
Commission Meeting

of

NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

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

DATE: October 24, 2008
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

B. Carol Molnar, Chair
Anthony Annese, Vice Chair
Senator Anthony R. Bucco
Assemblyman Joseph Cryan
Assemblywoman Marcia A. Karrow
Gary Brune
Jack Donnelly
Joseph Donohue
Paul Stridick



ALSO PRESENT:

James Vari
Executive Director

Rosemary Pramuk
*Senate Republican
Commission Aide*

Meeting Recorded and Transcribed by
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B. CAROL MOLNAR, (Chair): I'd like to call the meeting to order.

In accordance with the Open Public Meetings law, 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 Office of the Secretary of State.

We will now take the roll call.

MR. VARI (Executive Director): Senator Sarlo.

Senator Bucco.

SENATOR BUCCO: Here.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Here.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Here.

MR. VARI: For State Treasurer Rousseau, Mr. Donohue.

MR. DONOHUE: Here.

MR. VARI: For Commissioner Doria, Mr. Stridick.

MR. STRIDICK: Here.

MR. VARI: Mr. Brune.

MR. BRUNE: Here.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Here.

MR. VARI: Mr. Annese.

MR. ANNESE: Here.

MR. VARI: And Ms. Molnar.

MS. MOLNAR: Here.

MR. VARI: Madam Chair, you have nine members present. You have a quorum.

MS. MOLNAR: Thank you.

I'd like to welcome our newest member, Joseph Donohue, from the Department of the Treasury. He will be acting for our Treasurer, David Rousseau.

I'd like to mention a few requests I have. Number one, I would appreciate it if everyone would turn off their cell phones. Number two, I'd appreciate it if we could keep the side discussions to a minimum. It's difficult to hear the speakers at times. So if you do want to have some side discussions, we'd appreciate it if you perhaps went in the back room. And also, if you could collect your thoughts so I can go around twice. That way, we don't have to jump around. So if you could try to do it in an orderly fashion, that would be helpful.

Thank you.

Our next item is the approval of the minutes of September 5, 2008.

MR. DONNELLY: I'll move.

ASSEMBLYWOMAN KARROW: I have some changes.

MS. MOLNAR: All right, Assemblywoman.

ASSEMBLYWOMAN KARROW: Yes, a couple of corrections.

On Page 18, at the bottom, second from the last line, the word *capitalization* should be changed to *cannibalization*. On Page 36, my first comment at the top of the page -- the amount was \$80 million, not billion with a *B*, it was million with an *M*. And on Page 37, my comment where it

says *indiscernible*, I think I said something like, “At this point on public, State-owned property.”

MS. MOLNAR: Thank you.

ASSEMBLYWOMAN KARROW: And I’ll second that motion.

MS. MOLNAR: Okay.

So we’ll vote on the minutes as amended for September 5, 2008.

MR. VARI: On the motion to approve the minutes as amended of September 5, 2008, Senator Bucco.

SENATOR BUCCO: Yes.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Abstain.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Yes.

MR. VARI: Mr. Donohue--

Actually, we have a letter from the State Treasurer who votes to approve.

Mr. Stridick.

MR. STRIDICK: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, you have eight yeses and one abstention. The motion carries.

MS. MOLNAR: Thank you.

The next item is the approval of the minutes of September 26, 2008.

Is there a motion to approve?

MR. DONNELLY: I'll move.

ASSEMBLYWOMAN KARROW: Second.

MS. MOLNAR: Any changes or amendments? (no response)

We'll take a vote.

MR. VARI: On the motion to approve the minutes, Senator Bucco.

SENATOR BUCCO: Yes.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Abstain.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Yes.

MR. VARI: The State Treasurer votes yes.

Mr. Stridick.

MR. STRIDICK: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, you have eight in the affirmative, the motion carries.

MS. MOLNAR: Thank you.

The next item is our Executive Director's report.

MR. VARI: A couple of brief remarks this morning.

First, the Capital Commission -- we called the District Office of Senator Sarlo, and we're happy to report he is feeling a lot better. He does remain in the hospital, but he is in our thoughts and prayers. And we expressed that to his office.

MS. MOLNAR: Thank you.

MR. VARI: We've also had replies to the questions that went out from the last Capital Commission meeting. I'll just summarize what we found.

Concerning the violations at the State Museum: There was a request in for \$400,000, and that request was worked out by DPMC and DCA. So they do have a temporary certificate of occupancy for the State Museum. And I don't believe there is going to be any cost involved in -- with that fire code issue.

The Department of Human Services also responded to us. They replied that there was a request concerning the fire escapes that served certain buildings -- served the clients, and other buildings served the staff. However, all the buildings would need fire escapes to be in compliance with the fire code violations.

And there was also a request in from DPMC that they submit a copy of the report for the 30-minute barrier at the State House, and that report was submitted to the Commission.

Madam Chair, that concludes my remarks.

MS. MOLNAR: Thank you.

ASSEMBLYWOMAN KARROW: Can I ask a question?

MS. MOLNAR: Yes, Assemblywoman.

ASSEMBLYWOMAN KARROW: We also received a response from Health, which--

Do you want to say something about that, Mr. Vari, first?

MR. VARI: No, just to acknowledge that Health did respond to us, and we're still going through some of their answers.

ASSEMBLYWOMAN KARROW: Okay. That's what I just wanted to comment on. I found them very inadequate.

MR. VARI: We're still analyzing that response.

ASSEMBLYWOMAN KARROW: Okay. Thank you.

MS. MOLNAR: Okay. If there are no other comments, we'll start our capital request presentations.

Our first department is the Department of Children and Families. I'd like to welcome Janet Zatz, Director of Administration.

JANET SHARE ZATZ: Good morning.

And thank you for the opportunity to appear before you today.

I am Janet Zatz. I'm the Director of Administration for the Department of Children and Families. And among my responsibilities is managerial oversight of our Division of Facilities and Support Services.

And with me at the table today is Rob Butcavage, our Acting Director of Facilities and Support Services.

Before I begin DCF's capital budget presentation for Fiscal Year 2010, I would like to take a moment to thank the Commission members for their past support.

DCF operates three State-owned residential treatment centers that provide housing and educational services to children with severe behavioral health issues. The centers were constructed in 1973 and, as funding for maintenance has declined, they have suffered some deterioration.

The existing concrete canopy roof structures at the Ewing RTC, which houses 30 children and young adults, and the Vineland RTC, which houses 34 residents, have shifted and cracked. Thanks to the support of the Commission for Fiscal Year 2009, we are able to proceed with these two much-needed roofing projects. And the structures will be demolished and replaced with new canopy roof systems.

Thank you for your support for that funding.

I would also like to thank the Commission for the \$175,000 in capital funds that were awarded for renovations at the Ewing RTC. DCF was able to successfully negotiate an MOU with the Department of Education to lease space for classrooms and offices at the Katzenbach School for the Deaf to provide educational services for the residents in Ewing.

DCF had previously requested \$1.2 million in capital funding to construct two classrooms and a multipurpose room at the Mercer County Regional School. However, because we were able to negotiate this

arrangement with DOE, we have realized a savings of over a million dollars. While renovations are ongoing, we have moved into the renovated space as of October 1, 2008. Your support of this project was truly appreciated.

And now I would like to outline for you DCF's capital budget needs for Fiscal Year 2010.

In recognition of the current economic crisis and Governor Corzine's pledge, during his recent address to the joint session of the Legislature, that State government will continue to cut costs and reduce spending, DCF is requesting to amend our 2010 capital budget request. Initially, we requested capital funding for seven projects. We have taken a hard look at our capital plan, and in light of the limited fiscal resources available, are asking the Commission to consider funding only our four most critical projects. Additionally, instead of installing new generators at our 18 regional schools and three RTCs in Fiscal Year 2010, we have developed a plan that will phase these systems in over a period of several years.

Each of the four projects we are presenting today have been evaluated according to emergent need, taking into account our obligation to protect the health and safety of our clients and to maintain or bring our facilities into compliance with existing codes and regulations. I will briefly highlight each project for you.

Our first priority is regarding asbestos removal and site restoration, at a cost of \$505,000. DCF operates 18 State-owned regional schools that provide educational services and supports to approximately 1,500 children and young adults each year. These are students who exhibit severe cognitive, physical, behavioral, and emotional disabilities, or

moderate to severe learning disabilities, as well as pregnant or parenting teens.

The potential health hazard to children and staff, and the need to comply with the Department of Community Affairs' asbestos hazard abatement regulations and the Federal Asbestos Hazard Emergency Response Act, makes asbestos abatement our number one priority. We have a limited operating budget for school maintenance and, to date, have only fully abated four of our regional schools.

The Department of Human Services, through Bond Act moneys, was able to provide funds for the Office of Education to complete asbestos abatement projects at the Warren County, Cherry Hill, and Morris County regional schools in 1998, and the Monmouth County School in 2004. However, since then, OOE has only been able to fund one small, single-room abatement project in Burlington, in 2006. That was funded through OOE State appropriations.

In November, 2007, the Whitman Company, which was awarded the contract to reinspect all of the schools, determined that 12 of our facilities require asbestos abatement. Based on their evaluation of the conditions of the facilities, and the potential health hazard to students and staff, DCF has developed an asbestos management plan in which our regional schools have been prioritized based upon the condition of the materials at each facility. Union, Cape May, Passaic, Atlantic, and Bergen County regional schools have been designated as most in need of asbestos abatement, and they are our Department's priorities for this activity in 2010.

There is extensive cracking at the seams and in the floor thresholds of the linoleum flooring at these five schools. The linoleum and mastic, which has asbestos-containing materials, is nonfriable, meaning that the asbestos fibers are not released until the surface is abraded. Because the floors are in such a state of deterioration, it is in the best interest of the students and staff to abate the linoleum and mastic as soon as possible. It is also necessary to address transite panels, which also contain asbestos.

Our second priority is regarding community major maintenance. And our request is for \$2 million. For many years, DCF has made capital bond grants available to private, nonprofit, and public agencies to complete essential maintenance, program enhancement, and life safety projects. Community-based agencies such as Phases in Bergen County, YWCA of Union County, the Women's Crisis Center in Hunterdon, Hope House in Morris County, the Hudson ARC, and Ocean's Harbor House provide services to thousands of vulnerable children and families. As the economy continues to decline, the need for services is steadily rising. Organizations that provide beds for the homeless and a safe haven for abused or neglected children and victims of domestic violence are struggling, and the economy is putting a further strain on available resources.

Our capital bond grant process is competitive. However, grants are only available for nonprofits and public agencies that have existing, third-party service provider contracts with DCF. Agencies are not permitted to utilize any portion of the funds provided under the third-party service provider contracts for capital construction projects.

Without additional funding, some of our care providers will have difficulty not only in continuing to provide services, but in meeting DCF's minimum licensing requirements. Without additional funding, care providers may be forced to defer needed repairs. Without funding, many of our care providers may need to delay program development and expansion, impacting our Department's ability to increase needed bed space for our clients. And that is one of the mandates of our Federal Modified Settlement Agreement.

The last capital funding received for these DYFS projects was in March of 1996. Currently, there is only about \$33,000 of that original \$9 million remaining. We respectfully request an additional \$2 million so we can support these projects that are so critical to the success and well-being of New Jersey's most needy children and families.

Our third priority is to install new emergency generators. The emergency back-up generators at our three residential treatment centers and 18 regional schools are obsolete, undersized, and unreliable. While all of them need to be replaced, DCF's most pressing health and safety concerns are for the children and young adults who live at the RTCs. The equipment at these three sites is 36 years old and cannot be relied on to provide the backup necessary to protect our clients during an emergency.

As you know, when power is lost, the consequences can be serious. Back-up generators are needed for fire alarms, heat, hot water, and emergency lighting. While the RTCs do have back-up generators that currently enable proper functioning of fire alarms and essential emergency lights in the event of a power outage, this is not a reliable or permanent solution to ensure the safety of the residents, nor do these aged generators

have the capacity to provide adequate power for the rest of the residents' needs. In the event of a power outage, the RTCs could lose power to their freezers, ovens, heat, hot water, and air conditioning.

The installation of new emergency generators, including the required electrical upgrades to expand utilization and capacity, is necessary to ensure that we are prepared to provide adequate care for our children and young adults during a power outage.

DCF has developed a plan that has prioritized each facility in need of a generator replacement by the asset criticality to the overall Department's mission. Woodbridge RTC would be completed first. Service contractors indicate that replacement parts are no longer available. The Vineland RTC is our second priority site. Replacement parts for this specific model are very difficult to find. The generator also does not have the capacity required to power the facility's sewage system compactor/grinder, which is a major health concern. And the Ewing RTC will be our third priority. Replacement parts for the generator at this facility are also very difficult to find, and capacity and service life are limited.

Also, as discussed earlier, DCF has revised our plans for the installation of generators and will phase in the systems required by the 18 regional schools over a period of several years.

And our fourth and final priority for this request, for this year, is septic conversion at the Monmouth Regional School. Monmouth Regional School was expanded to accommodate additional students, staff, and a child care center. However, the current septic system does not have the capacity to meet the increased demand. The septic system needs to be

converted to a standard sewer system that is tied into the municipal sewage system. While we have not been cited by DEP, this environmentally effective system is needed to prevent any occurrence of hazardous waste backup.

I am hopeful that DCF's revised capital budget request makes it clear that we are committed to the Governor's economic recovery plan and are determined to limit spending as much as possible. The projects we have retained in our Fiscal Year 2010 request are those that are absolutely critical to our mission to protect and serve our state's most vulnerable children and families.

I want to thank you all for the opportunity to address you today and to discuss the Department of Children and Families' capital budget needs.

MS. MOLNAR: Any questions or comments from Commission members? (no response)

Gee, I'm surprised.

Well, you did a great job. There are no questions.

MS. ZATZ: Thank you.

MR. BRUNE: Carol.

MS. MOLNAR: Mr. Brune.

MR. BRUNE: Janet, can I just ask you -- on the community major maintenance -- question.

You indicate-- I want to get something square in my head. Is the problem the lack of funds, or the lack of third-party agreements, or both?

MS. ZATZ: No, the lack of funds. We have third-party contracts for the services to these various agencies. But they are not permitted to use that funding for capital projects.

MR. BRUNE: So the nature of the-- Is that-- If you looked across the landscape, so to speak -- Human Services, DCF -- is that the normal way those contracts are set up -- that they don't typically include a capital provision?

MS. ZATZ: Yes, that's my understanding.

MR. BRUNE: Okay. Because it is my impression that we're not necessarily providing-- We're hard-pressed to provide capital to the State facilities, as you may know. And I don't think I know of an instance, other than the bonds you've mentioned, where we've done it for the community providers. I don't think I'm mistaken on that.

MS. ZATZ: Our contracts have always been for just the services to the clients, mainly because the money barely covers the services that are needed.

MR. BRUNE: Okay.

And the asbestos situation-- You're aware, probably, that we have a central account for asbestos. You indicate that there's extensive cracking at the seams, although it's nonfriable at the moment. Are you trying to get ahead of something here, or is it an actual life safety issue now?

MS. ZATZ: Well, I think because of the deterioration of the flooring and some of those transite panels -- that because of the cracking, we feel that the ones that we have prioritized need to be abated. Because they are -- if the material is abraded, there could be a potential problem.

MR. BRUNE: So you're trying to get ahead of an issue.

Lastly, just a quick question. We've had some experience recently with septic connections in other departments. Do you know-- This is a fairly small amount of money here. We've had issues about connection fees that have to be paid once you tie into the local-- Is this, in any way-- This \$200,000 is all you need to make this connection?

MS. ZATZ: That's my understanding. That's our understanding. I can double check that for you and get back to the Commission.

MR. BRUNE: That might be a help, because it's a significantly small number, it looks like, on the face of it.

MS. ZATZ: My understanding is that the existing sewer line is right behind the school, so there wouldn't be a large expense to hook the school up to that system.

MR. BRUNE: Do you have an expense from the place you're hooking up to once you hook into it -- the municipal--

MS. ZATZ: No.

MR. BRUNE: No.

MS. ZATZ: We could get that for you.

MR. BRUNE: Yes.

Thank you.

MS. MOLNAR: Any other questions or comments?

Mr. Donohue.

MR. DONOHUE: Can I just ask, did I understand you to say that the generators are all 36 years old?

MS. ZATZ: That's correct.

MR. DONOHUE: So it's not like they're varying ages and you can just go with the oldest one first. They're all basically--

MS. ZATZ: No, I believe the-- The RTCs were all built at the same time, so they're all the same age.

MR. DONOHUE: And so you're having the parts problem similarly with each one.

MS. ZATZ: Right.

MR. DONOHUE: And do you know the overcapacity now for the septic system? I mean, what can the septic system hold now, and what -- where do you reach the violation point?

MS. ZATZ: We can get you the specifics on that.

MR. DONOHUE: Okay. Thank you.

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

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

MS. ZATZ: Thank you.

MS. MOLNAR: Our next department is the Department of Corrections. I'd like to welcome Lydell Sherrer, Deputy Commissioner.

DEPUTY COMMISSIONER LYDELL SHERRER:

Good morning, Madam Chairwoman.

MS. MOLNAR: Good morning.

DEPUTY COMMISSIONER SHERRER: I am Lydell Sherrer, Deputy Commissioner for the Department of Corrections.

On behalf of Commissioner George Hayman, I am pleased to present the Department of Corrections' Fiscal Year 2010 capital budget request to you and the Commission.

Seated with me are Assistant Commissioner for Administration, Carmella Elmer; and Robert Werner, Supervisor of Capital Planning and Construction.

At this time, I would like to turn the presentation over to Ms. Elmer.

ASSISTANT COMMISSIONER CARMELLA ELMER:
Good morning.

I believe you have in front of you the Department of Corrections' formal written testimony. So for the sake of time, unless you want me to, I won't read it. But I will summarize its contents and provide you with the status of the Department's most notable capital project, the high temperature hot water system at South Woods State Prison.

The catastrophic system failure was first identified in Fiscal Year 2006's capital budget request and has been a priority capital project of the Department for three years. On behalf of Commissioner Hayman, I thank you for providing the appropriations needed to address this problem.

I am pleased to advise you that the system repair is underway and should be completed in August 2009. Also underway is the civil action filed by the Attorney General's Office in Superior Court to recover the cost of repairs and the installation of a new system.

As for this year's capital budget request, there are 36 projects identified, with a total cost of \$211.7 million. Of this amount, \$103.8 million, or 49 percent, addresses new construction projects ranging from sections of prisons to full facility replacements. The balance, \$107.9 million, or 51 percent, addresses the preservation of physical plant and

infrastructure, with safety and security as the highest priorities. Individual project details are included in the 2010 capital request.

Thank you for this opportunity. And if you have any questions, I'd be happy to answer them.

Thank you.

MS. MOLNAR: Any questions or comments?

Mr. Brune.

MR. BRUNE: Carmella, the word *repair* is used in priority number two. Can you describe that project a little bit? Is this a capital project?

ASSISTANT COMMISSIONER ELMER: Yes, it is. HVAC repairs to Northern. It's to repair the system at the Administrative Close Supervision Unit. It's a self-contained unit with no windows, so there needs to be -- the whole system needs to be updated. The problems with the system include, but are not limited to, pneumatic control system, dampers, thermostats, compressors, heating and cooling coils, and motors on the rooftop HVAC units. It's not a simple repair.

MR. BRUNE: A more general question: On numbers one and two, Carmella, is this the kind of thing where you need to design something first and then construct it? And does the cost include both?

ROBERT WERNER: Yes.

Probably a more limited design on the HVAC -- yes, we need to have a consultant come in, look at the systems, and design -- repair. It's not just equipment, we're running lines on the roof -- the support and things like that.

MR. BRUNE: So are you sort of at square one here as far as that process?

MR. WERNER: Yes, we are. We're asking for money for both.

MR. BRUNE: I understand. And we normally -- well, we sometimes approach it that way. I'm wondering in these kinds of budget situations we have now, whether we can -- whether it works for you if we were to break the project up into design versus construction, with the idea of spreading out the funding.

The question might go something like this: If we gave you the design money in Fiscal '10, would that be timed in such a way that you would be ready to go in Fiscal '11 to do the construction?

MR. WERNER: Yes.

MR. BRUNE: In other words, we don't want to give you money to have it sit there for two years.

MR. WERNER: I understand.

MR. BRUNE: Is that the kind of situation on both of these?

MR. WERNER: Yes.

MR. BRUNE: The design--

MR. WERNER: Most of our projects -- our major projects would be that way. They're anywhere from six, to nine, to 12 months in design, except for, obviously, the major facility replacements. That would--

MR. BRUNE: So then I would ask, through the Chair, if you could just break that out for us.

MR. WERNER: Sure.

MR. BRUNE: Give us the design piece versus the construction.

And on the first one, have you been in touch at all with the Office of Energy Savings, John Rhodes?

ASSISTANT COMMISSIONER ELMER: Yes, we're currently working with that unit to develop an agreement with the Trigen cogeneration plant in Trenton.

MR. BRUNE: I'm talking about-- To be clear, because I don't know if this -- the New Jersey State Prison -- the chiller, priority number one.

ASSISTANT COMMISSIONER ELMER: Right.

MR. BRUNE: I'm just curious about whether-- Because we do have a pot of money every year for clean energy projects.

MR. WERNER: Actually, there's a report from a consultant hired by the Office of Energy Services on this project. I'll get it to you, through the Chair.

MR. BRUNE: Okay.

MR. WERNER: What our original goal was, and still is, although we're running out of time -- TDEC, Trenton District Energy Corporation, supplies the high temperature hot water to the prison. In lieu, they have an operating agreement to run our boilers. At the same powerhouse they can easily run both of those. So Mr. Rhodes has been discussing with them the possibility of providing the chillers for us, and then operating and maintaining them at the same time -- have another operating agreement.

TDEC's agreement with the State, I believe, is up in November of 2010, I believe. I'm not sure. So they're looking to do that. We also thought that would be a two-fold thing. One, it would get the chillers in

quicker. Private industry can move a little faster on things like that than the State. Second, it would also spread the cost out over the 20, 25, 30 years of the contract -- the capital costs instead of paying the \$3 million. However, we've gotten to the point where we're in the third year now. Our chillers will be removed from the front of the prison probably Monday or Tuesday. And with three years of rent, it becomes-- Trenton is a maximum security prison. We're putting these in the front, on the road, where we have access. And it becomes a nightmare. So we wanted to make this number one to stress that we really need to get the chillers replaced. The chillers themselves are 30 years old. The life expectancy is 25 at the most. We've beat them up pretty good.

Once again, we need them because the north and south compounds, built in 1972 to 1982, are self-contained. There are no windows. Obviously, we don't want to let anybody out. So we have small windows that cannot be opened. The HVAC system from the end of April to this point in time is very critical because, one, we have the worst population there, and there is a section there that -- psychotropic drugs. Temperature goes up in that unit, that's not a very good combination. So we have to keep that unit chilled.

MR. BRUNE: Just two other quick questions. On number two, Northern State Prison, it says no operating impact. Is that something you can revisit for us? It would seem like there would be some.

And the last question is, on priority four, the trailer replacement -- where we've been trying to do sort of one trailer a year in the capital budget. The statement said the operating impact would be a

decrease of about \$625,000. Can I assume that that's for all trailers that you would -- or just one trailer?

MR. WERNER: Yes, that's for all. It's a composite of all the nine that we have left out there.

MR. BRUNE: So the same question--

MR. WERNER: Actually, it could be reduced a little bit because we will be-- You have given us money -- and thank you very much for that -- for the last several fiscal years. We have one unit in design at Edna Mahan. And then we plan to put a new unit at Bayside State Prison. So that number will be reduced as time goes on.

MR. BRUNE: Okay. I would just ask if you could just tell us -- if you have a list of what it is per trailer.

MR. WERNER: We've kind of talked about this before unofficially. But a lot of the work on a trailer is done as daily maintenance. So there's not a list where we say, "Well, we did this on the trailer today." They'll go out on a call from an officer in our staff and fix something. It's just part of routine maintenance. I can probably get you some information on the larger things that we've done, where we've done a floor here and there or we've fixed a roof. I can do that, but I don't know that that will tell the whole story.

MR. BRUNE: Let me ask it to you a different way. Do you contract for it, or do you have the in-house staff do it?

MR. WERNER: Except for a major roof repair we had done last Summer after heavy rains, it's mainly staff.

MR. BRUNE: Staff.

MR. WERNER: We don't contract.

MR. BRUNE: I understand.

Thank you.

MS. MOLNAR: Any other questions or comments?

Mr. Vari.

MR. VARI: On priority number five, the fire safety code violations, you're requesting \$15 million -- over \$15 million for, it looks like, three projects in there.

MR. WERNER: Four.

MR. VARI: Four projects. Can you break that out by cost?

MR. WERNER: Sure. Actually, I have the listing of all the fire safety projects that I can give to the Chair. Pretty much what it is, is we have four projects. We're requesting \$8.7 million -- almost \$8.8 million for the replacement of fire safety systems at the Albert Wagner Facility in Bordentown. That project was moving toward design. It's probably one of the few that we have that are moving toward design. So we made that the first priority. We're moving -- we get the design, we get that done quicker. It wouldn't be a whole year before we started doing work.

The second is the fire blocking to the modular buildings at Southern State. That's really in there -- the express -- just for the fire safety folks at DCA. Obviously, they're trailers, and there's nothing to stop a fire. We have had three fires. Thank God we haven't lost any -- any loss of life or even had any injuries to that extent. We haven't had any fires recently, however. This would at least allow us to contain a fire in one section. I don't know if anyone is familiar with our trailer units, but they're more of an H shape, and they're modular units that are put together in three sections. So we could theoretically block off each section and maybe save --

I don't know if *save* is a good word for our trailers. The other two projects-- That's about \$5 million. Our other two smaller projects -- and they're the schools -- secondary egress at East Jersey, and they enclosed the housing units; the secondary egress at ADTC.

The Department has undertaken an approach on a fire -- unless it's what they call insipid stage -- and I can explain it, I think -- I'm not positive -- but it's a very, very small fire. We don't fight fires. We evacuate everyone. We get the inmates, the staff, everyone out of the area. And we let the local fire company come in and fight the fire. Obviously, secondary egress is very important to that. So that's why these two projects have been moved up to the first year. Because one, the school -- the inmates are in there through the day. I believe they have a second shift that they teach -- and I don't know if we still have the second shift -- that we teach at the school there for the inmates. And so we just-- The housing units, obviously, are self-explanatory. We have higher than 200 inmates in each housing unit. We have to get them out. So that's why they're there. That's the four projects for Fiscal Year 2010.

MR. VARI: Thank you.

MS. MOLNAR: Mr. Stridick.

MR. STRIDICK: Good morning.

Regarding priority three for the Southern State Complex, is there a Plan B to the facility replacement? In other words, I don't see any of those trailers accounted for in priority four. And so if the design doesn't go forward, and thus the new construction of the facility doesn't go forward, is there a Plan B that would actually replace the existing, deteriorating trailer?

MR. WERNER: Not really. We looked at that. But the entire complex is either trailers or prefabricated buildings, pre-engineered structures. We just felt that they're behind the secure perimeter. The trailer units are separated because they're different facilities, and it would be easier to go in and just replace one or two because of their location.

Here we have six housing units close together. All the support space is there. To do that would become really cost-prohibitive. I mean, we can do it, yes. We have even looked at it. As it is now, this program -- as it's presented here, although it doesn't say it in the justification -- I apologize for that -- is that we would do it in two or three phases to begin with. The facility has two phases -- was built in two phases. So we obviously closed one down, because we couldn't afford to lose all the bed space at once, and then replaced that part of it, and then closed phase two down, and replaced that.

To do it on a piecemeal basis would be very -- more expensive than we have here, because we're replacing all these with conventionally constructed buildings. We're not replacing trailers with trailers. Everything is bricks and mortar. We've kind of had our fill of trailers. I mean, we were forced at that point in time, and we didn't want to do it. But we really need the conventional buildings.

MR. STRIDICK: Could you provide that breakout between the two phases so that way we can kind of address it--

MR. WERNER: Oh, sure.

MR. STRIDICK: --in smaller chunks.

MR. WERNER: If I could comment on that. In the past we have done that. There have been times where we'll start a project, we'll get

it going, we'll never see the construction funding. And we have talked with people at the Division of Property Management and Construction -- that it seems foolish to spend a million dollars to do a design and we never see the construction money. We kind of wasted a million dollars we could have done someplace else. But if we-- If that's how you wish, we can put them together that way.

MR. STRIDICK: Well, I'm just curious, based upon the phasing that you brought up.

MR. WERNER: We have the breakdown. I can get that to you.

MR. STRIDICK: Thank you.

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

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

DEPUTY COMMISSIONER SHERRER: Thank you.

MS. MOLNAR: Our next department is the Department of Law and Public Safety. I'd like to welcome Daniel Foster, deputy Administrator.

DANIEL W. FOSTER: Good morning.

MS. MOLNAR: Good morning.

My name is Dan Foster. I am the Administrator of the Department of Law and Public Safety.

And to the right of me is John Miranda, Lieutenant of the Division of State Police.

Good morning, Chairwoman Molnar, Executive Director Vari, and members of the Capital Budget and Planning Commission. On behalf

of Attorney General Milgram, I would like to thank you for this opportunity to present the Department of Law and Public Safety's capital budget request for Fiscal Year 2010.

You may recall that I had the opportunity to address the Commission last year on behalf of Administrator Ricketts, and I am grateful to have the opportunity to do so again today as the Department's new Administrator.

First, I would like to thank you for your support of last year's funding request. We were appropriated \$1.3 million this fiscal year to begin to address the electrical upgrades needed for Building 15 at State Police Headquarters. Building 15 is the nerve center for all of the informational services at State Police. This project has been started in conjunction with the Division of Property Management and Construction.

Additional electrical upgrades for Building 15 are still needed, as are the upgrades for four patrol stations and the electronic surveillance unit at the Division Headquarters. These electrical upgrades remain the top priority within the Department for Fiscal Year 2010.

The remaining capital projects for the Department are as follows, in priority order.

Critical repairs for Totowa Headquarters in Troop "B" include new windows that are failing and new exterior panels that are rusting from the inside out. Totowa Headquarters also needs an upgrade to its electrical system to replace its uninterruptible power supply which could render communications and computer-aided dispatch inoperable in a power outage.

HVAC upgrades are needed for three buildings at Division Headquarters, and a new HVAC system for Netcong patrol station in Troop “B.”

Critical repairs to restore the structural integrity of two State Police buildings are required for the Bivalve Marine Police Station and the Log Cabin at Division Headquarters, as well as paving projects for various State Police parking lots throughout the state.

Electronic surveillance and intelligence-gathering equipment is requested to support domestic security, narcotics, organized crime, and street gang investigations for the State Police.

Funding is needed to support the telephone system replacements for two State Police investigative offices, as well as nine State Police road stations.

The State Police’s radio system emergency back-up generators that are more than 20 years old need to be replaced.

State Police communications equipment and software purchases are requested, which include centralized storage for 9-1-1 and radio recordings, and digital encryption-capable portable radios.

Radio upgrades for the Division of Criminal Justice, which include 235 portable digital encrypted radios and 85 mobile, vehicular radios are requested.

And finally, new equipment is requested for the State Toxicology Lab, specifically a tool known as a liquid chromatograph/mass spectrometer for the in-depth analysis of the more than 6,000 biological specimens submitted annually to the lab in the course of investigations.

The Department continues to be faced with the challenges of limited resources, aging equipment, and failing infrastructure. Unfortunately, with the passage of time, poor conditions have worsened and the cost of repairs or replacements has risen. Acting now to remedy these situations is not only a sound business decision, but also is a decision that enables us to successfully accomplish our mission of protecting the citizens of New Jersey.

These needs are vital to the ongoing operations and success of the Department of Law and Public Safety, and I ask the Commission to take all of the Department's requests under serious consideration.

Thank you. And I will be happy to answer any questions you may have at this time.

MS. MOLNAR: Thank you.

Any questions or comments?

Assemblywoman.

ASSEMBLYWOMAN KARROW: Hi, Dan.

Priority four in your package: critical repairs, rehabilitation at Bivalve.

MR. FOSTER: Yes.

ASSEMBLYWOMAN KARROW: Can you -- be careful here -- can you go into some more detail about that project?

MR. FOSTER: You said priority four? Is that what you said?

ASSEMBLYWOMAN KARROW: Yes, Division of State Police critical repairs rehab -- you go into some agency justification of structural issues at Bivalve Marina.

MR. FOSTER: Yes.

We had the bulkhead repaired there, but there-- Structurally, the actual facility is almost on a -- maybe a 20 or 30 percent incline. And so we keep trying to correct that situation by extending pipes for electrical or sewage and stuff that is coming into the building. But something has to be done to straighten that building out. The damage has occurred over the years because it was prior to the bulkhead being put in.

ASSEMBLYWOMAN KARROW: Prior to the bulkhead being put in?

MR. FOSTER: Yes.

ASSEMBLYWOMAN KARROW: Is this the separation with the footings issue that goes back?

MR. FOSTER: That's correct.

ASSEMBLYWOMAN KARROW: Okay. So here is my problem with that. And I have copies of all of my files still from when I was at Treasury. I personally made three trips to this marina in the years 2000 and 2001. Treasury got the State Police an errors and omissions settlement for that building that was equivalent to several hundred thousand dollars to fix that whole issue.

And my recollection-- And like I said, I have the documentation at home in the basement in a box. My recollection is that the State Police, or Law and Public Safety, took the errors and omissions money, did some cosmetic fix-ups at Bivalve, and shifted almost all of the rest of the money to other projects. So I've got--

You know, it's like this is the second time -- the first time in the Assembly, but my second time in my lifetime -- looking at this project with

the same issue that wasn't taken care of with money that was recovered under errors and omissions a decade ago -- almost a decade ago.

MR. FOSTER: Unfortunately, I don't have an answer to that. I can go back and try to do some research and see what happened.

ASSEMBLYWOMAN KARROW: I wish you please would, because it was either in 2000 or 2001 -- most likely 2001--

MR. FOSTER: Okay.

ASSEMBLYWOMAN KARROW: --that money was recovered from the contractor, from his insurance for this, to repair the building and to fix the doorway -- the steel doorway, to fix the settling issue where it was separating from the bottom of the building and ripping it into pieces, and twisting the building.

Been there, done that. I mean, this is like a bad dream coming back, except you got the money to fix it seven years ago.

MR. FOSTER: I will look into that. I don't recall it, but--

ASSEMBLYWOMAN KARROW: I do.

MR. FOSTER: I'm sure.

ASSEMBLYWOMAN KARROW: And like I said, I've got copies of every file at my house.

MR. FOSTER: Okay.

MS. MOLNAR: Any other questions or comments?

Mr. Brune.

MR. BRUNE: Dan, I want to understand the priority listing on priority number one. You listed the patrol stations first and Building 15 second, I think. Is that accurate so far, in the course of how you might apply money?

MR. FOSTER: You said priority one, correct?

MR. BRUNE: Priority one has \$880,000 for four stations, right?

MR. FOSTER: Yes.

MR. BRUNE: They are your top, top priorities so to speak?

MR. FOSTER: Well, truthfully, the priorities in the first one, if we had to identify the priorities, would be the generators.

MR. BRUNE: Okay.

How many generators are there now?

MR. FOSTER: I don't know how many generators there are. I do know we need-- We are looking within our different priorities here to replace 10 at this time.

MR. BRUNE: Ten in Building 15?

MR. FOSTER: No.

MR. BRUNE: Oh.

MR. FOSTER: Actually, Building 15 would be two, and then there are two more in building -- two internal and two external at 15. And then there is another one associated with Building 4. And then we're looking for -- in our radio sites -- the towers and stuff, where we just replaced the HVAC units -- to do a systematic replacement of the generators there. We're looking for five this year for that.

MR. BRUNE: Okay. But your top priority is the four at Building 15. Is that fair to say?

MR. FOSTER: That's correct.

MR. BRUNE: And as I understand it, maybe based on the money we gave you last year, there's now a scope of work being pulled together, right, for that building?

MR. FOSTER: Yes.

MR. BRUNE: And that includes an independent electrical feed that will come in.

So one of the questions that we have is, understanding the need for generators -- if vis-à-vis the independent electrical feed that's now going to be added, is that sort of a duplicate line into the building, or is that the only source of power when all the smoke clears there?

LIEUTENANT JOHN MIRANDA: What we're looking to do-- We've had several power outages in Building 15 over the course of the past year. During those power outages, the two internal generators have failed due to their age. They had to be manually switched over and started. We did happen, at the power failure, to have somebody on site who could do that.

The secondary feed we're looking to bring in from PSEG will be a redundant service on a separate grid. That will hopefully, if we have an outage on one grid -- the other grid will switch in. And if we have an outage on both grids, the generators will take over.

MR. BRUNE: So you'll have sort of like a tertiary capacity with the generators. Is that fair to say?

LIEUTENANT MIRANDA: Yes.

MR. BRUNE: All right. And do you know if there are four generators there now?

LIEUTENANT MIRANDA: There are two inside the building that solely support the computer functions, which is State Police OIT. And then there are two external to the building, which provide the emergency backup power to the rest of the building.

MR. BRUNE: So you're trying to simply replace all of what exists.

LIEUTENANT MIRANDA: Yes.

MR. BRUNE: Okay.

Dan, in the past you have provided us a status of the Bureau of Securities Fund, which sometimes is used for capital, as you know, in the Department. And I guess we would ask for that again, through the Chair.

MR. FOSTER: We certainly will. And we appreciate the cooperation we had last year in accomplishing what we did at Totowa between the roof replacement and the HVAC, using some of those funds.

MR. BRUNE: Just one last question. If you can, as you provide the information on Building 15, tell us the age of the generators versus what you consider to be the replacement--

MR. FOSTER: I think they're back to 1976, if I'm not mistaken.

MR. BRUNE: Okay. If we could just confirm that for each one of them that would be a help.

MR. FOSTER: Okay.

MR. BRUNE: Thank you.

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

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

MR. FOSTER: Thank you very much.

MS. MOLNAR: Our next department is the Department of Military and Veterans Affairs. I'd like to welcome Major General Glenn Rieth.

D P T Y. C O M M I S S I O N E R S T E P H E N G. A B E L:
Madam Chairwoman, General Rieth had to leave for another appointment. I'm the Deputy Commissioner for the Department of Military and Veterans Affairs. And I will be making the presentation on his behalf.

Good morning, Madam Chairwoman and Commission members. On behalf of General Rieth, it is my pleasure to present you with the Department of Military and Veterans Affairs FY 2010--

MS. MOLNAR: I'm sorry. Could you give your name for the reporter?

DEPUTY COMMISSIONER ABEL: My name is Stephen G. Abel. I'm the Deputy Commissioner.

It is my pleasure to present you with the Department of Military and Veterans Affairs' FY 2010 capital improvement plan. This plan is in keeping with the Adjutant General's vision of providing state-of-the-art facilities to meet mission requirements and to enhance the readiness of our New Jersey National Guard, as well as maintaining the best possible services so richly deserved by New Jersey's veterans.

It is imperative that the State and this Department are always vigilant in ensuring that our guardsmen and veterans' needs are met. At this moment in time, we have soldiers and airmen serving both in Iraq and Afghanistan. In June of this year, over 3,000 soldiers were deployed to Iraq and Afghanistan, while another 300 await deployment in early 2009. Since

September 11, 2001, the New Jersey National Guard has mobilized more than 7,500 soldiers and airmen for operations both here in the United States and in countless locations around the globe.

This capital plan is focused on 10 projects totaling \$7.7 million. That addresses our most immediate concerns.

The first request of \$250,000 addresses roof replacement of Buildings 1 and 2 at the Paramus Veterans Home. These roofs are now at the end of their life expectancy and need to be replaced before major leaks occur, causing damage to interior living areas with mold and mildew growth which would violate Veterans Administration health-care standards. Failure to replace the roofs will ultimately affect the ability of the facility to provide the necessary resident care, and result in shut down of the home and displacement of the 332 residents. This funding request represents 35 percent of the State share of the project.

The photos below and on the next page depict the deteriorating roofs.

Priority two is for \$850,000 to repair the sinking drill floors at the Atlantic City and Cherry Hill armories. An engineering study was performed and identified poor subsoil conditions caused by water infiltration to the upper levels of the substrate. Corrective action would include piling and pinning systems to raise and secure the floor slabs. These projects are both 50 percent federally supported.

Priority three requests \$1.3 million for roof replacements at the Lawrenceville maintenance facility; Cherry Hill, Newark, Westfield, Woodbury, and Lodi armories; as well as at the State's Veterans Cemetery. These roofs have greatly exceeded their original 20-year life cycle and are in

a serious state of disrepair. The leaking roofs directly contribute to the uninhabitable space and structural damage. We have also identified a multiyear program to replace roofs at 40 facilities. Roof replacements, wherever feasible, will convert existing flat rubber roofs to 50-year sloped metal roofs. The Commission has supported this urgent roof repair initiative in previous budget submittals. Unfortunately, roofs continue to deteriorate. Federal funding will pay for 75 percent of the construction of a sloped metal roof that replaces an existing flat roof at our armories.

Priority four requests \$400,000 which will provide funding for window and HVAC control replacement at six armories. These projects will focus on reestablishing building moisture protection and reducing energy costs. These projects are matched with 50 percent Federal funding.

Priority five requests \$175,000 to provide an emergency generator for Vineland Veterans Home. This is the 35 percent State share of the project. The Federal Veterans Administration will provide the other 65 percent. The existing administration building was joined to the new facility -- the new replacement home, as part of the construction, but did not include an emergency generator system. The installation of an emergency generator will allow for uninterrupted operations in the event of a power failure. Additionally, the Vineland Home is unable to fund this requirement under the line of credit program.

Priority six is for \$650,000 to fund emergency generators at four strategic National Guard armories. Our ability for continued command and control, along with an operational base during emergencies, will allow rapid deployment during homeland security, and terrorism, and

natural disasters. The \$650,000 represents 25 percent of the State share to complete the project.

I've identified six of our Department's 10 priorities to you today. I would like you to consider the remaining four projects as well. But in the interest of time, I am submitting those as written testimony only.

With your support, the Department of Military and Veterans Affairs will continue to ensure the security of New Jersey citizens and provide services to our deserving veterans.

I thank you for the opportunity to make this presentation. My staff and I are prepared to answer your questions.

MS. MOLNAR: Thank you.

Any questions or comments?

Assemblywoman.

ASSEMBLYWOMAN KARROW: Good morning, Colonel.

You mentioned, on a number of your projects, Federal funding matches from different areas: Veterans Administration, as well as just the Federal government. What's the process for applying for those matches? Are they guaranteed? Do you have promises from them? Have you started an application process for them?

DEPUTY COMMISSIONER ABEL: Ed, correct me if I'm wrong, but in order to secure Federal funding, we have to have State funding in place.

ASSEMBLYWOMAN KARROW: You want to see 100 percent of the money first?

EDWARD SAIN: For the projects that are funded by the Veterans Administration, the priority ranking that the Federal government provides

to the project -- one of the factors is whether the State has the matching funding to proceed with the project. So therefore states in which a State commitment of dollars has been obligated or committed, the Federal government moves that project higher up on the list in terms of a rank order. So that those states that don't have a state match go to the bottom of the pile, those states that have state match go to the top of the pile, and they're the first ones to go along with that.

MS. MOLNAR: Could you give your name for the reporter, please?

MR. SAIN: Edward Sain, Director of Installations for the Department of Military and Veterans Affairs.

ASSEMBLYWOMAN KARROW: So they're just looking for the portion of the State match as the commitment, not the entire amount?

MR. SAIN: Yes, they're looking for the State match commitment only.

ASSEMBLYWOMAN KARROW: And is there-- Then there's an application process after that? So I guess what I'm asking you is, if we commit, say, the match -- and I'm going to just throw up some numbers for easy math sake.

MR. SAIN: Sure.

ASSEMBLYWOMAN KARROW: The project is a million dollars. They're going to give us 75 percent. So we put up-- We say, "Yes, we're going to commit the \$250,000," and we commit that. What's the guarantee that you're going to get the other 75 percent? How long before you know it? How long do we have that money sitting there unused?

MR. SAIN: Well, it depends on the rank order that comes out of the Federal government. That comes out approximately October 15 of each year. And they rank all of the projects nationally, one through however many there are.

ASSEMBLYWOMAN KARROW: So you know relatively quickly.

MR. SAIN: Relatively quickly, yes.

DEPUTY COMMISSIONER ABEL: But it changes. I mean, there is no specific guaranteeing we are-- The Federal share is-- We're dependant on the Federal budget.

So, for example-- I'll give you an example from this year's funding base. We had requested a few years ago for a new columbarium project at the Brigadier General William C. Doyle Veterans Memorial Cemetery, because we had put in a columbarium, and we had run out of columbarium money -- or columbarium space. That project was not schedule to be funded by the VA until this next fiscal year. But we had everything in place on the State side. And so they were-- When another State project failed somewhere in the United States, they were able to move that columbarium project up to this current fiscal year, and we received \$2.6 million in September for the project at the Cemetery.

So we are-- To get into the part of the list where it would be funded by the VA, we need a State commitment of dollars. There is no guarantee how quickly that project will rise to the top of the list.

Another specific example is the all-purpose room at the Paramus nursing home. The State had provided those dollars quite a few years ago. Because of the limited construction dollars at the Federal level,

we were always trumped by life/health safety projects. Now, as we look at the current fiscal Federal budget, and the increase that the Federal legislatures have given, it looks like that project is going to happen this year. But the State money has been in place for about four years, I believe.

ASSEMBLYWOMAN KARROW: Thank you.

DEPUTY COMMISSIONER ABEL: So it's kind of hard to predict exactly when the Federal government will come across with its dollars.

MS. MOLNAR: Mr. Annese.

MR. ANNESE: Regarding priority number three and the roof superstructures you propose on planting above the existing facilities, is that like a -- for lack of a better word -- an umbrella you're placing over the existing building?

DEPUTY COMMISSIONER ABEL: Essentially we're creating an A-frame roof -- that is correct.

MR. ANNESE: Okay. And what happens to the various HVAC systems that I see pictured on the roof now? What are you going to do with those?

DEPUTY COMMISSIONER ABEL: There are some buildings that we cannot do that with. So our plan is to do it on those buildings that will allow us to. There are, clearly, some buildings that we're not going to be able to convert to the standing seam metal roof.

MR. ANNESE: So this new metal roof -- that would extend over the existing parapet walls?

DEPUTY COMMISSIONER ABEL: Yes.

MR. ANNESE: Okay. Thank you.

MS. MOLNAR: Any other questions or comments?

Mr. Brune.

MR. BRUNE: Some years ago it became clear to us in the course of time that the Teaneck Armory served a particularly important purpose in, say, a 9/11 situation. So that became the rationale for giving roofing money to the Department.

I wanted to ask you, do you have a master plan of some type so we can do this a little more methodically to understand the relative importance of the armories and the roles that they play?

DEPUTY COMMISSIONER ABEL: We can provide that to you, yes.

And I would add also that we are taking a hard look at all of our armories. The New Jersey National Guard, currently today, is smaller than it was when all of those armories were built. We have sold a number of them. We have a number of others that we are in a -- are proposed for sale as well. So there is a plan, and we will provide that to you.

MR. BRUNE: Would that be clear from reading the plan that you would provide -- that kind of thing?

DEPUTY COMMISSIONER ABEL: We have identified specific armories, and we can tell you which of those armories we plan on selling.

MR. BRUNE: I guess what we're trying to get here is a sense of the relative importance of the armories and the roles that they play. That would be one thing I hope we could take from that.

DEPUTY COMMISSIONER ABEL: We have a specific plan. I mean, we have divided the state into regions to respond to both natural

and man-made disasters. The generators that we talk about in the one priority are in those locations so that we can establish command and control centers in those different parts of the state when they are needed. And we will provide that to you.

MR. BRUNE: And just to follow up on that: Priority two, as an example, requests money for the sinking drill floors at, I guess, two of the armories. It's not clear to me necessarily in reading that how you differentiate from other armories, as opposed to some other need that you may have.

Another example might be priority five and six. You listed a generator basically for the administration buildings at the Vineland Home ahead of generators for some of the armories. I guess what I'm saying is -- and you don't necessarily have to address those directly -- but we struggle sometimes with the prioritization, because we don't necessarily understand -- from a master plan perspective, maybe -- how you rationalize the armories versus something else.

DEPUTY COMMISSIONER ABEL: Let me just speak to the Vineland issue. The administrative part of the Vineland Home also houses the bowling alley, the movie theater, the ceramic shop, the all-purpose room, which are required by both State and Federal regulations to be operational for our residents. We have to provide a certain number of hours each week for activities for the residents. So if the power goes out in the administrative building which also houses those other pieces of resident care, then those are not available for residents for activities. And that causes a problem in making sure that we're providing the right number of hours by regulation.

MR. BRUNE: And I'm sure that there's a need for all these. I guess what we're trying to do is -- the operative word here is the *relative* need. So we're stacking that description -- which you don't necessarily get from the request -- up against what seems to be 10 or so armories that maybe have their own different type of importance. Do you follow what I'm saying? And it's hard to do from this viewpoint in the absence of something like a master plan. So that's why we're asking.

I would ask that, through the Chair that is, if you could provide that.

Thank you.

MS. MOLNAR: Any other questions?

Mr. Vari.

MR. VARI: Do you have the priority number two -- the sinking drill floors -- do you have the specific estimates for the two facilities?

MR. SAIN: We're expecting the final design from Miller-Remick on the Atlantic City drill floor this coming Monday. That has-- They've done their soil borings, they've done some investigative work. I'm not sure what they're actual proposed solution is, whether they're going to be putting in a floating concrete floor on top of the existing soil, whether they're actually going to be putting pilings-- I'm not sure what the actual engineering solution is. But we have had that. We've had Miller-Remick do investigative work at Cherry Hill, and that is a problem of a consolidation of organic materials underneath the drill floor.

We've also hired Jacobi (phonetic spelling) Engineering to do some structural evaluations to see what the impact is of the settlement problems on the structural integrity of the facility. That we don't have a

firm design cost fixed to yet. But we do have both of those activities under design.

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

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

SENATOR BUCCO: Madam Chair.

MS. MOLNAR: Yes.

SENATOR BUCCO: I didn't have any questions for all of the people.

I have no questions for you.

But I have an observation. I'm new to this committee. But I have sat in similar meetings as a Councilman and as a Mayor in my town, as a Freeholder in my county, and now I'm in State government. And I find that government is a terrible steward of our facilities. I mean, if we maintained our personal properties in the fashion we maintain State properties, we'd be living out on the street. And if you had rental properties, your tenants would be suing us.

I think we have to find a better way of making sure that we don't have this every year -- our departments coming with millions and millions of dollars in repairs and renovations. I don't know. Something should be done about it. Something should be looked at.

That's the only comment I have. I mean, it's just redundant. It keeps happening every year, every year, every year. It's the same thing. And projects every year seem to be coming back without the fix being taken to them.

Thank you. I appreciate the opportunity to speak.

MS. MOLNAR: Thank you, Senator, for your observation.

This Commission has struggled with that every year. So we have tried to prioritize the most urgent needs. But additional, alternative sources of funding is important.

SENATOR BUCCO: The first place government cuts is facilities.

MS. MOLNAR: You're right.

SENATOR BUCCO: And that's wrong.

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

Our next meeting is November 7. It's our Debt Report. I'm sure you'll be here for that. It should be fun and exciting.

If there is no other business, the meeting is adjourned.

(MEETING CONCLUDED)