
Commission Meeting

of

STATE HOUSE COMMISSION

LOCATION: Committee Room 14
State House Annex
Trenton, New Jersey

DATE: June 20, 2005
9:00 a.m.

MEMBERS OF COMMISSION PRESENT:

Mark Fleming, Chair
Senator Bob Smith
Senator Walter J. Kavanaugh
Assemblyman John S. Wisniewski
Assemblyman Peter J. Biondi
James Falstrault
Charlene M. Holzbaaur



ALSO PRESENT:

Edward R. McGlynn, Secretary
Robert J. Shaughnessy, Counsel

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

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SENATOR KAVANAUGH: Good morning, ladies and gentlemen. It's the State House Commission meeting of June 20, 2005.

We have met the requirements of the Open Public Meetings Act. We have a quorum.

We now ask the roll.

MR. McGLYNN (Secretary): Assistant Counsel Fleming.

MARK FLEMING (Chair): Present.

MR. McGLYNN: Treasurer (*sic*) Falstrault.

DEPUTY DIRECTOR FALSTRAULT: Present.

MR. McGLYNN: Director Holzbaur.

DIRECTOR HOLZBAUR: Present.

MR. McGLYNN: Assemblyman Biondi.

ASSEMBLYMAN BIONDI: Here.

MR. McGLYNN: Assemblyman Wisniewski.

ASSEMBLYMAN WISNIEWSKI: Here.

MR. McGLYNN: Senator Kavanaugh and Mr. Chair.

SENATOR KAVANAUGH: Here.

Thank you.

Could we have the old -- last meeting -- the minutes, please?

MR. McGLYNN: We need a motion to approve the minutes of

May 19.

ASSEMBLYMAN WISNIEWSKI: Move the minutes of May

19.

MR. McGLYNN: Second? Is there a second?

SENATOR KAVANAUGH: Peter Biondi.

ASSEMBLYMAN BIONDI: I wasn't present, so I can't second.

SENATOR KAVANAUGH: Oh, I'm sorry.

MR. McGLYNN: The Chairman will second them.

All in favor? (affirmative responses)

Opposed? (no response)

I just did two houses.

I note that Senator Smith is here also, and is a voting member since Senator Kenny is not here.

Two housekeeping measures. We have received comments from Barbara Sachau, as we usually do. They were faxed to everyone on Friday, because they came in late. They've been reviewed by the members of the Commission. They will be made part of the record.

And I would ask that we have a five-minute executive session after the meeting today. If you could just stay for that long, I would appreciate it very much.

SENATOR KAVANAUGH: I'd like to ask that Treasurer McCormac -- Deputy, as far as his -- a designate, James Falstrault, to represent him this morning.

MR. McGLYNN: Thank you.

SENATOR KAVANAUGH: Welcome, Jim.

MR. McGLYNN: We now turn to the Department of Treasury.

SENATOR KAVANAUGH: I'd like to just make a comment. Some of us have requested -- as far as information regarding the rents.

Assemblyman Wisniewski will echo our concerns.

ASSEMBLYMAN WISNIEWSKI: Mr. Chairman, I'm just looking at Items 2, 3--

SENATOR KAVANAUGH: We don't have any of this working, so you'll have to-- (referring to PA microphone)

ASSEMBLYMAN WISNIEWSKI: We have no power.

Just looking at Items 2, 3, 4, 5, 6. These are residential properties. The monthly lease is extraordinarily low -- or seems low, compared to what I'm familiar with as market rents. Do we have any explanation as to why?

SENATOR KAVANAUGH: Gene is here. We have discussed it with him. One of the examples-- One of the houses has an inferior, almost nonworking, septic system, which is costing the State a lot of money to keep her operational. Maybe it would just be better to close the house.

Then we have a woman who has just had cancer operation-- She's on Social Security.

If you want to do it, you vote on it. But I'm not going to turn this woman out on the street. She doesn't have anybody. So let her--

ASSEMBLYMAN WISNIEWSKI: I'm not looking to turn anybody out, Senator.

SENATOR KAVANAUGH: No, I understand.

ASSEMBLYMAN WISNIEWSKI: I'm just curious as to the rents.

SENATOR KAVANAUGH: They are unusually low -- \$500 to \$800 for some adequate housing. But most of them are homes that you or I would be hesitant about living in. At least you have a roof over your head.

Does anyone else care to comment? (no response)

MR. McGLYNN: Mr. Chairman, I could do Items 2 through 6 together, because they are all residential leases.

SENATOR KAVANAUGH: Let's just--

Gene, do you have any comment that you'd like to come up and--

ASSEMBLYMAN WISNIEWSKI: Why don't we have him explain it?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Excuse me.

Sorry for the interruption, but the switch is right underneath your chair, Senator. (referring to PA microphone) So they're going to climb under there and turn the microphones on. Sorry about that.

There we go.

SENATOR KAVANAUGH: All right, Gene.

GENE HAYMAN: I'd just like to say that these rents were all set when Treasury got these properties from DEP. And we have been increasing them annually at the Consumer Price Index. This year, we increased it 4.6 percent. And I believe -- and Mr. McGlynn brought up a good point. I don't know if we could raise them any more than 5 percent a year -- that it would be usury or against the landlord-tenant rules. So we are increasing them, based on the Consumer Price Index, to try to stay in line with what the fair market value rent was determined to be when these people moved into these houses.

The alternative would be to go and have every, 70 or so, of the houses appraised. But then we're probably talking \$60,000, \$70,000, which would seem like a lot of money to be spending for this situation.

ASSEMBLYMAN WISNIEWSKI: Thank you, Mr. Chairman.

The only other point I would make is-- You talked about the one house with the septic system. I just don't want the State to be in a position of being a slumlord.

SENATOR KAVANAUGH: Well, your concerns are well taken. And I think that all of us as citizens of the state have to give consideration to the problem. But it's the idea, "Don't tread on us (indiscernible) because we're trying to be good, but we don't want to be bad."

I appreciate your concerns.

MR. McGLYNN: With that, Mr. Chairman, Items 2 through 6 are Treasury requests, on behalf of the DEP, for residential leases. We can do them together, with your permission.

SENATOR KAVANAUGH: Yes, go ahead.

MR. McGLYNN: Item No. 2 is RPR 93-78, Block 901, Lot 105, in Allamuchy Township, Warren County.

The Department of the Treasury requests approval to lease a DEP residential property, located at 1180 Waterloo Road, to Mary Ann Goodstein. The lease term will be for one year, with four, one-year renewal options at a rate of \$764 per month, with annual increases based on the Consumer Price Index.

Item No. 3 is RPR 93-82, Block 902, Lot 83, in Allamuchy Township, Warren County.

Treasury requests approval to lease a DEP residential property, located at 2583 Colony Road, to Vicki McMorrow. The lease term will be for one year, with four, one-year renewal options at a rate of \$757 per month, with annual increases based on the Consumer Price Index.

Item No. 4 is RPR No. 93-117, Block 403, Lot 2, in Mansfield Township, Warren County.

Treasury requests approval to lease a DEP residential property, at 310 Oxford Road, to Robert and Elizabeth Howell. The term will be for one year, with four, one-year renewal options at a rate of \$574 per month, with annual increases based on the Consumer Price Index.

Item No. 5 is RPR No. 00-33, Block 366, Lot 3, Byram Township, Sussex County.

Treasury requests approval to lease a DEP residential property, located at 32-B Jefferson Lake Road, to Donald Dolan, Sr. The term will be for one year, with four, one-year renewal options at a rate of \$661 per month, with annual increases based on the Consumer Price Index.

Item No. 6 is RPR No. 00-34, Block 37.02, Lot 48, in Franklin Township, Somerset County.

The Department of Treasury requests approval to lease a DEP residential property, located at 161 Cortelyous Lane, to Eugene and Doris Gambrell. The lease term will be for one year, with four, one-year renewal options, at a rate of \$994 per month.

SENATOR KAVANAUGH: Anyone here to comment on 1 to 6? (no response)

Do you have a motion?

MR. FLEMING: Move.

SENATOR SMITH: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 7 is RPR No. 05-19, Block 33, Lot 10, in Clinton Township, Hunterdon County.

Treasury, on behalf of the Department of Corrections, requests approval to lease property located at the Mountainview Youth Correctional Facility to Clinton Township, to be used as recreational fields. Clinton Township has leased this property, known as Foran Park, since 1985. The township has made numerous improvements to the property. The lease will be for a term of 10 years, with two, 10-year renewal options, at an annual rate of \$1.

SENATOR KAVANAUGH: Any comments? (no response)

ASSEMBLYMAN WISNIEWSKI: Move it.

MR. FLEMING: Second.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 8, RPR No. 05-25, Block 2608, Lot 1, Pocono Township, Monroe County, Pennsylvania; Block 8331, Lot 1, Pocono and Jackson townships, Monroe County, Pennsylvania.

Treasury, on behalf of the Department of Human Services, requests approval to dispose of two parcels of vacant land that the State has acquired through the estate of a former patient. The property will be offered to the municipalities first, and if they are not interested will be sold by auction for fair market value, to be determined by an appraisal.

SENATOR KAVANAUGH: Anyone here to comment? (no response)

Roll call.

MR. McGLYNN: Motion first.

ASSEMBLYMAN BIONDI: Move it.

MR. McGLYNN: Thank you.

All in favor? (affirmative responses)

Opposed? (no response)

Item No. 9 is RPR No. 05-29, Block 625, Lot 84, in Plainfield City, Union County.

The Department of Treasury, on behalf of the Department of Military and Veterans' Affairs, requests approval to dispose of the Plainfield Armory. It is to be noted that this armory is eligible for the New Jersey and National Register of Historic Places and will be sold with appropriate historic building protections in place. The property will be offered to State agencies and the municipality first, and if not interested will be sold by auction at a minimum starting bid of \$1,000,000, the appraised value.

SENATOR KAVANAUGH: Anyone have an interest or a comment? (no response)

ASSEMBLYMAN BIONDI: Move it.

MR. FLEMING: Second.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 10 is RPR No. 05-30, Block 1105, Lot 2, in Phillipsburg Township, Warren County.

The New Jersey Department of Treasury, on behalf of the Department of Military and Veterans' Affairs, requests approval to dispose of the improvements only, at the Phillipsburg Armory. And the reason they're disposing of the improvements, according to the background information, is that the land would revert back to the municipality if they did not dispose of these improvements. And an evaluation, according to the background material, is \$895,000.

ASSEMBLYMAN WISNIEWSKI: Just a brief question. How do you access the improvements if the land's not going with it?

MR. McGLYNN: Oh, no. I think the land is going with it. They're not selling the land because they have an easement for the improvements. That's what I've been told.

SENATOR SMITH: What are the improvements?

ASSEMBLYMAN WISNIEWSKI: A couple of buildings. It says that--

MR. McGLYNN: I think it's an armory, Senator, if I'm not mistaken.

Let me ask Mr. Hayman.

SENATOR KAVANAUGH: Gene, why don't you just stay up there?

MR. HAYMAN: The improvements are the armory and the garage outbuilding.

ASSEMBLYMAN WISNIEWSKI: So only the improvements themselves are being sold?

MR. HAYMAN: This is a tricky situation that we run into a lot with the armories. The State feels that we should get some value for the improvements to the buildings on the property. Most -- or a lot of the armories have reverter clauses where they -- the municipalities donated the land, and it reverts back to them. So usually, there's some type of arrangement worked out with the municipality. And the municipality has already expressed an interest in acquiring the property. So hopefully, we won't even have to broach the subject of easements and things like that if we can sell directly to the municipality. And they're really interested in it, and they're aware of the appraised value, and things like that. So that's the direction we're going.

ASSEMBLYMAN WISNIEWSKI: If somebody other than the municipality purchases, then there would have to be a negotiation for an easement to access the improvements.

MR. HAYMAN: Correct.

SENATOR SMITH: Is this a historically significant armory?

MR. HAYMAN: No, it wasn't.

SENATOR KAVANAUGH: Any comments from anyone here?
(no response)

ASSEMBLYMAN WISNIEWSKI: Move it.

SENATOR SMITH: Second.

SENATOR KAVANAUGH: Moved and second.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 11 is RPR No. 05-31, Block 734.1, Part of Lot 46.12, Piscataway Township, in Middlesex County.

Treasury, on behalf of the Department of Education, requests approval to grant a road widening easement to Middlesex County Educational Services Commission on property located at the Piscataway Regional Day School. The easement will be granted for \$185,869, contingent upon successful RPR clearance.

SENATOR SMITH: Question on that.

It appears, in an awful lot of these transactions, we are granting property to other governmental agencies. There's no charge involved. Why the Middlesex County Educational Services Commission is--

SENATOR KAVANAUGH: We know the Senator. (laughter)

SENATOR SMITH: Well, no question.

But it's quasi-governmental. Why are we charging another government money for the easement?

MR. McGLYNN: Mr. Hayman.

MR. HAYMAN: Well, actually we're supposed to charge everybody fair market value for any type of conveyance, unless it's for a direct public purpose that benefits the State.

In the talks with the county, the county has agreed that they should be paying something for it. And the county did the appraisal, actually. And they came, and they offered us the-- Well, they offered us \$175,000. And when we did the calculations, we came up with \$185,000. They agreed it was something that they should be paying for, so we're going ahead with it.

ASSEMBLYMAN BIONDI: Move.

MR. FLEMING: Second.

SENATOR KAVANAUGH: Is there anyone here with any concern, as far as -- since it is going to be charged back to Middlesex County. So if we charge them, they're going to have to pay. We're going to pay either way. Say a more -- if we made it \$100,000.

MR. HAYMAN: Could we lower the cost? The Commission has the -- the State House Commission has the authority to set the terms and conditions.

SENATOR KAVANAUGH: Senator Smith is sitting as a member of the Commission, representing Middlesex County.

Would you care to make a motion to lower it? What would something--

SENATOR SMITH: I'm not in any conflict here, am I? I represent Piscataway Township, I represent a portion of Middlesex County. I mean, it seems to me it's all governmental.

MR. McGLYNN: You don't represent the entity.

SENATOR SMITH: I don't represent the -- no, I don't.

Mr. Chairman, I'd like to suggest that this Commission consider either eliminating a cost to another quasi-governmental agency or adjusting it lower to more fairly--

SENATOR KAVANAUGH: Do you have a figure that you--

SENATOR SMITH: Well, I like zero.

ASSEMBLYMAN WISNIEWSKI: I'll second that.

SENATOR KAVANAUGH: At a zero figure, by the two gentlemen that represent the area that are concerned about their constituents having to pay this figure with the high taxes.

SENATOR SMITH: One government to another.

ASSEMBLYMAN BIONDI: Also, it's a public improvement. It's for a road widening project.

SENATOR KAVANAUGH: Benefit others.

All right, the motion has been made to take care of the Piscataway Township area for the easement at no charge, contingent upon the RPR clearance.

ASSEMBLYMAN BIONDI: Do you have to do a dollar to make it legal?

SENATOR KAVANAUGH: Make it a dollar.

SENATOR SMITH: We're easy, a dollar.

MR. HAYMAN: Can I just say something? You realize this sets a pretty bad precedent.

SENATOR KAVANAUGH: We've done that all the time, Gene.

MR. HAYMAN: Okay. Fine.

ASSEMBLYMAN BIONDI: It's a public improvement. Governor Codey won't be happy, but--

MR. McGLYNN: All in favor? (affirmative responses)

Any opposed? (no response)

It carries.

Item No. 12 is RPR No. 05-33, Block 159, Lot 1, Marlboro Township, Monmouth County.

The Department of the Treasury requests approval to grant a permanent utility easement to Verizon to supply electric service to Recovery Management on the grounds of the Marlboro Psychiatric Hospital, along Conover Road, beginning at Route 520. The easement will not exceed 10 feet wide by 2,240 feet long and will be granted for fair market value, to be determined by an appraisal, contingent upon successful RPR clearance.

SENATOR KAVANAUGH: Anyone here to--

ASSEMBLYMAN BIONDI: Question, Chairman.

Is this a -- I presume for a tower? And if it is, is there a local approval or anything?

MR. HAYMAN: I didn't hear the question, sorry.

ASSEMBLYMAN BIONDI: The question was, what's the easement for? Is it for a tower to be erected, and service?

MR. HAYMAN: No, it's for poles to provide electrical service. They're build -- they're constructing a new site across Conover Road. So they have to run the lines to the new site.

ASSEMBLYMAN BIONDI: Thank you, Gene.

SENATOR KAVANAUGH: Is there a motion?

ASSEMBLYMAN BIONDI: Move it.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

SENATOR KAVANAUGH: Department of Transportation requests.

MR. McGLYNN: Thank you.

Item No. 13 is Project Route 37, now known as Route 539, Section 9, Parcel VX2A2, in Upper Freehold Township, Monmouth County.

DOT, Bureau of Right of Way, Property Management Unit, requests approval to sell an irregular shaped parcel of land containing 1.588 acres, or 69,173 square feet. The property will be sold, via direct sale, at a price to be determined by staff appraiser, to an adjacent property owner, Cream Ridge, LLC, trading as Rick's Saddle Shop, care of Heilbrunn, Pape and Goldstein, LLC.

SENATOR KAVANAUGH: Anyone here to comment? (no response)

Now that we're in transportation, where is our retiring--

This gentleman retired from the service (indiscernible) years of service with the State of New Jersey.

Do you care to comment? We'd like to say thank you for all the service you've given to the State.

T H O M A S S C H O L T I S: I'd just like to thank you -- working with you.

I've actually been doing this now for five years -- coming here -- appreciate your hospitality, your expeditious manner in handling everything. And what I liked was, any questions were handled ahead of time.

Thank you. It's been a pleasure serving you.

MR. McGLYNN: Your name.

MR. SCHOLTIS: Oh, Tom Scholtis.

MR. McGLYNN: Thank you, Mr. Scholtis. Good luck.

SENATOR KAVANAUGH: Many years of retirement.

MR. McGLYNN: Do we have a motion and second on it?
(indiscernible)

SENATOR KAVANAUGH: Can we have a motion, please?

MR. FLEMING: Move.

DEPUTY DIRECTOR FALSTRAULT: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 14. Project is Route 1, Section 1, Parcel VX2 and VX3, Lawrence Township, Mercer County.

Treasury -- Transportation, Bureau of Right of Way, Property Management Unit, requests approval to sell an irregular shaped parcel of land containing .189 acres, or 8,100 plus or minus square feet. The property will be sold by auction for development as per current zoning. The auction price will be determined by a staff appraiser.

SENATOR KAVANAUGH: Anyone here for discussion or concerns? (no response)

Do we have a motion?

MR. FLEMING: Moved.

SENATOR SMITH: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 15 is Project Route 41, Section 2, Parcel 1B, in Cherry Hill Township, Camden County.

Transportation, Bureau of Right of Way, Property Management Unit, requests approval to enter into a three-year lease for a triangular shaped parcel of vacant land containing .56 acres, or 24,415 square feet. The property will be leased directly to and accessed by the adjacent property owner, Winner Ford, at a recommended amount of \$1,000 per month.

SENATOR KAVANAUGH: Anyone here to comment? (no response)

ASSEMBLYMAN WISNIEWSKI: Move it.

SENATOR SMITH: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

We now turn to Department of Environmental Protection requests.

Item No. 16 is Milford Park, also known as Schleifer Park, Block 2691, Part of Lot 1, in Newark City, Essex County.

The DEP, on behalf of the city of Newark, requests approval to convey .0058 acre of Milford Park to the New Jersey Department of Transportation, to be used for intersection road right-of-way improvements as part of the proposed I-78 ramp improvement project. As compensation, DOT will deed to the city .0117 acre of land located on the Passaic River, as part of a 2.598 acre "bank" to be established for future New Jersey DOT projects in the city.

SENATOR KAVANAUGH: Anyone here to comment?

ASSEMBLYMAN WISNIEWSKI: Move it.

MR. FLEMING: Second.

SENATOR KAVANAUGH: It's been moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed?(no response)

Item No. 17 is the Middlesex Greenway, Block 815, Part of Lot 3, in Edison Township, Middlesex County and Roosevelt County Park, Block 690, Part of Lots 9 and 24, Edison and Woodbridge townships, Middlesex County.

The New Jersey Department of Environmental Protection, on behalf of the county of Middlesex, requests approval to convey 1.84 acres in fee and .66 acre in easements to the New Jersey Department of Transportation in connection with improvements to Route -- and that should be Route 1 not Route 9, between Edison and Woodbridge townships. Compensation is \$559,500, fair market value, to be used for future open space purchases. All trees that are lost on county parkland as a result of the project will be replaced by DOT at a two to one ratio. DOT will construct a pedestrian overpass over Route 1 to maintain the connectivity of the Middlesex Greenway on both sides. The total acreage of parkland to be transferred by the county of Middlesex to the DOT will not exceed 2.75 acres.

ASSEMBLYMAN WISNIEWSKI: DOT is paying the county \$559,500?

MR. McGLYNN: Yes.

SENATOR SMITH: We have no objection on that site.

SENATOR KAVANAUGH: Do you want to revert that back to--

MR. McGLYNN: Do you want it to be a dollar?

ASSEMBLYMAN WISNIEWSKI: Move it.

SENATOR SMITH: Second.

SENATOR KAVANAUGH: It depends on whose ox is being gored here.

ASSEMBLYMAN WISNIEWSKI: That's right.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 18 is Veterans Memorial Waterfront Park, Block 1, Part of Lot 170A, Elizabeth City, Union County.

The DEP, on behalf of the city of Elizabeth, requests approval to convey a .26 plus or minus acre subsurface easement within Veterans' Memorial Waterfront Park to Colonial Pipeline Company, in connection with the relocation of an existing 15 foot wide easement containing two 14-inch pipelines that cross the Arthur Kill. Relocation of the pipelines is part of the U.S. Army Corps of Engineers' Harbor Deepening Project for the Arthur Kill. As compensation for the new .26 plus or minus acre subsurface easement, Colonial Pipeline will abandon the existing .27 acre subsurface easement for the benefit of the park. And Colonial Pipeline will pay \$67,000 to be used by the city for park improvements.

ASSEMBLYMAN WISNIEWSKI: Move it.

SENATOR SMITH: Second.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 19 is Winding River Park, Block 539, Part of Lot 1, Dover Township, Ocean County.

DEP, on behalf of the township of Dover, requests approval to allow a public indoor ice skating facility to be developed on a one-acre portion of Winding River Park, in exchange for the dedication as parkland of an adjoining 5.78 acres of vacant land. As compensation, Dover Township will permanently dedicate an adjoining 5.78 acres of undeveloped, wooded land for outdoor recreation and conservation purposes.

SENATOR KAVANAUGH: Anyone here to comment? (no response)

Do we have a motion, please?

MR. FLEMING: Move.

MR. FALSTRAULT: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 20 is an unnamed parkland (Sahara Sand Property), Block 6601, Lots 4-8, and Block 6701, Lot 6, in Monroe Township, Gloucester County.

The New Jersey Department of Environmental Protection requests approval to enter into a 20-year lease for the operation of an off-road vehicle park on a 224-acre property, to be acquired from Sahara Sand of Monroe, Inc. Compensation will be established by the Green Acres Program.

MR. SHAUGHNESSY (Counsel): Mr. Secretary, there's a question as to the determination of the value of the property and how it's to be determined. I don't know if there's anyone from Green Acres that could help.

MR. McGLYNN: Is someone here from DEP that might be able to address that question?

Would you identify yourself, please, for the record?

J U D E T H P I C C I N I N I Y E A N Y: I'm Judeth Yeany, from the Green Acres Program of DEP.

And I have with me Bob Stokes, also from the Green Acres Program.

DEP does not own this property yet. It's under contract. It's expected to close pretty shortly. As we indicated in the summary, the Commissioner had issued a policy, directed back in 2002, requesting that we make our best efforts to have an off-road vehicle facility online by the end of this calendar year. And by bringing it to the Commission now, we were attempting to be able to negotiate the lease arrangement as quickly as possible once the property closed. We anticipated that there was a good chance we would want to try to do that before the Commission meets again in September.

We had indicated in the summary that if a nonprofit ended up being the lessee, we expected that compensation would be nominal so that

the nonprofit could put all possible resources back into the facility and keep the admission prices low. If the lessee ends up being a commercial entity, then you'd be looking at something resembling a market rate with some sort of profit sharing with the State.

Our attempt to put some sort of cap on that was to say that we would consult with our Assistant Commissioner for Management and Budget. I'm not sure whether an appraisal in this case would really get you the information you would need, as far as what the value of this type of lease is, because there's not that many of them out there to compare this to.

SENATOR KAVANAUGH: What is a vehicle park?

MS. PICCININI YEANY: Off-road vehicle park, ATVs -- the whole issue of keeping them out of the other parks by establishing this facility-- This one would be to serve South Jersey.

SENATOR KAVANAUGH: How about improvements?

MS. PICCININI YEANY: Excuse me?

SENATOR KAVANAUGH: How about site improvements for dumping and other water waste?

R O B E R T S T O K E S: Well, improvements would be-- Improvements would include tracks or appropriate trails. There would certainly be public restroom facilities associated with it. Many times there would be -- at these facilities also -- associated with it to allow for a full-day use by families.

A comparable facility is currently in place down in Chatsworth, a property owned by the Nature Conservancy -- very well-run facility.

SENATOR KAVANAUGH: Is that a for-profit?

MR. STOKES: No, that's a nonprofit, Senator.

MR. McGLYNN: Will the lease come back before us?

MS. PICCININI YEANY: This was seeking permission for the lease, so no, that was not the plan. But that's up to you.

MR. McGLYNN: Are you purchasing, also?

MS. PICCININI YEANY: We're in the process of purchasing the property.

MR. McGLYNN: You're purchasing the property, and then you're going to go out and find someone to run it for you.

MS. PICCININI YEANY: Those discussions are already happening. But they weren't at a far enough point that we wanted to disclose the details publicly yet.

MR. STOKES: The property was purchased several weeks ago. But that was after the material was prepared for this Commission.

MR. FLEMING: Do we have authority to approve it as is?

MR. SHAUGHNESSY: I think if you just approve the negotiations, perhaps. And then you can come back for the actual approval.

SENATOR KAVANAUGH: We'll approve what you've done thus far. Come back to us for a lease approval.

MS. PICCININI YEANY: Okay.

SENATOR KAVANAUGH: We'd feel more comfortable with that.

MS. PICCININI YEANY: There's also--

SENATOR KAVANAUGH: Unless you want to put your jobs on the line. (laughter)

ASSEMBLYMAN BIONDI: Is there a hold harmless for DEP and the State?

MS. PICCININI YEANY: Certainly. But there's also a chance -- and it hasn't been completely determined -- that this type of arrangement might end up being a concession agreement, which normally does not come before the Commission. So there's a chance it won't come back. But if it's a lease, we'll bring it back.

MR. STOKES: There is a (indiscernible) we do, in that if it is a nonprofit organization, it would be eligible for Federal Highway Administration funding for ORV facilities. And that requires extended means in place before the group will qualify for that funding. So the timing to get that money and put it to use on the ground by the end of the year will be tight.

SENATOR KAVANAUGH: Assemblyman Biondi.

ASSEMBLYMAN BIONDI: Just to see if I understand this, we can get Federal funds to build an ATV track, but we're lacking in Federal funds for highway improvements. Am I understanding that correctly?

MR. STOKES: Well, I can't comment on the funds for the highway. But there is a provision that the rents -- certain gasoline taxes that are collected for ORVs and so forth -- to fund ORVs, as well as trails throughout this state. New Jersey receives \$600,000, \$700,000, totaling -- about 30 percent is to be used for ORV types of facilities, or motorized trail uses.

SENATOR KAVANAUGH: Any other questions? (no response)

Do we have a motion as--

MR. SHAUGHNESSY: I think the motion should be to commence -- proceed with negotiations and then arrive at something and bring it back before the Commission.

MS. PICCININI YEANY: Okay.

SENATOR SMITH: So moved.

SENATOR KAVANAUGH: It's moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

MS. PICCININI YEANY: Thank you.

MR. McGLYNN: Item No. 21 is Wawayanda State Park, Block 15001, Part of Lot 6, in West Milford Township, Passaic County.

The DEP, on behalf of the Division of Parks and Forestry, requests approval to convey .378 acre -- .284 acre in new right of way and .094 acre in slope and drainage easements -- to the county of Passaic in connection with the replacement of the Clinton Road bridge over the Mossman's Brook. As compensation, Passaic County will vacate .236 acre of the existing Clinton Road right-of-way and convey this property to the city of Newark.

SENATOR KAVANAUGH: Anyone here for--
Motion, please.

ASSEMBLYMAN BIONDI: There's compensation for the city of Newark, but I don't see a dollar amount.

MR. McGLYNN: There is none, to the best of my knowledge.

ASSEMBLYMAN WISNIEWSKI: Compensation is in land.

MR. McGLYNN: Correct.

SENATOR KAVANAUGH: Motion?

ASSEMBLYMAN WISNIEWSKI: Move.

SENATOR SMITH: Second.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 22 is Harry Ally Memorial Park, Block 254, Part of Lots 11, 33, and 34, in Bridgewater Township, Somerset County.

The DEP, on behalf of the township of Bridgewater, requests approval to divert .184 plus or minus acres of parkland to accommodate the expansion and improvement of the existing detention basin at Harry Ally Memorial Park. As compensation, the township will permanently dedicate for recreation/conservation purposes a .368 acre portion of Block 254, Lots

69, 70, and 71 of vacant land adjacent to the Harry Ally Memorial Park detention basin.

SENATOR KAVANAUGH: Anyone here to be heard? (no response)

Motion, please.

MR. FLEMING: Move.

SENATOR SMITH: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)
Opposed? (no response)

Item No. 23 is Kittatiny Valley State Park, Block 3.05, Part of Lot 1, in Andover Borough, Sussex County.

The DEP, Division of Parks and Forestry, requests approval to convey approximately .477 plus or minus acre of property to Beazer Homes for a roadway access and utility easement that would cross the Sussex Branch Trail. As compensation, Beazer Homes will construct a pedestrian overpass to maintain the integrity of the trail, pay the State \$26,400, and make a number of other park improvements.

ASSEMBLYMAN WISNIEWSKI: Mr. Chairman, I have a concern with this one.

The property that the access is being given to already has access. This is an additional access. It's not needed for the property to be used. And it would violate the integrity of the Sussex Branch Trail. I'm not sure why we would do this.

SENATOR KAVANAUGH: Please give us your names.

MS. PICCININI YEANY: Judeth Yeany, from the Green Acres Program.

And this is Al Payne, from the DEP's Division of Parks and Forestry.

You're correct that the property already has access. And when approvals were first being discussed at the local level, DOT actually started steering the project towards requiring the extension of Lawncrest (phonetic spelling) Road at this particular location, where it would cross the path.

And, actually, the easement to allow them to put in the road and construct the pedestrian overpass was designed to keep them from interrupting the trail.

Parks has taken the position that allowing the developer to use the access it already has for the property would actually be more disruptive

to the trail than allowing them to construct this overpass and maintain the continuity of the trail where the new road will come into the property. But the original impetus for them wanting to extend the road had to do with DOT analyzing traffic patterns up there and being concerned about dumping the traffic from the new development at the existing access point.

You can see, I think, from the map that we attached to that, that two or three different roads come in at a very odd angle in that location.

The other map -- the general location map.

So they were trying to avoid having traffic from this huge new development come in at this existing odd intersection and, instead, want it to be a T intersection between the Lawncrest Road extension and Route 206. But that does cross the trail. And Parks negotiated with the developer for a very long period of time to get them to agree to build the overpass instead of making it an at-grade crossing at that location.

ASSEMBLYMAN WISNIEWSKI: You're saying that the existing access crosses the trail, as well.

MS. PICCININI YEANY: Yes. And it's an at-grade crossing.

ASSEMBLYMAN WISNIEWSKI: So this would put a pedestrian overpass.

MS. PICCININI YEANY: Right. And because it's existing access, Parks wouldn't necessarily have any leverage to require an overpass in the original location, but they did here, because it was a new crossing.

I don't know if you have anything you want to add to that.

A L V I N J. P A Y N E: No, I think DOT dictated it coming to a lighted intersection, basically, that's there now. So we did look at keeping the trail in continuity for our users.

ASSEMBLYMAN WISNIEWSKI: Couldn't the existing intersection serve that -- put the overpass there?

MS. PICCININI YEANY: That's what I was saying. With it being an existing access point, I'm not sure Parks had that leverage to require it, because they didn't need any approvals from DEP at that particular location.

ASSEMBLYMAN WISNIEWSKI: Wouldn't the developer -- wouldn't the town have leverage with the developer?

MS. PICCININI YEANY: They might, but I think the way that intersection is configured -- that putting an overpass on the trail there wasn't necessarily going to solve the traffic problems, because there's other

roads coming in there at the same place. So you'd have-- And it's already at-grade at that location. So you'd elevate it, but then you'd still have the problem further down.

MR. PAYNE: I believe the trail does come down the grade, so it would be a crossing or a break in that trail from the road system.

ASSEMBLYMAN WISNIEWSKI: Okay.

ASSEMBLYMAN BIONDI: Move it.

SENATOR SMITH: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 24 is the Hackettstown State Fish Hatchery, Block 119, Lot 81, in Hackettstown Town, Warren County.

DEP requests approval to convey an approximately 200-foot non-exclusive access easement to a neighboring property owner along a State-owned driveway at the East Hatchery section of the Hackettstown State Fish Hatchery. Compensation will be fair market value as determined by an appraisal or other valuation method approved by the Green Acres Program.

SENATOR KAVANAUGH: Anyone here to discuss? (no response)

ASSEMBLYMAN WISNIEWSKI: Move it.

ASSEMBLYMAN BIONDI: Second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

Item No. 25 is Rancocas State Park, Block 2, Lots: p/o 2, 3, 3A, 4, 5 and 6, in Westampton Township, Burlington County.

DEP requests approval to enter into a five-year lease with Roger Winner for approximately 130 acres of cropland. Compensation is \$2,545.40 annually, and shall be increased every five years according to the State Farmland Evaluation Advisory Committee.

By the way, Mr. Chairman, 25, 26, 27, 28, 29, and 30 are all cropland, if you'd like to do them together.

SENATOR KAVANAUGH: Yes, we can do them together, but I'd like to make a comment.

Some people are concerned about the low level of compensation. But when you figure we have 130 acres in Rancocas that lay

fallow now-- We have a farmer who wants to do farmland. He's not going to do anything to depreciate the value. He's going to give us \$2,545 annually. Coming from a community that has -- or a district, I should say -- that has farmers in it, it's not a windfall for the farmer. To have someone protecting the property and looking over it is kind of a win-win situation.

MR. McGLYNN: There is another check and balance, in that this amount is approved by the State Farmland Evaluation Advisory Committee, as all of the cropland leases are.

SENATOR KAVANAUGH: Good.

MR. McGLYNN: Item No. 26 is the Monmouth Battlefield State Park, Block 65, Part of Lots 41 and 44, in Manalapan Township; and Block 67, Part of Lot 27, and Block 68, Lots: p/o 2 and 4, Freehold Township, in Monmouth County.

The DEP requests approval to enter into a five-year lease with Battlevue Orchards for approximately 120 acres of orchard and cropland. Compensation is \$4,391.60 annually, and shall be increased every five years, according to the State Farmland Evaluation Advisory Committee.

Item 27 is the Monmouth Battlefield State Park, Block 25, Part of Lots 16, 18, 19 and 20; and Block 65, Part of Lot 41, in Manalapan Township, Monmouth County; and Block 4, Lot 32, and Block 67, Lot 25, in Freehold Township, Monmouth County.

DEP requests approval to enter into a five-year lease with James Wikoff for approximately 306 acres of cropland at an annual compensation of \$5,991.48.

Item No. 28 is Jenny Jump State Forest, Block 1000, Part of Lots 2900 and 3200, in Hope Township, Warren County.

The DEP requests approval to enter into a five-year lease with Theodore Grochowicz for approximately 38 acres of cropland. Annual compensation is \$754.30.

Item No. 29 is Jenny Jump State Forest, Block 102, Part of Lot 2, Block 105, Part of Lot 2, in Allamuchy Township, Warren County.

DEP requests approval to enter into a five-year lease with Phyllis Semanchik for approximately 70 acres of cropland. Compensation is \$1,370.60 annually.

Item No. 30 is Belleplain State Forest, Block 53, Part of Lots 64 and 65.01, in Dennis Township, Cape May County.

DEP requests approval to enter into a five-year lease with Thomas Buganski for approximately 23 acres of cropland. Compensation is \$450.34 annually.

SENATOR KAVANAUGH: Anyone here to comment? (no response)

ASSEMBLYMAN BIONDI: Mr. Chairman, I'll move 25 through 30.

ASSEMBLYMAN WISNIEWSKI: I'll second.

SENATOR KAVANAUGH: Moved and seconded.

MR. McGLYNN: All in favor? (affirmative responses)

Opposed? (no response)

SENATOR KAVANAUGH: We now move to the Division of Pension.

MR. McGLYNN: This is trustees of the Judicial Retirement System.

I need a motion, please, to approve the minutes of the special meeting held on May 19, 2005.

SENATOR KAVANAUGH: So moved.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. McGLYNN: All in favor? (affirmative responses)

I need a motion to confirm the death claims, retirements, survivor benefits, and appeals.

SENATOR KAVANAUGH: So moved.

MR. McGLYNN: Is there a second?

ASSEMBLYMAN BIONDI: Second.

MR. McGLYNN: All in favor? (affirmative responses)

I need a motion to approve the financial statements as of March 31, 2005.

MR. FLEMING: Move.

ASSEMBLYMAN WISNIEWSKI: Second.

MR. McGLYNN: All in favor? (affirmative responses)

Thank you.

And I think we need Mr. Gorman for the next one.

If you would come up.

We have an appeal by Judge John T. McNeill, regarding the return of the cost of the purchase of public service credit previously paid by the Judge.

And by the way, for those members who were not here at the very beginning, I requested a five-minute executive session, if I may, after the meeting, if you could stay around.

Mr. Gorman, could you explain what this is?

PETER J. GORMAN: Sure.

The issue here is, in the Judicial Retirement System, the judge accrues at least 10 years of judicial experience or service. He or she is entitled to a benefit -- retirement benefit equal to 75 percent of his or her salary.

However, for those judges who do not get reappointed after their seven-year initial service, there is a provision that says if a judge has accumulated at least five years of judicial service, plus 15 years of other non-judicial, he or she is entitled to 50 percent.

In this case, Judge McNeill, appointed in '93-- For some reason, he thought he may not be reappointed to get the tenure after the seven years. So he purchased three years of non-judicial service. I believe it was governor -- mayor and councilman in Gloucester County. He completed the purchase in 2003. It's over. He now realizes he got reappointed. He has the 10 years in already. He paid \$30,000 for those three years.

Now he wants the \$30,000. We turned him down because the purchase was completed. It was a gamble he took. And another problem is, if you grant it in this case, we really have to apply it for every other system. And I'd be one of the beneficiaries. (laughter) I bought time in myself, figuring I wouldn't be here. But now, 30 years later, I'm still here. So that's why we turned him down. We said no, we wouldn't return the \$30,000. It really could be a selection against the system, financially.

ASSEMBLYMAN WISNIEWSKI: This is not a unique request, I would take it. There are others who have come.

MR. GORMAN: We get them frequently, Assemblyman. And, frequently, I make the same enemies. But I turn them all down.

ASSEMBLYMAN WISNIEWSKI: Better you than us. (laughter)

SENATOR SMITH: Have we acted before?

MR. GORMAN: What we've done-- When the purchase wasn't complete-- Like if he only bought one year of the three years, we would prorate it. We would say, "Okay, Judge. We'll drop it. You don't

have to purchase any more. We'll give you prorated credit for the one year that you purchased." But we've never done this.

SENATOR SMITH: Never done a refund.

MR. GORMAN: When it was completed, no. And, in fact, never a refund. We wouldn't even refund that prorate -- say, "Okay, you have the one year." We keep the one year money, but we won't continue the purchase.

SENATOR KAVANAUGH: He rolled the dice and lost.

ASSEMBLYMAN BIONDI: That's right.

MR. GORMAN: I'm sorry.

ASSEMBLYMAN BIONDI: The Chairman said he rolled the dice and lost.

MR. GORMAN: And, in fact, it's a gamble -- and lost.

MR. McGLYNN: So I think we need a motion to sustain the decision of the Division of Pensions. Am I correct?

SENATOR KAVANAUGH: Yes.

SENATOR SMITH: Which should be made by some non-lawyer on the panel. (laughter)

ASSEMBLYMAN BIONDI: I'll move it.

MR. McGLYNN: The plumber will make it.

MR. GORMAN: I'll write the letter.

SENATOR KAVANAUGH: Peter, you write the letter. The plumber will make the motion.

MR. McGLYNN: Second? Is there a second?

ASSEMBLYMAN BIONDI: Second.

MR. McGLYNN: All in favor? (affirmative responses)
Opposed? (no response)

MR. McGLYNN: Thank you very much for attending.
I need the Commission for five minutes.

ASSEMBLYMAN WISNIEWSKI: Motion to go into executive session.

SENATOR SMITH: Second.

MR. McGLYNN: I'm sorry, we have a motion and a second to go into executive session to discuss a personnel matter.

All in favor? (affirmative responses)

Opposed? (no response)

And I would ask Mr. Hayman and Ms. Corrigan to stay, please.
Off please.

(MEETING CONCLUDED)