

MR. ONDA (Budget Specialist): It does have funding from the counties, if we were to fund it.

MS. MOLNAR: Oh.

MR. ONDA: But that \$1.5 million would be the State share.

MS. MOLNAR: Okay; thank you.

Any questions or comments on any of these departments?

SENATOR SARLO: I have a question.

I am assuming the Department of Transportation -- the debt service is to cover past projects, because any new projects would be covered under the Transportation Trust Fund renewal. Is that correct? We're just acknowledging the debt service.

MR. FRAN CZ: That's correct.

SENATOR SARLO: That's correct, right? There are no new projects in there; all new projects are now covered under the new source of revenue stream from the TTF renewal.

MS. MOLNAR: Okay, thank you.

MR. FRAN CZ: Right. The new projects will be outlined in legislation -- in the Appropriations Act project lists.

SENATOR SARLO: Exactly, (indiscernible) Legislature, through the Budget process, where we'll approve the TTF.

MR. FRAN CZ: That's correct.

MS. MOLNAR: But that can add to the debt service, correct?

MR. FRAN CZ: Yes; we budget for debt service and then additionally outline specific projects, all within the Appropriations Act.

MS. MOLNAR: So our Commission only sees the debt service piece; we don't see the specific projects.

SENATOR SARLO: That's correct.

MS. MOLNAR: Okay; wonderful.

Okay, any other questions or comments? (no response)

If not, we'll take a vote on the recommendations for Fiscal 2019.

SENATOR SARLO: Motion.

ASSEMBLYWOMAN SUMTER: Second.

MR. FRAN CZ: Okay.

MS. MOLNAR: Okay, we'll take a vote.

MR. FRAN CZ: On the motion to approve the Fiscal 2019 capital recommendations, Senator Sarlo

SENATOR SARLO: Yes.

MR. FRAN CZ: Assemblywoman Sumter.

ASSEMBLYWOMAN SUMTER: Yes.

MR. FRAN CZ: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. FRAN CZ: Mr. Traino.

MR. TRAINO: Yes.

MR. FRAN CZ: Mr. McManus.

MR. McMANUS: Yes.

MR. FRAN CZ: Mr. Rutala.

MR. RUTALA: Yes.

MR. FRAN CZ: Mr. Annese.

MR. ANNESE: Yes.

MR. FRAN CZ: And Chair Molnar.

MS. MOLNAR: Yes.

MR. FRAN CZ: Chair Molnar, the motion moves.

MS. MOLNAR: Thank you very much.

Our next meeting is scheduled for March 9 to hear the Treasurer's Report. I believe we'll get the report in advance; is that correct, Brian?

MR. FRAN CZ: Yes, as we talked about last time, we are going to work to get you kind of an embargoed copy of the Debt Report; our goal is two weeks ahead of time, as we normally try to distribute the materials.

MS. MOLNAR: Okay; that would be helpful.

MR. FRAN CZ: Just with the understanding that hopefully no one makes any of the information that's in there public before it's released publicly--

MS. MOLNAR: Yes; okay.

MR. FRAN CZ: --hopefully, the day of the meeting.

MS. MOLNAR: Okay.

Any other questions or comments by Commission members?

MS. SCHERMERHORN: I'd just like to make a -- say one thing to all, everyone.

I'm assuming this will be my last meeting; and I've been with the Commission for quite a few years. And it's been a pleasure, and I think you all do wonderful work and (indiscernible) continue.

MS. MOLNAR: Oh, I forgot about that.

Yes; thanks, Beth. I've been with you for a couple of years as well. So thank you for all your hard work on behalf of the Commission.

Any other comments or questions? (no response)

If not, the meeting is adjourned.

(MEETING CONCLUDED)