
Commission Meeting

of

NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

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

DATE: December 7, 2007
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

B. Carol Molnar, Chair
Anthony F. Annese, Vice Chair
Assemblyman Joseph Cryan
Assemblyman Guy R. Gregg
Gary Brune
Jack Donnelly
David Rousseau
Paul Stridick



ALSO PRESENT:

James F. Vari
Executive Director
New Jersey Commission on Capital Budget and Planning

Brian Alpert
Senate Republican
Commission Aide

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

TABLE OF CONTENTS

	<u>Page</u>
Roger Bushyeager Director Fiscal Division New Jersey Department of Military and Veterans Affairs	16
Ann Timmons Chief Financial Officer Office of Information Technology New Jersey Department of the Treasury	23
APPENDIX:	
Letter plus attachments addressed to James F. Vari from Lisa Alexander-Taylor Director of Administration New Jersey Department of Children and Families	1x
Letter plus attachments addressed to James F. Vari from Peter T. Roselli Deputy Commissioner New Jersey Department of Corrections	10x
Letter plus attachments addressed to B. Carol Molnar from Kimberly S. Ricketts Administrator Office of the Attorney General New Jersey Department of Law and Public Safety	23x

TABLE OF CONTENTS (continued)

APPENDIX (continued):

	<u>Page</u>
Letter plus attachment addressed to B. Carol Molnar from Steven M. Sutkin Director Division of Property Management and Construction New Jersey Department of the Treasury	35x
Responses to Commission on Capital Budgeting and Planning submitted by Office of Information Technology New Jersey Department of the Treasury	37x
rs: 1-32	

B. CAROL MOLNAR (Chair): Let us call the meeting to order.

In accordance with the Open Public Meeting Law, the Commission has provided adequate 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 *Time* and the *Star-Ledger*, and filed with the Office of the Secretary of State.

We will now take a roll call.

MR. VARI (Executive Director): Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Here.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Here.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: 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: Chairwoman Molnar.

MS. MOLNAR: Here.

MR. VARI: Madam Chair, you have a quorum.

MS. MOLNAR: Thank you.

First, I'd like to say, let us all remember the 66th anniversary of the Pearl Harbor attack. So please join me in the Pledge of Allegiance.

(participants recite Pledge of Allegiance)

Thank you.

Our next item is the Executive Director's report.

MR. VARI: Thank you, Madam Chair.

I just want to -- a couple brief comments today.

I want to thank all the departments for their timely and informative responses to all the Commission's questions. These responses truly assisted the staff in making its final recommendations.

Point of reference on the Clean Energy funding: The recommendation is for the \$10 million in Clean Energy funding to be appropriated through interdepartmental accounts. You'll notice on your spreadsheet that up to \$6 million of that will go for Human Services.

Finally, we have a letter from Senator Bryant that he is voting in the affirmative on all the Commission recommendations. Commissioner Doria has also been briefed, and he is voting in the affirmative. And Senator Littell -- normally he has a history of voting in the affirmative on these capital matters. And we're just going to double check and see-- Maybe the letter is on its way. I don't have it right now.

MS. MOLNAR: Okay. Thank you.

MR. VARI: That concludes my report.

MS. MOLNAR: Thank you.

I would like to thank your staff for the capital funding summary which you did. It was very helpful to see the different pieces, and

how it's appropriated, and whether it comes from discretionary appropriations.

Okay, now that we have some housekeeping out of the -- taken care of--

Oh, we have to approve the minutes of November 16, 2007.

MR. DONNELLY: I'll move them.

MR. ROUSSEAU: I'll second.

MS. MOLNAR: Okay.

MR. VARI: On the motion to approve the minutes of November 16, 2007, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: For Commissioner Doria, 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: And Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

We will now do our Fiscal 2009 capital recommendations, starting with the Department of Agriculture. They requested \$426,000, and the Commission is recommending zero.

Do I hear a motion?

MR. ROUSSEAU: I'll move.

MS. MOLNAR: Second?

MR. DONNELLY: Second.

MS. MOLNAR: Take a vote.

I'm sorry, any comments? (no response)

If not, we'll take a vote.

MR. VARI: On the motion for the Department of Agriculture, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Commissioner Doria voted in the affirmative.

Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: And also, Senator Bryant voted in the affirmative.

MS. MOLNAR: Thank you.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

The next department is the Department of Children and Families. They requested \$4.86 million. We're recommending \$175,000 for improvements to classroom space at the Katzenbach School.

Do I hear a motion?

ASSEMBLYMAN GREGG: So moved.

MS. MOLNAR: Second?

MR. ROUSSEAU: Second.

MS. MOLNAR: Any discussion? (no response)

If not, we'll take a vote.

MR. VARI: On the motion for Children and Families, Senator Bryant voted in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Commissioner Doria was in the affirmative.

Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Department of Corrections: They requested \$204.709 million.

We are recommending \$13.933 million for four projects.

MR. VARI: Is there a motion?

ASSEMBLYMAN CRYAN: Motion.

MS. MOLNAR: Second?

MR. ANNESE: Second.

MS. MOLNAR: Any discussion? (no response)

If not, we'll take a vote.

MR. VARI: Senator Bryant's in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Commissioner Doria is in the affirmative.

Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Okay, Department of Education. This is interesting. They requested \$960,000. We're recommending \$2.56 million because of the fire suppression systems at five locations times \$400,000 -- gives us \$2 million for the Regional Day Schools, and 560,000 for the Marie Katzenbach. So we're recommending \$2.56 million.

Do we hear a motion?

ASSEMBLYMAN CRYAN: Motion.

MS. MOLNAR: Second?

MR. ROUSSEAU: Second.

MS. MOLNAR: Any discussion on this item? (no response)

If not, we'll take a vote.

MR. VARI: On the motion to approve the Department of Education, Senator Bryant's in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Commissioner Doria is--
Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Department of Environmental Protection: \$247.631 million was the request, and we're recommending \$94.629 million for five projects -- six projects.

ASSEMBLYMAN CRYAN: I just have a question. On this one, we're not upgrading their e-mail from whatever it is -- some centuries old. And the balance of the Wreck Pond, for the dredging, is still out there, right?

MR. VARI: That's correct. Their response on the Wreck Pond was that they had been funding that with other dedicated sources.

ASSEMBLYMAN CRYAN: I read that. But they still have the dredging issue which, just as a reminder to the committee, in essence -- even though we put in a ton of money, there's still -- for lack of a better way to put it -- some reason that we can still end up closing beaches because of Wreck Pond over this dredging. I don't know. I'm not arguing to change the priorities by any stretch; I mean, trying to get -- limited amount. But

speaking for myself, I think all of us thought that we had dedicated enough resources to Wreck Pond that we wouldn't face beach closures in the Monmouth beaches, in particular, in New Jersey. And the fact is that, based on the follow-up information that they gave us, because of the lack of -- the need of some significant dollars to dredge, we're still going to be in that situation. Is that correct? Is that the way we all saw that? Anybody see it differently? That's the way we saw it, right?

MR. BRUNE: I believe so.

ASSEMBLYMAN CRYAN: Okay. And then, for whatever the reason, we're still going to have an e-mail system, if I read right from the notes, that's dating from either '89 or '93 -- right? In DEP. It's pretty old.

I just-- The interaction with DEP with people is one of the largest. I'm just pointing-- I'm not asking to change it; I'm just pointing out that value choices, in particular here-- These are tough calls.

MR. BRUNE: If I could jump in here, Chairwoman: The issue on the e-mail is a licensing issue. I think OIT is putting forth money to provide a standard level of service. And there's a separate operating budget issue, I think, having to do with the licensing. I don't think it's an issue of them not upgrading. It's an issue of how we deal with the licensing aspect.

ASSEMBLYMAN CRYAN: The Microsoft portion of it.

MR. BRUNE: Yes, which is beyond DEP. But it's a case in point.

ASSEMBLYMAN CRYAN: All right. Well, I just-- We're not doing the dollars they requested. Again, I'm not looking for change. But that Wreck Pond thing just sticks in my craw. Because I think we all thought that we were putting the money in there.

MS. MOLNAR: Would that qualify under shore protection -- the \$25 million?

ASSEMBLYMAN CRYAN: It doesn't, does it? I mean, that's why they asked for it, right?

MR. ROUSSEAU: Under the current definition of the use of the shore protection money, it's probably not. If the Legislature chose to amend the definition at some point in time, that's something that could be discussed. But under the current definition, it's not. And we looked at whether or not it should be modified.

ASSEMBLYMAN CRYAN: In the wisdom of the Legislature.

MS. MOLNAR: Is that a possibility next year?

ASSEMBLYMAN CRYAN: We'll take a look at it, sure.

MS. MOLNAR: All right. It's good to know.

Okay, any other discussion? (no response)

If not, do I hear a motion to approve?

ASSEMBLYMAN CRYAN: Motion.

ASSEMBLYMAN GREGG: Second.

MS. MOLNAR: Okay. If there are no other comments, we'll take a vote.

MR. VARI: On the motion to approve Department of Environmental Protection, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Next department is the Department of Health and Senior Services. They requested \$2.357 million. We are not recommending any funding at this time. The comment is that there is a line of credit available to purchase the laboratory equipment requested.

Any questions or comments? (no response)

ASSEMBLYMAN CRYAN: Make a motion.

MS. MOLNAR: Okay.

ASSEMBLYMAN GREGG: Second.

MS. MOLNAR: Okay. We'll vote on that.

MR. VARI: On the motion for the Department of Health and Senior Services, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

Okay. The next department is the Department of Human Services. They request \$190.712 million. We're recommending \$4.1 million for two projects. The other-- There is-- As we mentioned before, \$6 million is recommended from the interdepartmental account.

MR. ROUSSEAU: So moved.

MS. MOLNAR: Okay. Second?

ASSEMBLYMAN GREGG: Second.

MS. MOLNAR: Any comments?

ASSEMBLYMAN CRYAN: I have one.

MS. MOLNAR: Okay.

ASSEMBLYMAN CRYAN: I asked for backup information when we talked about the transition to the Olmstead plan, which was provided to the committee. I have to tell you, it wasn't exactly the most thought-out or detailed answer I've ever read, to put it mildly. I'll note for the committee that I will deal with it on the Budget Committee, assuming I'm still there. But I have to tell you, the answers provided weren't satisfactory to me, by any stretch -- I don't think to anybody who read it. It's classic bureaucracy doublespeak.

MS. MOLNAR: Okay.

So you're comfortable with our recommendation?

ASSEMBLYMAN CRYAN: Yes, I am, because there's not enough there to cover all that they ask for. But the reality is -- is I might suggest to the committee strongly, if the State has a commitment to Olmstead, as we -- they're going to come back next year for more dollars. They ought to be more detailed and cooperative with this committee in their responses.

MS. MOLNAR: Thank you for your comments.

Any other comments? (no response)

MR. VARI: On the motion to approve the Department of Human Services, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Department of Law and Public Safety: The request was \$27.665 million. We're recommending \$1.32 million for the electrical upgrades of the DSP Building 15.

Any comments? (no response)

ASSEMBLYMAN CRYAN: I make a motion.

MS. MOLNAR: Okay.

ASSEMBLYMAN GREGG: Second.

MS. MOLNAR: Take a vote.

MR. VARI: On the motion for the Department of Law and Public Safety, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Juvenile Justice Commission: request was \$21.825 million. We are recommending \$1.66 million for two projects -- critical repairs and suicide-safe fixtures.

Any questions or comments? (no response)

ASSEMBLYMAN CRYAN: Make a motion.

MS. MOLNAR: Okay.

MR. ROUSSEAU: Second.

MR. VARI: On the motion for the Juvenile Justice Commission, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Department of Military and Veterans Affairs: They requested \$8.512 million. We're recommending zero.

Now, I have a question. The paragraph says, "Federal funding for four of those projects is projected at \$5.1 million." Does that mean we're going to lose the Federal match, since we're not funding any of these items?

MR. VARI: I don't know. Would that match be a permanent loss, or would those Federal dollars always be on the table?

MS. MOLNAR: Could you come up and give your name?

Thank you.

ROGER BUSHYEAGER: Sure.

My name is Roger Bushyeager. I'm the CFO for the Department.

If we don't provide, obviously, the State match, we will not get the Federal dollars. We have to show a commitment, to our Federal agencies, of our State match commitment--

MS. MOLNAR: And how much is the--

MR. BUSHYEAGER: --whether it be the National Guard Bureau or the Veterans Affairs.

MS. MOLNAR: How much does the State match? Is it twice what they match?

MR. BUSHYEAGER: It depends on the project. There are different percentages. We can get that for you. Some are 50-50, some are 25-75, some are even 80-20. It depends on the project.

MS. MOLNAR: All right. So if we postpone these projects, down the road we could still get some Federal funding?

MR. BUSHYEAGER: Once we have the State match appropriation available.

MS. MOLNAR: Okay.

Is everyone comfortable with that?

Mr. Brune.

MR. BRUNE: One question.

Roger, you may recall one of the questions we had for the Department was, if you had a plan that rationalized each of the facilities and its relative importance--

MR. BUSHYEAGER: And I think that pertained primarily to the armories, if I recall.

MR. BRUNE: I think it-- In this case, the issue in our mind is: We'd like to better understand the relative importance of each of the facilities, armories and otherwise. We know that the Federal money will be there at some point if we put up the State match. But the first step in our estimation is to get the plan here so we could sort of see what the relative ranking is.

MR. BUSHYEAGER: Correct. We are working on that. I know the Director of our Installations Division, in conversations with me, requested that information from the Army Chief of Staff. Obviously, they're very, very busy with the premobilization and the eventual deployment of 3,000 National Guard troops. There is also discussion on potential plans for closure of some of our armories at the same time. So we'll get that plan to you as soon as we can.

MS. MOLNAR: Okay. That's helpful.

Any other questions or comments? (no response)

ASSEMBLYMAN CRYAN: Motion.

MS. MOLNAR: Okay. Second?

MR. DONNELLY: Second.

MS. MOLNAR: All right, vote.

MR. VARI: On the motion for the Department of Military and Veterans Affairs, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Department of State: The request was \$235,000, and we are not recommending any money at this time.

Motion?

MR. DONNELLY: So moved.

MS. MOLNAR: Second?

ASSEMBLYMAN GREGG: Second.

MR. VARI: On the motion for the Department of State,
Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Higher ed facilities: We are not
recommending any funding at this time.

Any discussion? (no response)

ASSEMBLYMAN CRYAN: No. I make a motion.

MS. MOLNAR: Okay. Second?

MR. ROUSSEAU: Second.

MR. VARI: On the motion for higher education facilities,
Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: State Library: The request was \$1.708 million. We are not recommending any funding at this time. The ADA projects will be funded out of the statewide account.

Any questions or comments? (no response)

If not, we'll take a motion.

MR. ANNESE: So moved.

ASSEMBLYMAN CRYAN: Second.

MR. VARI: On the motion for the State Library, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Department of Transportation: We are funding the Transportation Trust Fund \$895 million, which is the request. Based on Ms. Feldman's testimony, I believe it's 2010 or '13 -- eventually, this whole amount will cover just the debt service.

Any comments or questions? (no response)

If not--

MR. ROUSSEAU: So moved.

MS. MOLNAR: Okay.

ASSEMBLYMAN CRYAN: Second.

MR. VARI: On the motion for the Department of Transportation, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Okay. Office of Information Technology: \$16.55 million was the request, and we're recommending \$6.25 million -- \$3 million for OARS, and the balance for two other projects.

I believe there are some comments on this one department.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: I do. I have a couple comments.

Did you guys all get this back-up data that they requested?

Is anybody here from OIT? (affirmative response)

While you're coming up, the first page of the schedule gives us high-level milestones. The task name is OARS, Project Major Milestones; it's 100 percent complete, even though it's not due until June of '09.

The mainframe is 100 percent complete; it's not due until August of '08. The mainframe exercise -- DHS -- that's all 100 percent complete. That's amazing enough. But quarterly reports are being developed. Are there monthly reports on this?

MS. MOLNAR: Could you give your name?

ANN TIMMONS: My name is Ann Timmons. I'm the CFO.

ASSEMBLYMAN CRYAN: Ann, is there monthly reports on OARS?

MS. TIMMONS: There are. The schedule is put out on a regular basis on a portal site. And they have biweekly meetings on it.

ASSEMBLYMAN CRYAN: Who writes the summary, and who is in charge? Who gets a weekly or monthly report that says, "Here is what we're doing?"

MS. TIMMONS: The Project Manager is Gloria Broeker. She was here at our last hearing. We did not bring her today because--

ASSEMBLYMAN CRYAN: All right. Do you do a monthly? I'll take a monthly report. I'll speak for myself here. I don't want you to develop a quarterly one.

MS. TIMMONS: We can provide you the biweekly reports that come out of the project meetings.

ASSEMBLYMAN CRYAN: You know, instead of pulling teeth, it would have been nice to see something here that says it's available now on a biweekly basis on this.

MS. TIMMONS: I'm sorry, I should have done that.

ASSEMBLYMAN CRYAN: I've got to tell you something. Reading this document, which-- Are there any other projects behind schedule? This has got to be one of the most enlightening paragraphs I've ever read in my time here. "Most of the large IT projects are behind schedule from their original estimates. Estimates are the best guess" -- the best guess -- "with the available information at the time, as to what the anticipated schedules could be. It is important to note that most IT

projects are very complex and involve numerous aspects of business to technology interactions” -- which is all supposed to be planned -- is the whole (expletive deleted) idea.

I look at this thing: New Jersey SUCCESS, which came up last time as a project that’s already delayed, has a budget in this state -- which is on the next page -- of \$127 million. The next one is New Jersey KIDS, which of course is in the design and development stage: \$162 million.

I have to tell you something. The idea that you would get an opening paragraph that says that most are behind and you’ve just got to kind of understand that they’re complex -- for \$300 million for two projects -- is absolutely, unequivocally one of the worst things I’ve ever read as part of being a member of the Legislature. It’s unacceptable to take people’s money and just accept failure off the start.

This report, which we got yesterday to vote on for today, is one of the most unprofessional, unacceptable government-accountable reports I’ve ever read -- I’ve ever read here.

And I have to tell you something else. This OARS program-- Nobody’s accountable for the (expletive deleted) thing at the end of the day, in terms of the public. Nobody who gets elected by the public sees this schedule. This schedule is absolutely horse (expletive deleted) that you provided here. And I think that we ought to -- and I’m going to recommend to the Speaker and to the Senate President that we have a separate committee to over -- manage OIT projects -- much less this Commission. And you guys had better shape up, because I’m not putting up with this.

Your projects here list \$667 million worth of stuff -- \$667 million -- and that’s the paragraph I just read to you. “You’ve got to

understand they're complex." Well, tough beans. Do your (expletive deleted) job. Two years late -- two years late-- Projects that start late don't matter. This report-- I can't get over how much this infuriated me reading it last night. Hopefully you're catching that message.

MS. TIMMONS: I am, sir.

ASSEMBLYMAN CRYAN: "These factors include, but are not limited to, technology impacts, like changes in technology." Well, that does happen, like, all the time, right?

MS. TIMMONS: Yes, it does.

ASSEMBLYMAN CRYAN: You guys are like the pros who are supposed to be able to anticipate it and to know it. Right? Isn't that the whole idea behind having specialty people?

Did you guys see this thing?

And the schedule is an absolute -- it's an insult to everybody on this committee. To ask for a schedule, when you've spent millions and millions of dollars-- To get a half-(expletive deleted) schedule like this is an insult.

MS. TIMMONS: There is a much more detailed schedule that is pages and pages, and we summarized it.

ASSEMBLYMAN CRYAN: Well, what? Did I not-- What part of, "I want to know the cost factor to the schedule--" And, of course, this doesn't say it that way. You have to read one to the other and kind of pick it apart. There is nothing here that says whether it's late. No wonder the IT is screwed up and DEP has e-mail that's two decades old.

I've got to tell you something, I'm not putting up with this. You guys should understand--

I'm going to vote for this thing today because it's a day late, and they're not giving anybody the common courtesy of talking to them ahead of time. But whether it's in Budget, or whether we get a separate committee, this nonsense has to stop. It absolutely has to stop. The Department of Labor, Department of Human Services, NJSMART-- There's another one here for \$80 million: CASS, proposal review stage. Nothing in here is saying, "We've got a better handle on this."

I've got to tell you, the show is over. The nonsense is over. Six hundred and sixty-seven million dollars in projects, and that's the kind of statement we get: "You've got to understand, it's really hard." Well, get somebody who knows how to handle a hard thing.

That's my point.

MS. MOLNAR: Thank you, Assemblyman.

The committee members -- most of us got this today.

ASSEMBLYMAN CRYAN: Which makes it even worse. Have enough respect to get it ahead of time.

MR. VARI: We received it and faxed it to the Assemblyman's office at his request--

MS. MOLNAR: Oh, okay, good.

MR. VARI: --when it came in.

MS. MOLNAR: Okay.

ASSEMBLYMAN GREGG: We're not blaming you.

MS. MOLNAR: Are you comfortable with the -- some of the -- the two recommendations?

ASSEMBLYMAN CRYAN: No.

MS. MOLNAR: No.

ASSEMBLYMAN CRYAN: I'm not comfortable with giving OARS another quarter until there is some accountability for the (expletive deleted) performance.

MS. MOLNAR: Okay. Would you like to amend the recommendation and just agree to the \$1.9 million data storage and back-up infrastructure?

ASSEMBLYMAN CRYAN: I feel bad for the committee, because we didn't talk about it, which I think isn't really the way to operate; which is why I wanted to voice my objection on the record.

Hopefully, you got it.

MS. MOLNAR: Well, we have amended our recommendations in the past. So if you really feel that strongly and don't want to recommend the \$3 million, that's--

ASSEMBLYMAN CRYAN: I don't know how anybody can vote for that off of this garbage that got sent yesterday, to be honest with you.

MS. MOLNAR: So how about-- Do I hear, maybe, a motion to recommend-- If I back out the \$3 million--

ASSEMBLYMAN GREGG: Three million, two-fifty.

MS. MOLNAR: That leaves us with \$3.25 million to vote on.

Do I hear a motion to recommend \$3.25 million?

ASSEMBLYMAN GREGG: So moved.

ASSEMBLYMAN CRYAN: Second.

MS. MOLNAR: Okay.

MR. VARI: On the motion to recommend \$3.25 million for the Office of Infrastructure Technology--

MS. MOLNAR: Now, the people who sent in their vote do not realize that we have changes, so they do not count on this vote.

MR. VARI: Well then--

MS. MOLNAR: Do we have enough?

MR. ROUSSEAU: Yes, we have enough anyway.

MS. MOLNAR: Okay.

MR. VARI: Yes, we would have seven.

MS. MOLNAR: Okay.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Okay, interdepartmental accounts. We're voting in two pieces: The total capital construction of \$127.45 million; that includes the \$6

million that's being allocated to Human Services. And then the other piece is New Jersey Building Authority debt service of \$100.398 million. That totals a grand total of our recommendation of \$227.848 million.

MR. ROUSSEAU: So moved.

MS. MOLNAR: Okay.

ASSEMBLYMAN CRYAN: Second.

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

If not, would you take a vote.

MR. VARI: On the motion to approve interdepartmental accounts' recommended funding, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Okay. The last department is the Judiciary. They requested \$21.66 million. We are recommending zero.

Is the feeling that they have a revenue stream, and they can fund these projects from the revenue stream? Is that--

MR. ROUSSEAU: I would say, yes, that's our feeling on that. And while there's choices-- I could think of probably a hundred other projects that we're not funding, within things that we could have funded, that would be a higher priority than this project.

MS. MOLNAR: Okay.

MR. ROUSSEAU: And I know in past years we've deferred to the Judiciary. But, I mean, I personally would not support any funding for the Judiciary for technology. They probably have better technology than any of us have, because they have that funding stream right now.

MS. MOLNAR: Yes. All right. So they're using the funds for other projects.

Okay. If everybody is comfortable with that, could I have a motion?

ASSEMBLYMAN CRYAN: Motion.

MR. ANNESE: Second.

MS. MOLNAR: Okay. We'll vote on that.

MR. VARI: On the motion to approve Judiciary's recommendation, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblyman Gregg.

ASSEMBLYMAN GREGG: Yes.

MR. VARI: Mr. Rousseau.

MR. ROUSSEAU: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Chairwoman Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Now, is there any other items of business other than wishing you all a great holiday and a Happy New Year? Is there any other business?

ASSEMBLYMAN CRYAN: I want to thank Assemblyman Gregg for his service.

MS. MOLNAR: Okay.

ASSEMBLYMAN CRYAN: I know, Chairwoman, you and I talked earlier. I want to thank Assemblyman Gregg for his service on this Commission.

You're as cheap as they come. (laughter) But you're certainly as principled and as consistent a guy as I've ever had the privilege to serve with. So I just want to say thank you.

MS. MOLNAR: I want to thank you also. You've been a great addition, and you did your homework. It's fabulous.

MR. ROUSSEAU: I said it last week, and I'll say it again, I wholeheartedly agree with that; and I hope there is some way that Assemblyman Gregg stays involved in government in the future. Whether we disagree on policy issues--

But we need people like him in these processes, whether it's here or somewhere else.

MS. MOLNAR: I'm sure he will stay involved somehow.

ASSEMBLYMAN GREGG: Thank you very much.

MS. MOLNAR: Terrific.

If there is not anything else, the meeting is adjourned.

(MEETING CONCLUDED)