
Commission Meeting

of

STATE HOUSE COMMISSION

LOCATION: Committee Room 3
State House Annex
Trenton, New Jersey

DATE: October 13, 2011
9:00 a.m.

MEMBERS OF COMMISSION PRESENT:

Dominick DiRocco, Chair
Senator Bob Smith
Senator Gerald Cardinale
Assemblyman Jerry Green
Assemblyman Jon M. Bramnick
Charlene M. Holzbaur
Robert A. Romano



ALSO PRESENT:

Robert J. Shaughnessy Jr.
Secretary

Meeting Recorded and Transcribed by
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DOMINICK DiROCCO (Chair): Good morning. Welcome to the October 13, 2011 meeting of the State House Commission.

Mr. Shaughnessy, may I have the Open Public Meeting Act statement and a roll call, please?

MR. SHAUGHNESSY (Secretary): Yes, Mr. Chairman.

In compliance with Chapter 231 of the Public Laws of 1975, the Open Public Meeting Act, notice of this meeting was given by way of notice filed with the Secretary of State, and delivered to the State House press corps, both on October 6, 2011, as well as posted to the offices of the State House Commission.

Now I'll call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Here.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Here.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Here.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Here.

MR. SHAUGHNESSY: Senator Smith. (no response)

Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Here.

MR. SHAUGHNESSY: Assemblyman Green. (no response)

So there is a quorum, sir.

MR. DiROCCO: Thank you, Bob.

We're going to proceed in accordance with the agenda that's been distributed -- old business and then new requests. So we'll start with the approval of the June 30, 2011 minutes.

SENATOR CARDINALE: Move to approve.

DEPUTY TREASURER ROMANO: Second.

MR. SHAUGHNESSY: Okay, any discussion? Any corrections or anything like that? (no response)

All in favor? (affirmative responses)

The minutes are approved.

ASSEMBLYMAN BRAMNICK: Just an abstention, because I wasn't here.

DIRECTOR HOLZBAUR: Myself also.

MR. DiROCCO: The next matter is an item that we considered at our last meeting. Bob, did you want to give us a quick--

MR. SHAUGHNESSY: Surely.

This is No. 2 on the agenda. It's project Route 2, also known as Route 17, Section 8, Parcel VX2A1A2 and VX3A1, Block 4603, adjacent to Lot 39, Ramsey Borough, Bergen County.

The New Jersey Department of Transportation requests approval to sell by direct sale to the adjoining owner, Milthom Realty, LLC, a 3,092-square-foot, rectangular-shaped parcel of vacant land for assemblage to their adjoining commercial property, to add to the overall size of the undeveloped lot.

As you recall at the June 30 State House Commission meeting, members raised concern over whether or not the consideration was adequate for the property proposed for sale. The original appraisal,

conceptual development plan proposed, as provided by the requestor engineer, and additional comments from the DOT State reviewer have been included in the members' briefing packages. Again, the recommended sale amount shall be \$42,000. And the principals of the entity are listed in the members' bulletin.

Do we have anyone here, initially, who would like to have any discussion on this matter?

MR. DiROCCO: Just let the record reflect Senator Smith is with us.

SENATOR SMITH: My apologies.

MR. DiROCCO: Good morning, Senator.

SENATOR SMITH: We have to do something about Route 1 traffic. (laughter)

MR. DiROCCO: I'll put that on the agenda for next meeting.

SENATOR SMITH: Yes, please.

MR. DiROCCO: So no Commission members have any comments or concerns on Item No. 2?

MR. SHAUGHNESSY: Is there any public comment with regard to-- Yes, please step up and identify yourself.

B A R B A R A S A C H A U: My name is Barbara Sachau, and I have two questions: I'd like to hear some comment from the members on how the original appraisal compares or coincides with this new appraisal that has been received. And secondly, my question is: Can the frontage and dimensions be put on the verbal record, please?

MR. SHAUGHNESSY: Ma'am, we may have members from the Department of Transportation here as well, and there may also be

people from -- representing the Department of Transportation and the entity involved, so-- Is there anyone else here who would be able to come up?

J A M E S D A R R A R: Yes, my name is James Darrar; I'm the Supervisor for the Property Management Section.

Just to clarify: We submitted the appraisal, which was in part of the original packet, and the reviewer -- the reviewer didn't make any changes from the original report. What we also submitted was a plan which was proposed by the developer and which also has been submitted, since our last meeting, to the planning board -- it was what they proposed for their access; which will -- should alleviate a concern that Senator Cardinale had regarding whether or not the property was going to have unfettered access along the entire strip if the sale was to go through. They've already submitted a packet, and their engineer is here to testify to that -- that their package to their planning board is proposing only one driveway cut along the front of a strip there, not unfettered access along the entire strip.

MR. DiROCCO: And Mr. Darrar, just for a synopsis of the record on this: The original appraisal, was it about \$15,000 -- correct?

MR. DARRAR: Yes. What happens -- and, at that time, which is no longer the case now -- is we have the appraiser obtain the report -- actually, the requestor obtains an appraisal report, and then we review it. Our reviewer found adjustments that weren't appropriate, and thus adjusted it appropriately for areas that they considered should have been considered at a greater amount, and thus resulted in a much higher appraisal value.

MR. DiROCCO: What was that appraisal?

MR. DARRAR: The original, I believe, was at \$15,000 or so, and our appraisal-- Our reviewer made adjustments that brought that price up to \$42,000 because--

MR. DiROCCO: Which is the sale price, right?

MR. DARRAR: Correct, that's what we recommended it back-- Now, if they want to proceed with the purchase they had to agree to the \$42,000 that our reviewer came up with, and thus made the adjustments.

MR. DiROCCO: Ms. Sachau, does that answer your question?

MS. SACHAU: Yes. Who will then-- What department of government will get the \$42,000?

MR. DARRAR: Should a sale go through, that \$42,000 would go back into either the State Trust Fund or, if it's a Federal project -- I could look that up -- it would go back into our Trust Fund to use for other projects. And, if you give me a moment-- It will go into the-- It basically goes into our Treasury, because that was 100 percent a State job, so that money goes back into our funds. If we don't use it during the course of the year, it goes back into the Treasury funds for the year.

MS. SACHAU: Okay, thank you.

MR. DiROCCO: Thank you.

Senator.

SENATOR SMITH: A little discussion: I think this is the parcel that Senator Cardinale and I had a pretty extensive discussion about.

SENATOR CARDINALE: That's right.

SENATOR SMITH: I think there's also a transcript of that discussion in the material for today's meeting. And I thought at that time

one of the things that we were going to ask to happen was a review of the process--

MR. DARRAR: Correct.

SENATOR SMITH: --where the applicant for the property pays the State for the hiring of an appraiser, and then the State hires--

MR. DARRAR: Right. We brought those questions to our Attorney General--

SENATOR SMITH: Right.

MR. DARRAR: --and what we were advised, at the time, is to no longer obtain the appraisals from the requestors; to use our in-house staff. While that would cause a current backlog while-- We are currently working on a task order so that we can hire, through a task order, and appraise it, and that would be available to the State to do these reports, rather than our reduced staff that we have available to us. My unit used to have a reviewer -- an appraiser -- who could do these reports, but unfortunately, as we all know, the State has downsized and, unfortunately, we're not able to replace any. We've been using other staff. And other units have also seen their staff reduced. That's why my manager and director are working on a task order to be able to obtain the services of one of our consultant firms that have appraisers and reviewers on hand to do the reports for us.

SENATOR SMITH: Right. And then the applicant would pay the cost of the appraisal.

MR. DARRAR: We would tack on the price to the actual sale, if the sale goes through. Obviously we do run the risk, if a sale doesn't go

through, that those are costs that we would eat, but if a sale does go through, most costs are incurred.

SENATOR SMITH: Why should we have to eat that?

MR. DARRAR: Right now we don't have the regulatory authority to charge them, when they put the application in, for the charge.

SENATOR SMITH: So let's change the rules.

MR. DARRAR: That's a possibility also being discussed by our Directors, yes.

SENATOR SMITH: Right. In other levels of government that's a standard operating procedure.

MR. DARRAR: Right.

SENATOR SMITH: The government will charge the-- Because it's for the benefit of the applicant.

MR. DARRAR: Right. Until we can get the regulatory change, we can't charge that; but that's another avenue that they're looking at.

SENATOR SMITH: Are there rules in process?

MR. DARRAR: Are the rules--?

SENATOR SMITH: --in process to allow them to do this -- to charge for the appraisals?

MR. DARRAR: No, not yet. We have to get the regulatory authority to--

SENATOR SMITH: Next time I see him, I'm going to ask him the same question. (laughter)

MR. DARRAR: I will ask my bosses again for that authority.

SENATOR SMITH: Okay.

MR. DiROCCO: Would that be a legislative fix, or just a regulatory fix?

MR. DARRAR: No, it's a regulatory -- and I'm sorry I don't really know the process of how we go about getting those authorities, but there is a set of procedures, I guess, that have to be followed so that the Department can get the approval.

SENATOR SMITH: And if you need a statutory fix, I'm sure Senator Cardinale would be happy to--

SENATOR CARDINALE: Well, I think we have the option of a statutory fix.

SENATOR SMITH: Well, we don't have to impose it.

MR. DARRAR: I don't think that's needed.

SENATOR SMITH: If they already have the authority they should just change the rules.

SENATOR CARDINALE: Unless they don't do it.

SENATOR SMITH: Okay, all right.

SENATOR CARDINALE: I mean, you know, it seems to me eminently reasonable what Senator Smith is talking about.

MR. DARRAR: No; and that seems--

SENATOR CARDINALE: We're not dealing here where you're putting an ad in the paper looking for buyers.

MR. DARRAR: Correct.

SENATOR CARDINALE: Where we have someone come forward and says, "The State has a piece of property. We'd like to purchase it."

MR. DARRAR: Right. Most of our requests are that way.

SENATOR CARDINALE: I think at that point in time you could easily say to them, "Okay. We will hire an appraiser if you will pay for that service.

MR. DARRAR: Correct.

SENATOR CARDINALE: And you pay for that service whether you go forward with the deal or you don't go forward with the deal.

MR. DARRAR: Correct.

SENATOR CARDINALE: What your process now seems to me to be is, the State is going to hire and pay for an appraiser, and only in the event that the requestor actually comes forward and purchases the property will the State get reimbursed.

MR. DARRAR: Well, actually, Senator--

SENATOR CARDINALE: So you're taking a risk--

MR. DARRAR: If I may, our process for the short time being is just to use our in-house staff, while they look at hiring a consultant to do that. But you're correct: If we go through with the task order with the consultant, then it would be a pass-on charge. However, in the same breath, I would like to say that we encourage my bosses to continue with the regulatory changes, so that we don't need to use a task order and that we're able to actually charge a--

SENATOR CARDINALE: What do you think is a reasonable time for us to wait to see that you (indiscernible) that kind of rule?

MR. DARRAR: I would have to defer to my attorney; I don't know the process of how long it takes for a regulatory change.

SENATOR SMITH: It would be a nice thing if you could get the rules, at least, proposed before the next State House Commission.

MR. DARRAR: I believe that's not a problem -- to give a proposal in time.

SENATOR SMITH: Maybe not adopt it, but at least propose it.

MR. DARRAR: Yes, I think we could-- That's not a problem.

SENATOR CARDINALE: Why don't we just add to what Senator Smith has said that if we don't see that by the next State House Commission meeting that maybe Senator Smith and I will put in legislation to effect that change.

MR. DARRAR: I would encourage it. (laughter)

SENATOR CARDINALE: Which I think would be much better done, much better done by our rule-making process.

MR. DARRAR: Sure.

SENATOR CARDINALE: It's simpler, it's cleaner, and--

MR. DARRAR: I don't see an issue with getting that rule. We have competent attorneys to come up with the-- They can come up with the language for us for the regulatory change. And then they can advise me as to the time it would take for such a change to occur.

SENATOR SMITH: Great. Move the resolution.

MR. DiROCCO: Thank you, Senator.

SENATOR CARDINALE: Second.

MR. DiROCCO: We have a motion and a second.

MR. SHAUGHNESSY: Okay, I'll do the call.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: The matter is approved. Thank you very much.

The next matter-- We're just going to switch, very briefly, the order of Items 3 and 4; I know there are some people interested here on 4 as well. So the next matter, No. 4, will be considered. It's RPR #12-10, Block 2101, part of Lot 53, Vineland, Cumberland County .

Treasury, on behalf of the Department of Human Services, requests approval to lease property located on the campus of Vineland Developmental Center, West Campus, to the Vineland Board of Education to be used for a public school.

The lease will be -- and this is a clarification, or an amendment, in the agenda item -- the lease will be for one year; there will be no renewal options. This is a one-year lease with a base rent of \$260,000 plus \$122,000 for utility expenses, for a total rental amount of \$382,000 for the year.

This matter is up for consideration by the Commission.

Any discussion?

SENATOR SMITH: Just-- I'm confused. This is Item 4?

MR. SHAUGHNESSY: Yes, sir. We're just taking 4 and 3 -- inverting 4 and 3. So this is Item No. 4 on your agenda under the new business.

SENATOR SMITH: Right. I--

MR. DiROCCO: I think you're looking at the agenda from the last meeting. Flip in the front of the pack, the front book. The agenda's going to be in there.

SENATOR SMITH: Oh, I'm sorry; got it.

MR. DiROCCO: I did the same thing last night when I was looking through this. (laughter)

So basically, this is a usage by a school district of property that's currently not being utilized in Cumberland County?

MR. SHAUGHNESSY: Yes. One thing is, due to budgetary reasons, the Vineland Development Center, West Campus, is being closed. So this would be an effective re-use of that building, so it would not lay fallow.

MR. DiROCCO: Any discussion or questions from the Commissioners?

SENATOR SMITH: Why is there a one-year limitation?

MR. SHAUGHNESSY: I think the one-year limitation is so that they can lease it for a year and with the intent, hopefully, to buy it at some time in the future. Yes, and I know there's public comment from Ms. Sachau; you're-- Would you like to come up, if there are no other members' questions?

MS. SACHAU: (off mike) (Indiscernible) general question--

UNIDENTIFIED MEMBER OF COMMISSION: You have to come up.

MR. SHAUGHNESSY: Thank you, ma'am.

MS. SACHAU: Barbara Sachau.

I have one quick question: Should the utilities be paid by the town to protect the State, in view of the volatile situation with utility costs? I don't know what kind of heating system they have--

MR. SHAUGHNESSY: I believe--

MS. SACHAU: --but some of our heating and other costs for energy have been very volatile.

MR. SHAUGHNESSY: Yes, ma'am. It's my understanding that the utilities will be paid -- all the utilities will be paid by the municipality. There's \$122,000 for utility expenses calculated in here, and that would be rent that the municipality will pay to the State.

MS. SACHAU: No, my question is would it protect the State better if the utilities were paid by the town and that the agreement was that the town would pay them so that you get the State off having to deal with those bills even?

MR. SHAUGHNESSY: I think that's the understanding, ma'am, that the town would pay the utilities.

ASSEMBLYMAN BRAMNICK: But isn't the question whether or not this is a flat amount of money for utilities, regardless of what the utilities cost?

MR. SHAUGHNESSY: It is, Assemblyman.

ASSEMBLYMAN BRAMNICK: Right. I think that's the question.

MS. SACHAU: Yes, that's my question.

ASSEMBLYMAN BRAMNICK: What if utilities are \$200,000, why is it capped at \$122,000? I just think that's the question.

MS. SACHAU: That's the question.

MR. SHAUGHNESSY: Yes, I think that's based upon historical perspective. I know there's an individual from Vineland here as well, and there's an individual from Treasury as well. If you want to come up, that's fine.

ROBERT TIGHUE: Good morning.

MR. SHAUGHNESSY: Please introduce yourself.

MR. TIGHUE: Robert Tighue -- DPMC, Treasury -- T-I-G-H-U-E.

The reason why we have a flat rate is because there is-- The utilities are generated from a central power plant located on the campus which services all of the buildings on the campus. But they're only leasing one building, so it's impossible to separate-- There's not a separate utility bill -- heat or electric bill -- for that one building. It's one power plant that services the entire campus. So we came up with a utility rate, at \$3 a foot, which we used as -- we found from comparable other buildings. And we felt that was fair, and that's how we applied that.

MR. DiROCCO: And since power is generated on-site, that would seem to me to have a negative impact on the volatility. It would seem to me that the rates would be fairly stable since it's an on-site generation. Is that correct?

MR. TIGHUE: Yes, I mean--

MR. DiROCCO: Is there a chance that the rates could fluctuate?

MR. TIGHUE: No, because they're generating-- I mean, the truth is we don't know what that -- what the actual rate is for that one building, so it's budgeted as to what the power plant costs to operate, and that's how we came up with what we should charge.

MR. DiROCCO: So it's a one-year lease, so next year if we find that the utility rate is too low--

MR. TIGHUE: Correct.

MR. DiROCCO: --or too high we can make that adjustment.

MR. TIGHUE: Exactly.

MR. DiROCCO: Anybody else have any questions or comments?

SENATOR CARDINALE: Wouldn't it be reasonable to take the square footage of this premises, which apparently you have done, and indicate that this is a certain percentage of the entire premises--

MR. TIGHUE: Yes, except for the fact--

SENATOR CARDINALE: --and then charge that percentage of the actual operational cost of generating the utilities?

MR. TIGHUE: Well, that's pretty much what we did, except for the fact that when you're dealing with a building that's occupied, compared to buildings that are vacant, the rates-- The percentage of uses is going to be different. So it wasn't fair to just take an exact pro rata share because it costs money to operate the vacant buildings--

SENATOR CARDINALE: Are other buildings on this site vacant?

MR. TIGHUE: Correct -- several other buildings. And it costs several hundred thousand dollars to operate those.

SENATOR CARDINALE: Okay, I got it.

So you're using a standard that--

MR. TIGHUE: Yes, we went out in the market and we looked at what a typical utility rate would be, and we compared to this type of building and we said, "Okay, what's reasonable?" It was really the best we could do with the situation.

SENATOR CARDINALE: Do you have any variables with respect to fuel costs?

MR. TIGHUE: No.

SENATOR CARDINALE: Sometimes the fuel costs (indiscernible). Right now-- What fuel is being used to generate the--

MR. TIGHUE: It's a steam power plant; I'm not sure what they're using.

SENATOR CARDINALE: Well, is it gas-fired, is it oil-fired?

MR. TIGHUE: I really don't know. I'm not the facilities person, so I'm not sure.

SENATOR CARDINALE: Since it's only a one-year arrangement, I think, you know, we could--

MR. SHAUGHNESSY: That's correct, Senator.

SENATOR CARDINALE: --not have a great deal of exposure.

MR. DiROCCO: That was my thought as well, that we have an opportunity next year to take another look at this, and if we determine that one side of this -- there's an issue -- we can address it.

MR. TIGHUE: Exactly.

SENATOR CARDINALE: That's a good point that you raised.

MR. SHAUGHNESSY: Any further discussion or public comment with regard to this matter? (no response)

If not, I'll call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: The matter is approved.

The next matter will be-- Oh, one matter: Senator Smith, I know that we just began to vote the minutes as you were coming in off the Route 1 traffic. Did you have an opportunity to review the minutes and would you be marked in the affirmative on our minutes, on Item No. 1?

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Okay, thank you, sir.

We're on Item No. 3 under new business: RPR #11-16, Block 22, part of Lot 18, Union Township, Hunterdon County.

Treasury, on behalf of the Department of Human Services, requests approval to lease space on an existing water tower located on the grounds of Hunterdon Developmental Center to Verizon Wireless, to install and maintain cellular antenna and associated appurtenances.

The lease will be for a five-year term with three, five-year renewal options. The first year's rent will be \$38,000 with annual increases of 3.5 percent compounded, based on the prior year's rent.

Is there any discussion on this matter?

ASSEMBLYMAN BRAMNICK: Just one question: So how did you come up with \$38,000 on a cell tower? That's a--

MR. SHAUGHNESSY: It's based upon research and industry standards. And we understand that that's the higher end of the range.

ASSEMBLYMAN BRAMNICK: And the research is done by what department?

MR. SHAUGHNESSY: It's by Treasury, Division of Property Management and Construction, specifically.

ASSEMBLYMAN BRAMNICK: Treasury is pretty good. (laughter) He's tight; it's all right.

MR. SHAUGHNESSY: Any other members' comments, or public comment with regard to this matter? (no response)

If not, I'll call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: That matter is approved.

We're now moving on to the DEP requests before the Commission. Item No. 5 is the Cooper River Park project.

New Jersey DEP, on behalf of the County of Camden, requests approval to allow the County to convey approximately 0.803 ± acre of parkland, in fee and/or easements, to the Department of Transportation for construction of the Route 30/130 bridge over the Cooper River. The bridge replacement project will correct bridge and roadway operational and safety concerns.

As compensation for the disposal or diversion, the DOT will provide 1.622 acres of replacement parkland that will function as an extension of the Cooper River Park. And one other point: To compensate for the temporary closure of the Route 30/130 Bridge over the Cooper River to pedestrians and bicyclists, a temporary pedestrian bridge with lighting will be put in place during the construction of the bridge. The bridge will be pedestrian, stroller, bicycle, and handicapped accessible.

Is there any member comment on this, or public comment? (no response)

Hearing none, I'll call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: I'm sorry; do we have a motion?

MR. SHAUGHNESSY: Oh, pardon me. Thank you very much, sir. I forgot the motion.

Is there a motion, first, on this matter?

SENATOR SMITH: Yes, you can also move the last one, too.

ASSEMBLYMAN BRAMNICK: So moved on both of them.

MR. DiROCCO: So moved on both of them.

MR. SHAUGHNESSY: Thank you.

MR. DiROCCO: Second on both?

SENATOR SMITH: Second on both.

MR. SHAUGHNESSY: Okay, so we have a motion and second on this item, as well as Item No. 3.

Any discussion with regard to this matter? (no response)

Any public comment? (no response)

I'll now call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: That matter is approved. Thank you.

Next is No. 7, Atlantic County-- Pardon me; I'm sorry.

No. 6 -- Berkshire Valley Wildlife Management Area, Block 255, Lot 25.01 -- part of Lot 25.01 -- Jefferson Township, Morris County.

DEP requests approval to convey approximately 0.045 ± acres of land in fee within the Berkshire Valley WMA to Morris County in connection with the replacement and realignment of County Structure No. 1400-832, bridge replacement and realignment, on the Berkshire Valley Road over the Rockaway River in Jefferson Township.

To compensate, the County will provide \$38,627 in time and materials to improve public access to the WMA. In addition, the County will install 43 3-inch caliper replacement trees and 15 one-to-three gallon shrubs at an estimated value of \$36,550 in time and materials.

That's the proposed matter. Is there any member discussion?

(no response)

Any public comment? (no response)

SENATOR SMITH: Move the matter.

MR. SHAUGHNESSY: Thank you.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: The matter is approved.

Now we go on to Item No. 7, DEP requests. Atlantic County Bikeway East, Block 1933, part of Lot 1; Block 1934, part of Lot 1; Block 1934, part of Lot 2, Egg Harbor Township, Atlantic County.

DEP, on behalf of Atlantic County, requests approval to divert a total of 0.023 ± acres of parkland within the Atlantic County Bikeway, in connection with intersection improvements at Spruce Avenue and West Jersey Avenue in Egg Harbor Township.

To compensate, the County proposes to decrease the width of West Jersey Avenue within the limits of the project -- I believe that's like 0.032 acres -- thereby increasing the size of the Atlantic County Bikeway by 0.009 acres.

Any comment from the members, or questions? (no response)

Any public comment? (no response)

Motion?

ASSEMBLYMAN BRAMNICK: So moved.

MR. SHAUGHNESSY: Second? Do we have a second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Thank you, sir.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: That matter is approved.

We're on to No. 8 on the agenda: Middlesex Greenway, Block 43, part of Lot 5 and part of Lot 7, Metuchen Borough, Middlesex County

DEP, on behalf of Middlesex County, requests approval to allow the conveyance of an easement on 0.23 ± acres of parkland to the DOT -- New Jersey Department of Transportation -- in connection with the replacement of the Route 27 bridge over the Middlesex Greenway.

To compensate, DOT will construct two ADA-compliant ramps and sidewalks along the Greenway for access to the future trail to be constructed within the Greenway. In addition, lighting and security cameras will be installed on the new bridge structure for trail users' safety. It is estimated that the cost of the two ADA-compliant ramps, 10-foot-wide sidewalks, and the walkway on the bridge to the access ramps, camera, and

security lighting will be \$160,000. Based upon an appraisal performed by DOT and approved by the DEP Green Acres Program, the value of the proposed 0.23-acre bridge easement has been established at \$30,000.

Is there any member comment or questions on this matter? (no response)

Any public comment? (no response)

Hearing none, I--

SENATOR SMITH: Move it.

MR. SHAUGHNESSY: Senator Smith, thank you.

Second?

ASSEMBLYMAN BRAMNICK: Second.

MR. SHAUGHNESSY: Assemblyman Bramnick, thank you.

Okay, I'll call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: The matter is approved; thank you.

We are onto Item No. 9. This is the Auten Road Open Space project, Block 150, part of Lot 4, Hillsborough Township, Somerset County.

DEP, on behalf of Hillsborough Township, requests approval to allow the diversion of 2.042 ± acres -- it's a utility easement -- on a portion of Block 150, Lot 4, to accommodate the addition of new overhead electric transmission lines by Public Service Electric & Gas within an existing utility corridor.

To compensate, Hillsborough Township proposes to accept \$82,000 cash compensation -- which is 10 times the appraised value of the diverted area -- from PSE&G, and dedicate the compensation to future Township open space acquisition to be completed within two years.

Is there any member comment or questions about this matter?

(no response)

Any public comment? (no response)

' No public comment? Okay. Do I have a motion on this matter?

ASSEMBLYMAN BRAMNICK: So moved.

MR. SHAUGHNESSY: Second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Motion and second. I'll call the roll.

Oh, any further discussion? (no response)

I'll call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: The matter is approved.

Onto No. 10 -- the Raritan Greenway, Block 123.02, part of Lot 1, Somerville Borough, Somerset County.

DEP, on behalf of Somerset County, requests approval to allow the diversion of a 0.755 ± acres utility easement on a portion of Block 123.02, Lot 1, to accommodate the addition of new overhead electric transmission lines by PSE&G within an existing utility corridor.

I understand the estimated value of that is \$3,400. To compensate, Somerset County proposes to accept \$34,000 cash compensation -- 10 times the appraised value of the diverted area -- from PSE&G and dedicate the compensation to a future county open space acquisition to be completed within two years.

With regard to this matter, do we have any member discussion or questions?

SENATOR SMITH: Yes, yes, yes, yes, yes.

MR. SHAUGHNESSY: Yes, Senator Smith.

SENATOR SMITH: The ultimate owner of the property will be who? The transferee will be?

MR. SHAUGHNESSY: The ultimate transferee?

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Do we have someone here to describe this transaction from DEP?

Please identify yourself, please.

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

This is a utility easement. This is on Somerset County property. The underlying cable continued to be owned by Somerset County, and PSE&G needed additional rights within the existing utility corridor to accomplish its project.

SENATOR SMITH: So Somerville-- Somerville Borough just happens to be the location of this project.

MS. PICCININI YEANY: Correct, correct. And we have a representative from the County and PSE&G if there's a question about the project.

SENATOR SMITH: No, no, there are no questions about the project. I'm trying to make sure I don't have a conflict of interest. By way of background: Several years ago when one of our true patriots, Steve Lonigan, filed an ethics complaint against me and about 29 other legislators -- that we had posts in municipal government, and in the State budget there were "Christmas tree items" for that particular municipality. And we had a conflict of interest in voting on the budget, or we were -- with some other ethical issue. One member of my firm is the borough attorney for the

Borough of Somerville. And it seems to me that once you tell me that Somerville is not a transferee, that I'm clear -- that I have no ethical issues. But I want to just turn to Mr. Shaughnessy and make sure I'm kosher on this.

MR. SHAUGHNESSY: Well, I think that -- at least I've been advised that your Office of Legislative Services legal counsel normally resolves those matters, Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: If you feel uncomfortable at all, though--

SENATOR SMITH: Well, I don't feel uncomfortable now that I know that's not the transferee, all right?

MS. PICCININI YEANY: Correct. This is Somerset County parkland; that's not going to change.

SENATOR SMITH: Right.

MS. PICCININI YEANY: It's not owned by the Borough.

MR. SHAUGHNESSY: The easement runs to PSE&G.

SENATOR SMITH: And I don't know that I would feel uncomfortable even if it was the transferee--

MR. DiROCCO: Get it on the record.

SENATOR SMITH: --but I want to put it on the record -- full disclosure.

MR. SHAUGHNESSY: Much appreciated.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: I will call the roll.

Is there any further member comment or questions? Any public comment on this? (no response)

SENATOR CARDINALE: Move the resolution.

DEPUTY TREASURER ROMANO: Second.

MR. DiROCCO: There's a motion and a second.

MR. SHAUGHNESSY: Motion and second.

I will call the roll -- we are at Item-- This is Item No. 10 under new business.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: And Assemblyman Green, thank you for joining us. Do you have a vote on this matter?

ASSEMBLYMAN GREEN: Yes.

MR. SHAUGHNESSY: Yes. Thank you, sir.

Okay, we're onto No. 11. The project is Veterans Memorial Park, Block 193, part of Lot 5, parts of Lot 5.01 and 8.01, Hazlet Township, Monmouth County.

DEP, on behalf of Hazlet Township, requests approval to allow the County of Monmouth to acquire 0.109 ± acre of parkland in connection with the improvement of the intersection of Middle Road -- County Route 516 -- and Union Avenue to relieve traffic congestion, and increase vehicular and pedestrian safety.

To compensate, Monmouth County will construct sidewalks on the Township parkland to link it with other walkways and trails. I understand the value of the diverted parcel is \$16,500, and the estimated value of the park improvements is \$21,259 -- can't read my handwriting -- but approximately \$21,250.

Any discussion on Item No. 11? (no response)

Any questions? Any public comment? (no response)

Hearing none, may I have a motion on No. 11?

SENATOR SMITH: So moved.

ASSEMBLYMAN BRAMNICK: Second.

MR. SHAUGHNESSY: Motion and second.

I'll call the roll, please.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: Assemblyman Green.

ASSEMBLYMAN GREEN: Yes.

MR. SHAUGHNESSY: The matter is approved. Thank you very much.

SENATOR SMITH: Before you get into 12.

MR. SHAUGHNESSY: Yes?

SENATOR SMITH: Same issue. A member of my firm is the Zoning Board attorney for the City of New Brunswick. And the question again: Do I have an issue? And I would appreciate it, Mr. Shaughnessy, if you would communicate with Marci Hochman; pose the situation where-- Because -- one, two -- we have two lawyers here, and I don't know the extent to which Assemblyman Bramnick does public work, but do we get ourselves in a jam if we vote on property transfers in cities or towns where we may have a public role -- you know, a retainer issue?

MR. DiROCCO: The only issue we may have, Senator, is-- Because I know this has been brought up previously, I think, by Assemblyman Cryan, and I think Mr. Shaughnessy had reached out to Marci Hochman who sent us a letter back, basically saying -- I don't want to paraphrase, but I think her comment to us was, basically, "If Legislators have a problem, they have to come to me; I'm not going to listen -- I'm not

going to have the State House be the intermediary.” We can certainly reach out to her again, but that was the direction we got from her last time we made this inquiry, so we may not-- It may be not a fruitful endeavor.

SENATOR SMITH: I’ll stop and see her after the meeting.

On this particular one, because the-- Is New Brunswick going to be the recipient of land? They are the location of the transfer, but are they the recipient?

MR. DiROCCO: Yes, the DEP can come up.

MR. SHAUGHNESSY: We have members from DEP.

ASSEMBLYMAN BRAMNICK: I do have one comment. I spoke to Marci Hochman as well, and was here for Assemblyman Cryan’s discussion on this. The bottom line is, probably it’s a good idea to abstain; and the reason I say that is in today’s political -- hostile political world, I’m sure you -- people can--

SENATOR SMITH: Really? (laughter)

ASSEMBLYMAN BRAMNICK: It’s really unfortunate -- and you mentioned it before -- it’s very simple to come up with a conflict, even if it’s once removed. So since there are no members--

SENATOR SMITH: All right, then I’m not going to participate in this discussion.

MR. SHAUGHNESSY: Fair enough, Senator.

SENATOR SMITH: But I am going to go visit Marci afterwards and see if we can get some guidelines.

MR. SHAUGHNESSY: I believe that the memorandum said, unfortunately, “Have the individual legislators come to me on individual

matters,” which is difficult; but if you have a generalized concern, I think that should be flushed out as well.

ASSEMBLYMAN BRAMNICK: And I sympathize. There would be people who would dig deep enough to find some relationship that would show some interest on behalf of a politician -- which is disconcerting to me, but I can tell you that if I thought there was any name or area I was involved in, I'd just abstain to avoid it. It's unfortunate; we tried to hammer that out, we tried to get--

SENATOR SMITH: It's like boxing -- protect yourself at all times.

ASSEMBLYMAN BRAMNICK: It's unfortunate, but that's where we've evolved to in politics.

SENATOR SMITH: Okay.

MR. SHAUGHNESSY: Thank you for your disclosure; thank you.

Okay, are there any questions from the members with regard to this matter? I know there's an individual or two who may want to have some public testimony or comment.

Okay, hearing none -- is there any member of the public who would like to say anything about this matter? (no response)

ASSEMBLYMAN BRAMNICK: Move the resolution.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Okay, there's a motion and a second.

Any further discussion or public comment about this matter?
(no response)

Hearing none, I'll call it.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Not participating.

MR. SHAUGHNESSY: Pardon me.

Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: Assemblyman Green.

ASSEMBLYMAN GREEN: Yes.

MR. SHAUGHNESSY: That matter is approved.

We're now onto the Department of Transportation requests, No. 13 on your agenda: Route 25, 38, and 45; Parcels VX23B, VX24B, and VX39; Block 6610, adjoining Lot 3, Pennsauken, Camden County.

The Department of Transportation requests approval to sell, by direct sale, to the only interested adjoining property owner, Elite Holdings, LLC., principals, as mentioned in your board material -- the packet. It's a 16,498-square-foot excess, surplus parcel of vacant land -- for use as additional parking and storage for an auto repair business. The recommended sale amount shall be \$30,000, the appraised value.

Any members have comments or questions with regard to this matter? (no response)

Hearing none, any public comment with regard to this matter? (no response)

May I have a motion?

SENATOR SMITH: Move it.

ASSEMBLYMAN BRAMNICK: Second.

MR. SHAUGHNESSY: Motion and second. I'll call the roll.
Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY STATE TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: Assemblyman Green.

ASSEMBLYMAN GREEN: Yes.

MR. SHAUGHNESSY: The matter is approved.

Okay. Now we're going onto the portion in the agenda which is the Division of Pensions and Benefits requests.

Initially I just need a motion by the State House Commission to sit as the Judicial Retirement System Board. May I have a motion?

ASSEMBLYMAN BRAMNICK: So moved.

SENATOR CARDINALE: Mr. Chairman, before we do that--

MR. SHAUGHNESSY: Yes, sir.

SENATOR CARDINALE: --before we leave this section of the meeting, I recall that at one of the prior meetings we tabled a whole series of leases with respect to individual homes that were--

MR. SHAUGHNESSY: That's correct.

SENATOR CARDINALE: And I don't recall us revisiting those situations and dealing with them. That was some time ago, and I wonder if you could give us an idea of what's happening with those properties.

MR. SHAUGHNESSY: Yes, I can, Senator.

You had raised a concern about whether the DEP leasing-out program was at fair market value some time ago. Since then we looked at it, and we were in the process of doing an in-house process. Based upon staffing and other matters, we decided that we couldn't do that in an appropriate, timely fashion. So we have now gone out in the street to obtain outside, independent appraisers. And the bids are on the street, and we expect those bids back shortly. Once we get that, we'll have independent appraisers look at all these properties and, hopefully in a matter of months -- a couple of months, if you will -- have the final fair market value appraisals. I'm not sure what they'll be, and I'm not sure what the result will be; but they will be current, fair market values.

So at your request we began the process. Internally it was not happening as quickly as we had hoped. So we have now decided to go out and obtain outside appraisers.

SENATOR CARDINALE: Let me just express the concern that-- That was, I think 22 months ago. And I presume that in that intervening period, the rentals that the State has been receiving on those properties are at the old, below fair market value. And that's gone on for a considerable period of time. I would hope that by our next meeting we can address that, because I think the taxpayers are not getting full value. I think when you come to your determinations, we will see that this is a fairly substantial thing and should not have been going on for 22 months.

But I'm glad that you are doing something now, and I would hope that we could have some items on the agenda to address those for all parties concerned.

MR. SHAUGHNESSY: Thank you very much for your comments and concern. I understand it, and hopefully by the next meeting we will then have some matters before the Commission.

Any other comments or questions? (no response)

MR. DiROCCO: You had a motion to go into the JRS.

MR. SHAUGHNESSY: Motion and a second.

ASSEMBLYMAN BRAMNICK: So moved.

MR. SHAUGHNESSY: Assemblyman, thank you very much.

I'm going to call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY STATE TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: Assemblyman Green.

ASSEMBLYMAN GREEN: Yes.

MR. SHAUGHNESSY: Okay. We're now sitting as the Judicial Retirement System board. We're now on Item No. 14 on the agenda, Judicial Retirement System.

The requesting party is the New Jersey Department of the Treasury, Division of Pensions and Benefits.

The first matter will be the approval of the minutes of the meeting held on May 2, 2011.

Do we have a motion?

ASSEMBLYMAN BRAMNICK: So moved.

MR. SHAUGHNESSY: Second?

SENATOR SMITH: Second.

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

Next is No. 2: Confirmation of death claims, retirements, and survivor benefits as contained in the members' packages.

SENATOR CARDINALE: May I put on the record I was not at that meeting and therefore I am abstaining from that.

MR. SHAUGHNESSY: Abstention by Senator Cardinale.

DIRECTOR HOLZBAUR: Myself too, please.

ASSEMBLYMAN BRAMNICK: Are we now on the issue of the retirement claims and death claims?

MR. SHAUGHNESSY: We are. So do we have a motion for that?

ASSEMBLYMAN BRAMNICK: I do have a question.

MR. SHAUGHNESSY: Okay.

ASSEMBLYMAN BRAMNICK: Listed before me are both death claims and retirement claims. Do you have any information? It appears to me that a number of these judges -- I don't know if I need this microphone on or not (referring to PA microphone) -- a number of these judges below 70 years old-- I'm curious to know whether anyone has had some history -- whether this is a substantial number of judges who are below 70 who are retiring, what I would consider, before the mandatory retirement age? Do we have any sense of that?

MR. SHAUGHNESSY: We have representatives from the Division of Pensions here -- Division of Pensions and Benefits.

ASSEMBLYMAN BRAMNICK: I do have some questions in that area.

MR. SHAUGHNESSY: Would you please come forward?

ASSEMBLYMAN BRAMNICK: You guys look like pension guys, serious -- pretty serious group.

MR. SHAUGHNESSY: Would you please identify yourselves, gentlemen, and your affiliation.

HENRY MATWIEJEWICZ: My name is Henry Matwiejewicz. I'm the Legislative Coordinator for the Division of Pensions and Benefits.

MR. SHAUGHNESSY: Thank you, sir.

JOHN MEGARIOTIS: And my name is John Megariotis. I'm the Deputy Director for the Division of Pensions and Benefits.

ASSEMBLYMAN BRAMNICK: I guess you did hear my question. Is this a substantial number of judges below 70 that are retiring, let's say -- I'm not going to say prematurely-- But what do those numbers look like?

MR. MEGARIOTIS: We would have to come back to you with that. We haven't done an analysis.

ASSEMBLYMAN BRAMNICK: How about your gut? And I know Pension people don't like to do gut, but--

MR. MEGARIOTIS: Well, my gut is that we've seen a larger number of retirements across all the systems. So I would say that would carry forward to the Judicial Retirement System as well. And so because of that, I would also use my gut to say that there are probably more below the age of 70 who have retired also. But we would like the opportunity to come back to you to give you specifics on the actual data.

ASSEMBLYMAN BRAMNICK: I'm asking for two reasons: obviously with the legislation on pension and health reform. But secondarily, I don't recall seeing, when we've gone into this committee setting before, many judges retiring before the mandatory age. But you

don't have a specific-- Other than your gut, you don't have specific information. I appreciate that.

The second question is: We're in the mood to approve these retirements. I'm assuming that all of these retirements which indicate, for example, the final salary being X , and then the allowance Y -- all of these are calculated by your office, and therefore recommended to us to approve. Would that be fair?

MR. MEGARIOTIS: That is correct.

ASSEMBLYMAN BRAMNICK: Is there something other than our approval in simply a rubber stamp of that? Is there some question we would need to ask about these retirements or these death claims other than the fact that we agree with your analysis in terms of what the benefits are? I understand that we have to approve it, but sometimes when you sit in that position you say, "Well, I'm assuming your numbers are right and I'm assuming the people are entitled to that money." Is there any other question or issue that we should be looking at other than your recommendation?

MR. MEGARIOTIS: Not for normal, regular retirements. In the case of disability retirements, they're the ones that tend to get more scrutiny to make sure the standards have been met to meet the disability requirements. But all the other retirement system boards -- they virtually follow the same approach that you do. It's more of the Division has the statutory calculations that it's required to make. We process those, we have the internal controls in place to ensure that we're calculating them properly, and we then are presenting them to each of the respective boards in order to meet the statutory requirements.

ASSEMBLYMAN BRAMNICK: And my final question has to do with benefits. Because of early retirements, how has that affected this specific area, which would be Judicial retirements? I assume that's the committee we're sitting in. I don't know the exact name -- Judicial Retirement committee. Has that had an impact on the resources or funds available?

MR. MEGARIOTIS: It has not had a significant impact on the resources available, although the actuaries, when they prepare their evaluations each year-- And then once every three years they look at the experience of the plan. And if retirement patterns change versus what they have built into the valuation, in terms of their assumptions, then they'll adjust those to reflect the need for adjusted contribution requirements by the employer, and so forth. So in the short-term I would say no, this hasn't had a major impact on the assets of the plan.

ASSEMBLYMAN BRAMNICK: So you're saying the evaluation actually is not completed yet, because if there is a significant difference in who is retiring and when, that may have an impact on the actuarial.

MR. MEGARIOTIS: Well, no, each year there is a valuation completed, and later in this session you will be looking at the current valuation. That is completed each year. And it's based on information as of the close of each fiscal year -- June 30 of each year. However, once every three years the actuaries review the experience in the plan -- retirements, withdrawals, deaths -- and they compare the actual experience to what they've projected in terms of assumptions in order to develop the annual numbers. And if they start to see deviations that they believe to be long-

term trends, they will then adjust their assumptions accordingly -- such as earlier retirements -- and then that will be reflected in future valuations.

ASSEMBLYMAN BRAMNICK: So that's done every three years?

MR. MEGARIOTIS: Yes.

ASSEMBLYMAN BRAMNICK: Okay.

And my final question is this: I'm looking -- and I'm not going to use a name, necessarily -- but someone has a final salary of \$175,534, and their retirement allowance is \$131,000. Was there anything in the pension and health benefit legislation that would change that number? I understand there is a change as to contribution, and there's a change as to contribution to health benefits. But is there a change as to any of these final retirement numbers for judges in the future?

MR. MEGARIOTIS: No.

ASSEMBLYMAN BRAMNICK: Thank you.

SENATOR CARDINALE: I have a question, if I may.

MR. SHAUGHNESSY: Yes, Senator.

SENATOR CARDINALE: I was puzzled by one of the entries. Without going into the name of the individual, this is a person who apparently is retiring at age 81.

MR. MATWIEJEWICZ: It's a deferred retirement.

SENATOR CARDINALE: Well, what is a deferred retirement?

MR. MATWIEJEWICZ: They're vested after 10 years in the pension system. So if they leave prior to being eligible to actually retire, then once they hit age 70, they can start collecting the benefit on a deferred retirement, because that's the normal retirement age. In this case, the

individual happens to be 81. But at some point, he terminated his judgeship, but he still was vested in his pension. But he wasn't eligible to receive it at the time he terminated service. But once you reach the eligible retirement age to qualify for a service retirement, then you can start collecting, and that's what we call a *deferred* retirement.

SENATOR CARDINALE: I'm not sure I understand. I hear the words, but I--

MR. MATWIEJEWICZ: A PERS individual is vested after 10 years, but they cannot receive a pension. Once they reach the service retirement age -- which now there is a number of them, based on what tier you are, either age 60, 62; for new members it's now 65. So if they can get at least 10 years of service and they terminate service -- they're not 65 -- they can't collect a pension at that time, but they can start collecting once they hit that service retirement age.

SENATOR CARDINALE: But what's confusing me is-- I understand that you can't, prior to a certain age -- no matter whether you are vested or where you are -- you can't begin collecting the pension. But this individual is 81 and it would seem that 21 years earlier he would have hit the age where the pension would have been possible. What happened in this interim that changed the situation?

Now, I know that at 70 you can't continue to be a judge. So I'm presuming that the 6 years, 6 months of judicial service terminated at age 70, but the pension is not kicking in. What was operating in that instance?

MR. MATWIEJEWICZ: I'm not sure of the circumstances, but I see the individual has 6 years of judicial service, 19 years of nonjudicial

service. So they may have terminated the judicial service early on, then got other public service which was not--

SENATOR CARDINALE: So this is an individual who is actually retiring at 81. Is that what's happening?

MR. MATWIEJEWICZ: Yes, on a deferred retirement.

MR. DiROCCO: I hate to confuse you, Senator, because I agree; I'm confused as well about this.

Is there a reason why someone would defer? I understand you have to defer up until the age that you're statutorily allowed to collect. Can you think of a scenario where someone would defer until age 81? Is there some other job, maybe, that they took that they were not allowed to collect this pension? Is that something you've seen before?

MR. MATWIEJEWICZ: Well, again, looking at this individual, they only had 6 years of judicial service which -- that, in and of itself, would not be enough to get a pension. But he has other nonjudicial service. So he may have terminated his judicial service then went into other public service, then accumulated enough time to qualify for a pension. Because under the judicial, you can have a combination of-- You need judicial service, but you could also have nonjudicial service to get to qualify for a pension.

MR. DiROCCO: It seems like that's what probably happened -- which is that this individual retired from the bench, went to some other public job in a different pension system.

MR. MATWIEJEWICZ: Terminated from the bench--

MR. DiROCCO: Exactly.

MR. MATWIEJEWICZ: --then went to some other public service which was nonjudicial service.

MR. MEGARIOTIS: May I add something also? (affirmative response)

If you look, total years of service is 25 years and 6 months. Now, again, I'm using my gut. I'm not-- But this individual may have worked enough time in order to qualify for post-retirement medical benefits, which in certain systems it's at 25 years. So that may be the case here. And that may be why he worked all the way until 81 in order to qualify. But, again, I'm hypothesizing. So we can go back and investigate this.

SENATOR CARDINALE: Well, it also says the member canceled retirement. Now, effective was the 8-1-11 check. He collected four checks only. There seem to be a number of unusual circumstances with respect to that particular individual. I see that he has 25 years of total service, and that's probably the goal -- is to reach that.

But, now, has he-- I see something that says he cancelled his retirement, and yet we're approving a retirement. I'm confused. I don't know what-- Why would we be approving a retirement if he has cancelled his retirement?

MR. MEGARIOTIS: I agree with you. We don't have the specifics with us on this particular case. So we will have to come back to you on that.

MR. DiROCCO: What's the impact if we pull this off the agenda for now and hear it at a later date? Is there some adverse impact, obviously, on the retiree? What's the-- What are the consequences?

MR. MATWIEJEWICZ: We wouldn't be able to provide him with a pension check unless it's been approved.

SENATOR CARDINALE: But it says he cancelled his retirement.

DIRECTOR HOLZBAUR: But he had four months of checks -- probably approving the four months.

SENATOR CARDINALE: Can you retire and then unretire after you've retired?

MR. MEGARIOTIS: Yes.

SENATOR CARDINALE: Really? You can?

MR. MEGARIOTIS: Yes.

SENATOR CARDINALE: I didn't know that.

But he's 81; he's coming back to work?

MR. MATWIEJEWICZ: Well, he's on the agenda for retirement, so I would assume that he's--

SENATOR CARDINALE: But you see, that's what's confusing. If he canceled his retirement, why are we approving a retirement?

DIRECTOR HOLZBAUR: For the four checks I would think.

DEPUTY TREASURER ROMANO: For the four checks, for the four months that he was retired.

DIRECTOR HOLZBAUR: I would think that's what the issue is, yes. My gut. (laughter)

MR. MEGARIOTIS: Right. Because if the timing of the meetings, and they're only quarterly -- which the same thing we do with the other retirement systems. If they're routine retirements, we don't hold up

the retirement in anticipation of receiving approval. However, we do, at some point, need the approval so we're in statutory compliance.

MR. DiROCCO: Right. So these matters, before they come to us as the board of the JRS to make -- they're reviewed, obviously, in the Division and more closely scrutinized on a case-by-case basis, correct?

MR. MEGARIOTIS: Yes, we have one individual whose sole responsibility is oversight of the Judicial Retirement System. She calculates all the benefits, she does all the-- It's the only system that has one specific individual dedicated totally to that system. And then we have all the other checks and balances that we follow within the system to ensure that they're in compliance with statutes.

MR. DiROCCO: I understand, Senator Cardinale. I agree. The synopsis here seems confusing. But I'm reluctant to hold up. We only meet ever several months. Would you be comfortable--

Would everyone here be comfortable with us maybe moving forward with this and giving direction to the Division to go back and look at this again, and make sure that all the *t*'s are crossed and the *i*'s are dotted? And if there is an issue--

SENATOR CARDINALE: Well, if this is someone who's cancelled the retirement and has collected four check -- which it says here, collected four checks -- and what we're doing is sort of *expo facto* approving those four checks-- It wouldn't seem to me like we're doing any violence to that individual if we did not -- if we did pull that from the agenda and got more detail on that one. Because he's already collected the checks. No one is going to be asking him for the checks back, I don't think.

MR. MEGARIOTIS: No.

SENATOR CARDINALE: Or would we be doing that if we did not deal with this at this meeting?

MR. MEGARIOTIS: No.

SENATOR CARDINALE: I would be much more comfortable pulling that one item from the agenda until we get more details. I don't know the individual. I'm sure it's probably okay, but I'm confused by it. And I'm reluctant to vote on something that I'm confused on.

SENATOR SMITH: Does it go further than just approving the checks that he's received? I mean, will this start him on a regular check?

MR. MEGARIOTIS: I mean, I apologize. I don't know the specifics about this particular case, so I don't want to--

SENATOR SMITH: Express an opinion.

MR. MEGARIOTIS: --give you something that would send you in the wrong direction. I mean, we could go back--

MR. DiROCCO: Would you be able to make a call to the individual to handles these cases quickly? Because we have other things, maybe, to discuss, and a quick phone call might be able to resolve it. Would that be helpful?

MR. MEGARIOTIS: All right, Henry can do that.

MR. SHAUGHNESSY: There wouldn't, by chance, be an approval of the cancellation of the retirement, would there? You wouldn't necessarily be approving a retirement cancellation.

SENATOR CARDINALE: The individual, obviously from this synopsis, is retiring from the PERS system, not from the Judicial system, because he would not have worked long enough in the Judicial system to

retire as a judge. So that judicial service is being credited towards PERS, from what I see here. That's what I would believe. Am I off base?

MR. MEGARIOTIS: The individual could not retire other than on a deferred retirement in the Judicial Retirement System. You need certain years of service in order to retire earlier. The deferred retirement-- Once you reach a normal retirement age, in any system, you can retire with any amount of service. It's just in order to retire prior to that, you need to have met the requirements of the system.

SENATOR CARDINALE: While you're getting that, I have another question. We can use up some time.

What happens with terminations? We have two terminations. I don't think I've seen a termination previously on anything that we have dealt with. And these are folks who served in judicial service for less than the 10 years. They've obviously paid into the pension. And it doesn't say anything except that it's a termination. It doesn't say what they're getting. It says how much time they have served.

MR. MEGARIOTIS: Because at this point they did not work the 10 years of-- They were not vested, so they didn't have enough time to actually get a benefit, so they just terminated from the system.

SENATOR CARDINALE: Okay. Are we making any payment to them of a return of their pension contributions? What happens in those kinds of cases?

MR. MEGARIOTIS: That's up to the member to request a withdrawal of their contributions. They can leave moneys in the system for up to two years after they leave. It will sit there in case they come back to another job and they can reinstate. At that point, they either need to

withdraw the funds, or then the system would undertake some sort of action to pay out those funds to the member.

SENATOR CARDINALE: So this vote is simply recognizing that they have terminated service.

MR. MEGARIOTIS: They have terminated service.

DEPUTY TREASURER ROMANO: It's for information only really. There's no action the board needs to take with respect to termination, right?

MR. MEGARIOTIS: No.

SENATOR CARDINALE: Just while we're waiting-- I mean, this has nothing to do with the agenda -- although there is a case like this on the agenda which raised the question to me. If someone dies while still employed, I understand that they get an insurance benefit. What happens to the pension? Is that just lost for that individual? Because I see that you sometimes have somebody who has retired and then died, and there are certain survivor rights with respect to the pension, depending on elections that they've made. But if they die while still employed, are their pension benefits just wiped out because of the death and they only get the insurance?

MR. MEGARIOTIS: They get the insurance and the return of their member contribution with full interest.

SENATOR CARDINALE: Oh, so they do get something out of the pension.

MR. MEGARIOTIS: Yes.

SENATOR SMITH: We're looking for things to talk about while we're waiting for the phone call to come in. (laughter)

The -- and it's an item a little later on the agenda, which is financial statements -- the annual actuarial report.

MR. SHAUGHNESSY: Yes, and Senator there is a revised actuarial report.

SENATOR SMITH: Yes, I have it.

MR. SHAUGHNESSY: Oh, you do have. Okay.

SENATOR SMITH: Yes, and I'm looking at both.

MR. SHAUGHNESSY: No. 5 is yours, I think. No. 5 is yours. That's probably spurred from you from the last meeting.

SENATOR SMITH: Yes, and I guess all three are tied together. In both of the -- the December 17, 2001 date to December 17, 2010; and the one dated August 12, 2011 -- there's the same statement that, as of June 30, 2010, the ratio of market value assets to the prior year's benefit payment is 6.5. This is a simplistic measure of the number of years that assets can cover benefit payments, excluding future increases in those payments.

So are we saying that we're goners in six-and-a-half years? I mean, I know that there is an increase to 9 percent proposed to the contribution. But boy that looks like a pretty weak pension.

MR. MEGARIOTIS: It's a very simplistic measure that the actuaries felt they needed to reflect in all the valuation reports for all the retirement systems, because of the diminishing financial status of the plans and that the funded ratios were dropping. So what they did was they took a snapshot in time. If I took the assets as of June 30 of that -- and the benefit payments, divided one into the other, without taking into consideration future contribution, future investment.

SENATOR SMITH: I understand that. But the question is: Should we be concerned? I mean, are we heading down?

MR. MEGARIOTIS: One of the main reasons there was pension reform was because of the diminishing financial status.

SENATOR SMITH: How is the reform doing?

MR. MEGARIOTIS: Well, we just-- The reform was just enacted. And the revised valuation you see does include impacts of the reforms. But in the case of the Judicial Retirement System, the only thing that we can really reflect currently is from a benefit side -- is there has been an indefinite -- a suspension of future COLA for any current retirees or future retirees. So that's been figured into the valuation. And it did improve the funded ratio by 6.2 percentage points. The original valuation dated last December shows a funded ratio of 53 percent. The new valuation, revised valuation, shows a funded ratio of 59 percent. And that's due to a reduction in liabilities of the plan. Because if you no longer have to pay out additional COLA, you can reduce liabilities.

SENATOR SMITH: Yes, but we also didn't make our contributions for two years. It was something like \$30 million a year, right, for 2010-2011?

MR. MEGARIOTIS: Correct. And in 2012 there is -- built into the budget there is a one-seventh of the required contribution.

SENATOR SMITH: Which will be way under what we should be doing, right?

MR. MEGARIOTIS: The valuation takes into consideration the reduced contributions not only in the last two years -- but there have

been many, many years going back from the '90s forward where there have been years where contributions were not made.

SENATOR SMITH: So you're saying nothing new and different about this. We can be as irresponsible as we want to be.

MR. MEGARIOTIS: What I'm saying is, one, the change in the COLA is reflected in the reduction of the liabilities. But two, the increased contribution requirement has not yet been reflected because those increased contributions have yet to come in. We just saw with the current paychecks for all State employees and local employees that the contribution rate increase took effect with the first pay in October. So when the actuaries complete their -- and not really even in the next valuation, but the valuation after there -- will begin to see the impacts of increased contributions.

SENATOR SMITH: Actually, that was a question too. In the 2010 report it says the valuation shows the financial condition of the plan as of July 1, 2010. On the August 12, 2011 it says the valuation shows the financial condition of the plan as of July 1, 2010. Why wasn't there an update? Why don't we have 2011 figures?

MR. MEGARIOTIS: Because the 2011 valuation cannot be completed until the audited financial statements of the plan are finished. That will be approximately around November 1. That data then is forwarded to the actuaries, and I would anticipate in the January timeframe we will have an update with the 2011 report.

SENATOR SMITH: So we should not be accepting, in 2011, the actuarial report that relies on July 1, 2010 valuations. We should wait

until November when we actually have the valuation that's up to -- current to June 30, 2011.

MR. MEGARIOTIS: Well, what's important about this report is it determines the contribution requirement for the plan in 2012 -- Fiscal Year 2012, which we are in now.

SENATOR SMITH: Right. But for example, in December of 2010, that's when we apparently accepted that report. But I assume that that determined the contribution in 2011. Why should we be determining using a report that uses a valuation from last year as the basis for the pension contribution? I mean, the stock market could have gotten worse in a year, or the bond market could have been worse. Why are we using year-old data?

MR. MEGARIOTIS: Senator, because of the timing of the completion of the valuation, in conjunction with the budget and when the appropriations are made and when payments are made, there is a two-year -- we refer to it as a *lag* period between a valuation year and a contribution year. So the valuation for July 1, 2010 determined the Fiscal 2012 contribution. So the report that you will look at next year -- sometime after January -- will determine the Fiscal '13 contribution requirement because there is a two-year difference between them.

SENATOR SMITH: What I can't understand -- and I'm not trying to be argumentative -- is that we have last year's report -- the December 17, 2010 report, and it has July 1, 2010 valuations. We now have an August 12, 2011 report that still uses the old valuations. It doesn't make sense.

MR. MEGARIOTIS: Well, it uses the data for that particular year. What this report is, is it's revising that report to reflect the fact that there were changes statutorily that need to be reflected in that report, specifically two pieces. One I refer to as the suspension of the COLA benefit. Since the actuary assumed that in their initial valuation -- and that was determining the contribution for '12, which has not been made yet--

SENATOR SMITH: So this is just a revision, is what you're saying.

MR. MEGARIOTIS: Yes, that's what that is.

SENATOR SMITH: Okay.

ASSEMBLYMAN BRAMNICK: All right, my witness?
(laughter)

SENATOR SMITH: No, no, no, no. It's just conflicting stuff.

ASSEMBLYMAN BRAMNICK: You're a good witness, actually. You're very calm, answered the questions.

SENATOR SMITH: The judge is ruling in your favor.
(laughter)

ASSEMBLYMAN BRAMNICK: That's the judge up there.

MR. MEGARIOTIS: We live these valuation reports every day.

ASSEMBLYMAN BRAMNICK: I'm sure you do. There's a purple pill you can take.

MR. MEGARIOTIS: So we're very happy to talk about it.

SENATOR SMITH: Back to the underlying question: Are we in trouble? Is the Judicial pension system in trouble?

MR. MEGARIOTIS: The Judicial system is like all the other systems. Over many years we've seen the funded status of them. If I could

turn-- If you move to Page 20 in the report -- the new report, the revised report -- just to give you an idea, you'll see on the top of the page -- you'll see scheduled funding progress, and then there's six years worth of data. And as you move to the column that's funded ratio--

SENATOR SMITH: Drop, drop, drop.

MR. MEGARIOTIS: --you'll see drop, drop, drop. And if you go back to 1999, 2000, that funded ratio would have been over 100 percent. So you've seen over many years a reduction in that funded ratio. So it got to the point of--

And this isn't the first year where we've seen reforms. There were reforms for other systems in 2007, 2008, and 2010. This was just the first year where there have actually been reforms that have impacted the Judicial Retirement System.

ASSEMBLYMAN BRAMNICK: But it's funded at only 60 percent. So that's an indication that it's underfunded.

MR. MEGARIOTIS: Correct.

ASSEMBLYMAN BRAMNICK: Okay. And how seriously underfunded it is.

MR. MEGARIOTIS: And a reasonably funded plan is around 80 percent.

ASSEMBLYMAN BRAMNICK: Really? So how do they figure that out? A hundred percent, I would think, is good funding for the plan, but 80 percent is good enough.

MR. MEGARIOTIS: Eighty percent is kind of an informal benchmark. It's deemed to be a reasonably well-funded plan.

ASSEMBLYMAN BRAMNICK: Oh, we have an answer.

But what's your relationship to the investment side?

MR. MEGARIOTIS: The investment side is handled by a separate division.

ASSEMBLYMAN BRAMNICK: But since you eat and sleep this every day, you glance at the investment side. Is that fair?

MR. MEGARIOTIS: Yes.

ASSEMBLYMAN BRAMNICK: You're glancing at the investment side. How has that been for the last few years compared with 2001, 1999? You've been around for a while, correct? It's tough to (indiscernible).

MR. MEGARIOTIS: The last two years have been pretty good investment-return wise. But over the decade of the 2000s, we had many bad years. And in an aggregate, it was a down investment period, and it was certainly down. The system assumes an 8.25 percent return, and over that decade--

ASSEMBLYMAN BRAMNICK: It's been flat, zero, or less.

MR. MEGARIOTIS: Or even below that.

ASSEMBLYMAN BRAMNICK: Thank you.

MR. DiROCCO: Assemblyman.

ASSEMBLYMAN GREEN: Yes. I'm just, as you are talking -- and I'm listening to the fact that it's obvious that you've done this quite a while. I'm just curious, in terms of -- when I look at some of the individuals who are retiring -- have maxed out at 25 years, some of them have maxed out at less than 10 years, but yet they are still going to be able to max out on their benefits. Can you explain to me, how come? Because in the real world, you don't see that. A person who basically might have served, say,

two terms as a judge -- less than two terms. But yet you still, after a certain amount of years -- he's entitled to the same benefits as an individual who has served 25 years on the bench. How do you arrive at that approach?

MR. MATWIEJEWICZ: Well, the benefits are laid out in law. And the shortest term for a judicial member to earn benefits is just over 10 years. There is a mandatory age 70 retirement age. So if they start at 60, retire at 70, they get a 75 percent of final salary pension. There are other ways of getting that. If you retire prior to age 70, you can have -- you do need the prerequisite amount of judicial service specifically. You can combine that with some nonjudicial public service and still qualify for a benefit. So you can have someone who actually worked 25 years to get the same benefit that someone who only worked 10 years -- because of the mandatory retirement age and when they started the work.

ASSEMBLYMAN GREEN: Do you think that's fair? It's no different than -- I'm not going to get into firemen, law enforcement, etc. -- but individuals who basically fight very hard toward the end of their careers to become either captain or chief, and basically their salaries are based upon maybe the last three years of service.

This is where I feel, whether it's a judge or someone in that category -- is benefiting from a system that, in reality, should be looked at; because of the fact that, at the end of the day, if we're going to make some corrections, then they should be held liable -- no different than we are as legislators, as well as any other worker. That we're able to position ourselves and go in -- we tell the council and mayor, "Look, I'm only going to be here for three years to bump up my pension and I'm out the door" --

This affects both systems, as far as I'm concerned. Maybe I'm wrong. If I am, correct me.

MR. MATWIEJEWICZ: Well, there are some safeguards to prevent that from happening -- bumping up the salary if it's greater than--

ASSEMBLYMAN GREEN: Not the salary, bumping up his ability to meet the salary. He could be a lieutenant. He knows that in his mind, "I only want three years as the chief." So he gets his three years as the chief, he gets the salary as the chief, he retires at that particular salary. That's what I perceive as abuse of the system -- that we haven't dug deep enough. If we really want to overhaul the pension system, we have to look at every area and try to be fair with everyone.

MR. MEGARIOTIS: There have been reforms passed going back to 2007, 2008, again in 2010, and now again in 2011 to attempt to prevent abuses in the system such as-- Now, Judicial is an extremely different system than the other systems because of this -- where you only have to work 10 years to reach a maximum benefit. But each system has its own specific set of requirements. And since Henry and myself have -- were not involved back when these initial benefit structures were put in place-- I'm going to use my gut again. At some point in time there was some look at each one of the systems, and a benefit was developed in order to try to attract and retain qualified members to serve in those positions.

In terms of whether or not 10 years to get a 75 percent benefit in the Judicial Retirement System is fair or not, I don't know that we're really qualified to make that determination.

SENATOR SMITH: Why don't you put blame where it belongs. This was all statutorily set up, right?

MR. MEGARIOTIS: All the benefits are in statute.

SENATOR SMITH: Whatever the system is, we created it. Not necessarily people at this table, but the Legislature created it, and the Governor signed off on it.

MR. SHAUGHNESSY: Thank you very much.

Mr. Matwiejewicz.

MR. MATWIEJEWICZ: Matwiejewicz. (indicating pronunciation)

MR. SHAUGHNESSY: Pardon me.

MR. MATWIEJEWICZ: Well, this situation happens to be not an approval for retirement. He's canceling his retirement because he's returning to practice law. And based on N.J.S.A 43:6A-13 -- that's the statute relating to the Judicial Retirement System -- that says if someone is collecting a Judicial Retirement System pension and returns to practice law, they have to suspend their pension. And so this individual did go out on a deferred retirement effective March 1, 2011. He did receive four checks, but he cancelled with his 8-1-2011 check because he's returned to practicing law. So this, in effect, is an approval of--

SENATOR CARDINALE: What options do we have in that kind of a situation? Can we say to him, "No, you can't cancel." Or are we obligated to vote for this?

SENATOR SMITH: Yes, but why would you not want to have him canceled?

SENATOR CARDINALE: All right. I'm not suggesting that we should, but--

DEPUTY TREASURER ROMANO: As the board of the JRS, do we normally approve these kinds of cancelations when people-- When people leave State service, they terminate their State service, the boards don't normally approve that, do they?

DIRECTOR HOLZBAUR: Yes.

DEPUTY TREASURER ROMANO: They do? They terminate State service?

MR. MEGARIOTIS: But this is -- and, again, I'm only going on what Henry found out -- this appears to be a very unique circumstance to the Judicial Retirement System in that there is a requirement to, if you go back and practice law of any kind, you need to suspend your pension. So it's unique to the Judicial, because, see, I don't think he's returning to public service. He's returning to practice private law.

ASSEMBLYMAN BRAMNICK: Just a question on that: So when I see the judges who have retired -- and most of them who go to a law firm become -- do mediation. All of those judges are not collecting their pension? I see that day in, and day out. I don't think that's the case at all.

I have to tell you, every judge I've seen goes to a law firm and they become a mediator or counsel, etc. So technically they wouldn't be entitled to collect that pension because they're associated with a law firm?

MR. DiROCCO: What's the statutory citation again?

MR. MATWIEJEWICZ: 43:6A-13.

MR. DiROCCO: Dash 13?

MR. MATWIEJEWICZ: Yes.

ASSEMBLYMAN BRAMNICK: But these judges could work at McDonalds or something, and that -- as long as they're not practicing law. Is that right?

SENATOR SMITH: Well, is it a matter of whether you're appearing in Superior Court or not? That might be the distinction.

ASSEMBLYMAN BRAMNICK: I'll take a look at that statute. That's interesting.

MR. MEGARIOTIS: Henry didn't get into that level of detail on this particular case, so we--

MR. SHAUGHNESSY: In order to move this forward, the question is--

MR. DiROCCO: We need to come back to you with more detailed information on the circumstances around it and how it would be applicable to other members practicing law. Or is there a specific--

ASSEMBLYMAN BRAMNICK: It must be something weird here.

MR. DiROCCO: I think for the purposes of moving forward with the agenda-- I mean, that information you gave us, I think, is satisfactory on this particular item.

I don't know, Senator Cardinale, if you're comfortable with it.

SENATOR CARDINALE: I'm not comfortable with it, but, you know--

SENATOR SMITH: Yes, but downside? What are we -- what's the risk to the state taxpayers? If we approve him coming off the judicial pension system, what--

MR. DiROCCO: Those are my thoughts.

SENATOR SMITH: It's no harm, no foul, right? We should have as a topic of discussion, at the next meeting, what that statute really means so that--

MR. DiROCCO: Is that something that we can -- at our next meeting you guys can be prepared to discuss?

MR. MEGARIOTIS: Yes.

MR. DiROCCO: That would be great.

SENATOR CARDINALE: I'm all right.

SENATOR SMITH: Let's take them out of the pension system. This is an easy one, right?

SENATOR CARDINALE: I'm all right with it.

SENATOR SMITH: Okay. Move it.

MR. SHAUGHNESSY: Is the motion to vote?

ASSEMBLYMAN BRAMNICK: To approve everything you've asked for.

MR. SHAUGHNESSY: Motion to approve the death claims, retirements, and survivor benefits in the package today.

ASSEMBLYMAN BRAMNICK: So moved.

MR. SHAUGHNESSY: Is there a second to that motion?

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Okay, roll call.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY STATE TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: Assemblyman Green.

ASSEMBLYMAN GREEN: Do we have enough votes to get this out of the committee? Because I wanted to do a little bit more study on this whole issue in general. But if you need my vote to get it out I will support it.

MR. SHAUGHNESSY: Sir, we have six affirmative votes. The motion passes. It's up to you how you want to vote.

SENATOR SMITH: You can abstain.

ASSEMBLYMAN GREEN: I abstain.

MR. SHAUGHNESSY: Thank you, Assemblyman Green.

And I appreciate the Division of Pensions helping with that and coming back with the questions posed.

Okay. Moving on to No. 3, the financial statements for the period July '10 through May 2011. Is there a motion on that?

ASSEMBLYMAN BRAMNICK: So moved.

MR. SHAUGHNESSY: Second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy State Treasurer Romano.

DEPUTY STATE TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Bramnick.

ASSEMBLYMAN BRAMNICK: Yes.

MR. SHAUGHNESSY: Assemblyman Green.

ASSEMBLYMAN GREEN: Yes.

MR. SHAUGHNESSY: That matter is approved.

Okay. The next one is receipt and discussion of an annual actuarial report as revised. It was a handout today -- revision -- which was handed out today.

Do we need a motion on that, or is that just receipt and discussion?

MR. MEGARIOTIS: Normally there is just an acceptance of the report.

SENATOR SMITH: Motion to accept the report.

ASSEMBLYMAN BRAMNICK: Second.

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

Any opposed, abstentions? (no response)

The vote is approved.

MR. MEGARIOTIS: May I just suggest one thing you may want to consider in the future.

MR. SHAUGHNESSY: Sure, great.

MR. MEGARIOTIS: The other pension boards do request and have the actuaries come in and present the results of the report to the board so there isn't any misunderstanding. And you get more of an understanding of what goes into it. I would recommend that with your next report you may want to have the actuary come and present it to you.

SENATOR SMITH: Great idea.

MR. SHAUGHNESSY: Would you be able to get them?

MR. MEGARIOTIS: Yes.

MR. SHAUGHNESSY: Okay.

MR. MEGARIOTIS: Absolutely.

MR. SHAUGHNESSY: That would be very helpful. It's a great suggestion. Because we know you're not the author of those reports.

Moving on to No. 5 in the Judicial pensions and benefits matter: discussion of financial status of the Judicial pensions system. I think it was Senator Smith who prompted this from the last meeting.

Senator, I don't know if your questions have been answered or--

SENATOR SMITH: Well, I think they'll be better answered when we get the actuaries in probably December when we have our next meeting.

MR. SHAUGHNESSY: Would they be able to be here at the next meeting, or will you--

MR. MEGARIOTIS: It would probably be the meeting after that because they will not be finalizing their report until sometime in

December. They present us with the draft, we review it, and the reports will be finalized in January.

What happens with the other systems -- and I don't know whether or not you'd be able to have a special meeting. But we present the reports all on the same day to each one of the other systems. We go one by one. And we could have a schedule for you at your next regularly scheduled meeting, which would be March?

MR. SHAUGHNESSY: Yes, routinely December, March.

MR. MEGARIOTIS: Certainly we would be happy to have the actuary here for March.

SENATOR SMITH: That would be fine.

MR. SHAUGHNESSY: Okay. Thank you.

Okay. So then we'll defer that Item No. 5 until the actuaries can come in and advise the board.

Okay. May I have a motion to return to sit as the State House Commission?

ASSEMBLYMAN BRAMNICK: So moved.

SENATOR SMITH: Second.

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

Okay. That's approved.

We're now back sitting as the State House Commission.

MR. DiROCCO: It was just brought to our attention a few minutes ago, one of the items we just approved this morning -- Item No. 12 -- this is the New Brunswick wastewater pump station in Buccleuch Park. There was an individual who wished to be heard on this who was not in the room when we called and we opened the meeting to the public. So I ask

the Commission -- the State House Commission -- if we are okay with having this individual come forward. We've already adopted the item. I would suggest we have -- hear what the individual has to say, unless anyone has any objections.

So that was Mr. Newling, Bruce Newling.

BRUCE E. NEWLING Ph.D.: Yes.

MR. DiROCCO: Please come forward, sir.

MR. SHAUGHNESSY: This is on Item No. 12 on your agendas.

DR. NEWLING: My name is Bruce Newling. I'm a resident of the City of New Brunswick and have been since 1965. I live near Buccleuch Park, and I have a long interest in the park dating back to the late 1960s.

I find myself in a very embarrassing situation. Through the courtesy of the business administrator who initially handed me the clipboard on which one registered ones name -- that was his first courtesy to me -- I signed in. I indicated under the third column that I wished to speak. I identified the subject on which I wished to speak. I heard Item 11 come up for discussion. I heard that. The next item I heard was Item 13. Somehow or other the, to me, very important matter of Buccleuch Park and its sewage pumping facility escaped my attention.

I've been working on this issue of the sewage pumping facility in Buccleuch Park for two years, ever since two years ago I became aware this was a project going in. And as you may know from the history of the thing, the project initially was not under Green Acres' supervision. And because of my involvement, it became a matter for Green Acres.

I don't know how you wish to proceed on this matter. I have prepared a statement. I could, if you wish me to, read that statement. I can supply you with photographs documenting the situation with regard to the sewage pumping facility and with regard to Buccleuch Mansion itself.

MR. DiROCCO: Just so we're clear, Mr. Newling, this is just a quick synopsis. This is a situation where the City is proposing to move the wastewater pump station from one location to another. They're going to-- The old location will be returned to a park-like setting, and there will be a number of improvements made to the Mansion at the park as the diversion, essentially, for the usage of the parkland.

DR. NEWLING: Yes.

MR. DiROCCO: So maybe you could just give us-- Instead of reading you're statement-- I mean, I'm happy to hear anything you have to say. Maybe you can give us a quick synopsis of what your concerns are.

DR. NEWLING: Because I'm not used to the way you proceed -- I've never attended such a session before -- may I ask, before I give that quick synopsis, did you, Mr. Chairman, receive the sign-in sheet which indicated that I wished to speak?

MR. DiROCCO: Yes, we did.

DR. NEWLING: So you had that as a matter of record, and it just, through some inattention of mine--

MR. DiROCCO: Correct. We announced that it was being discussed. We asked for Commission members to discuss the item. There was some discussion I think, actually, on -- not substantively on the park diversion, but it was on an ethics issue that we were discussing. And then Mr. Shaughnessy opened the meeting to the public and asked if anyone

from the public wished to be heard on this, and no one came forward. I think he asked a second time and no one came forward. So then we moved on with our motion.

But you're here now, and we're happy to hear you.

DR. NEWLING: Well, perhaps because it was the issue of ethics going on that my attention was turned off. I was focused on the words *Bucleuch Park*, and I didn't hear *Bucleuch Park*, I'm afraid.

MR. DiROCCO: Understood.

DR. NEWLING: In synopsis, the situation is this: *Bucleuch Park* is a special case. *Bucleuch Park* was given to the City of New Brunswick in 1911 by deed of gift of a man called Anthony Dey. The deed contained conditions that the Park was, in effect, to be a memorial to his beloved grandfather, Joseph Warren Scott, from whom he had inherited the property with his siblings -- a sister and a brother. And the conditions were that it was to be a public park for the people of New Brunswick, and it was not to be used for any other purpose whatsoever. And if it-- To enforce that requirement, a reverter clause was included which said that if it is otherwise used, the park can revert to the heirs and the assigns of Anthony Dey.

Anthony Dey died, eventually -- actually less than a year after he made this gift. And his wife died before him. They had no children. So he didn't have heirs, but he did have assigns. And those assigns were sometimes individuals, otherwise corporate.

So the point of the matter is -- one of my concerns is that I believe the State of New Jersey has a statutory obligation to see to it that

the provisions of the deed are adhered to by the recipients of the property, namely the City of New Brunswick.

Now, unfortunately, over the years the deed became less and less well-known and things were done to the Park which were not compatible with the provisions of the deed. But the most recent thing, as I said, was this putting in of this sewage pumping facility, which the original had gone in in the 1930s, apparently. It is the case, actually, that the replacement is already in. The original one has now been demolished.

When the City of New Brunswick made its application -- so quite apart of the responsibility of the State of New Jersey with respect to the provisions of the deed -- the Green Acres permit went forward on the basis that there would be no additional taking of parkland. I mean, there would be a change of location. The new one is adjacent to the old site. But there would be no additional land taken beyond the 378 square feet that was claimed -- the original one had occupied, within a cyclone fence.

Now, on Saturday morning I went over with my daughter and son-in-law -- actually Saturday afternoon -- and made measurements. And just for the record, while the specified dimensions of the new facility were to be 18 feet by 21, the 18-foot dimension is slightly less; the 21-foot dimension is slightly more. Overall, the area is about 1 percent larger than the 378 square feet. That is not a big deal, I suppose.

But the problem is that now that the thing is in, it, in my view, doesn't fit the claim that it's not taking any more space than the original because there are three caps -- metal caps -- set in the ground which cap the tubes down which two sewer shut-off valves are located, and the third one -- a tube down which the shut-off for water is located. And, additionally,

adjacent to these caps in the ground, outside the fence there is a standpipe coming up out of the ground. It's clearly part of the facility.

Additional to that, there is a blacktopped area leading up to the double gates that are openable so that a service vehicle can get in there to service whatever has to be serviced.

So this area of blacktop is about one-and-three-quarters times the area of the fenced-in place, so it's clearly an additional taking of land. So the point I'm making as far as the Green Acres permit is concerned is that the project, as constructed, has involved a taking of land additional to what the original site occupied. Furthermore, I will add, in terms of esthetics, the original pumping station, while it shouldn't have been put in, as I say, in the first place because of the deed, nevertheless was quaint; it had-- It was a little brick building with a little slate roof on it and a little chimney coming out of the roof which allowed the sewer gasses to vent. And while it had an ugly cyclone fence around it, it wasn't that obtrusive.

The present facility is not in any way disguised. It has large, circular holding pits, and piping coming out of the top of them, and electrical panel controls, and so on and so forth. It's completely incompatible with the nature of the park and particularly since it's within 100 yards of the Buccleuch Mansion, which is a State historic site and a Federal historic site. In fact, the entire park is on the Federal Register.

So we have here a very unsatisfactory situation. Now, initially when I investigated the situation, I proposed alternative sites. I proposed that two of the Rutgers parking lots might be used for the purpose. Well, that wasn't a very popular idea. But I subsequently discovered that the one parking lot adjacent to the Rutgers club is, in fact, partly owned by the

State of New Jersey -- by the New Jersey Department of Transportation. The western section of that parking lot could very easily accommodate the sewage pumping facility. It's only across the road from the present site; it would-- To put the facility there would require going down, by the city engineers' calculation, an additional 12 feet -- but it could be done. And furthermore, if it were done and the New Jersey Department of Transportation leased the land to the City of New Brunswick, the New Jersey Department of Transportation would get a cash stream -- annual rent -- and the cost of the facility -- or the cost of the sewage pumping facility, the rental cost, will be borne by the people it should be borne by, namely the users of the sewage system of the City of Brunswick, and not subsidizing those users by letting the City put it in Buccleuch Park which, as I say, is protected by this deed.

So I come with-- I'm going to-- Since Mr. (indiscernible) has been so extraordinarily -- well, I shouldn't say extraordinarily, because he's always courteous -- but I came down with five copies of what I've prepared because I wanted to inform the committee as completely as possible -- the Commission, I should say -- as completely as possible about this situation, including the issue of the condition of the Buccleuch Mansion. So there are, I think, 16 or 18 photographs of the condition of the Mansion. There are a couple of photographs of the facilities associated with the sewage pumping facility.

So I don't know what can be done at this point, but my ideal is that the situation-- What I came down to request was not that you deny the permit, but that you table the motion for the time being to examine the implications of the deed involvement in this situation. It's not just simply a

Green Acres matter; it's a question of the responsibility of the State itself to uphold the provisions of the deed and see that they're not casually disregarded.

So that-- I don't know, probably--

MR. DiROCCO: Let me just jump in real quick. And I thank you very much -- very great, very useful information you provided, and I appreciate it. And I can tell you obviously have a very specific and deep interest in this project. So we did vote on it, but it doesn't mean we can't discuss it and even consider taking other action. But we have to discuss it among the Commission members.

So I wanted to ask any of the State House Commission members if they had any questions for the witness, or discussion in general about this. Is there a-- Does anyone have any impulses to do anything differently than we did? Do we want to hear from the DEP; any suggestions at all?

SENATOR CARDINALE: Well, Mr. Chairman, I believe our notes indicate -- and I just want to ask the witness -- that these points were raised previously at prior hearings. You had an opportunity to present these points at a prior hearing?

DR. NEWLING: Senator, I did attend that meeting. It was some months ago. I can't remember how completely what I raised at that meeting jibes with what I would have said today.

MR. DiROCCO: We have the notes in our packet of that meeting -- the April 7 meeting in the City of New Brunswick.

DR. NEWLING: Okay, yes. You can refer--

MR. DiROCCO: And your concerns were synopsised in our notes, and they're very similar to these that you brought for us today.

DR. NEWLING: Okay. The only difference today is that I took photographs of the mansion as recently as Saturday, December (*sic*) 8. And when it says here, in your introduction of Item 12, that the city has a budget of \$62,500 to repair the mansion, I say two things: First of all, this is a spurious offer because the City is required to keep the mansion in repair in terms of the deed; the deed says that.

SENATOR CARDINALE: Let me just tell you what our notes say. Our notes say that, one: It is not at all certain, legally, that that obligation exists. And I'm not an attorney; I want you to know what. People assume that all legislators are attorneys, but I'm a dentist.

DR. NEWLING: All right.

SENATOR CARDINALE: The attorneys have looked at the point with respect to the obligations under the original grant and have indicated that this is in full conformity; it does not violate, in legal terms, what the obligations of the State and the City are with respect to that original granting. I have no way of evaluating the -- and I don't think any of us -- whether that legal opinion is correct or it's incorrect. I think the only way you would test that legal opinion is if someone decided to bring it before a judge and have a judge look at it.

But we need to proceed on the basis of the legal opinions that we get. And I think that what we have done is in conformity with those legal opinions. We didn't take this action in any kind of frivolous manner; it's with a great deal of preparation that these things come before us. And while I am very sympathetic to the history of the situation -- I think it's a

very interesting, history -- and while I would love for all of our historic sites to be maintained to the nth degree-- I will advance to you that I have taken a great interest in historical preservation, and so has my wife to a greater extent than myself. At the same time, there's been a determination made at the sewer facility it's a very important consideration and needed to go forward because there were many problems with the old sewer facility.

And all of that is being taken into consideration. I will thank you for coming and for expressing yourself, but I for one member of this Commission, can't see that we should reverse the actions that have already been taken. And as you point out yourself, this has been done.

DR. NEWLING: Yes, but the problem is, Senator-- Mr. Chairman, may I address the Senator? The problem is it has to be done. And, you know, I don't want to overdraw the situation, but you're all familiar with the upsets that are reported in the press these days about the failure of government to address the needs of people, and the citizens in the park in New York, and so on and so forth. I agree with you that a sewage pumping facility is needed. What has-- The trouble is the legal opinion that was rendered by Mr. (ndiscernible) -- I believe was his name, from a firm in northern New Jersey -- he was very careful in the letter that he sent to the City, of which I received a copy through the Open Records Act -- in saying that he was only addressing the issue of the sewage pumping facility in the park and that it was-- And his conclusion was based upon the fact that the sewage pumping facility took no more land than the original one did. So the original one was a *fait accompli* from the 1930s and so this was a *fait accompli* by virtue of the fact it was taking no more land than that 1930's operation.

The trouble is, is I've now discovered the new facility -- the new necessary facility -- as it's being built does, in fact, take more land than the original one. And the question-- And that's what I would have brought up if I'd been not--

MR. DiROCCO: Well, in that-- And that's fine; that's information that we appreciate hearing. I know I can only speak for myself, not for the entire Commission, but from our perspective, it really doesn't matter if the diversion is a little bit larger than what's being taken. I mean, that's not the formula that we're, sort of, charged with reviewing.

DR. NEWLING: Oh, I see.

MR. DiROCCO: Our powers are very limited. Our powers are basically to -- what's being taken out of the park, what's being replaced. And that's kind of all the power we have to pass judgment on these applications, based upon that. So the esthetics of the pumping station really is not something that we're going to be able to weigh in on, and some of the legal issues regarding the deed and what's happening with the Mansion are things that are really outside of our purview. We're really faced with a diversion of user space, basically. We have a pumping station that's being replaced by something else -- happens to be another pumping station, it could be anything, really -- and we're tasked, basically, with determining whether the compensation, as provided, is adequate to address that diversion. From my perspective, personally, I'm comfortable with it. I understand your concerns; I appreciate them.

DR. NEWLING: Okay.

MR. DiROCCO: I'm comfortable with the diversion. I don't know if other members have the same level of comfort, or if there's

discomfort. It sounds like Senator Cardinale, sort of, has the same viewpoint. But that's what we're tasked with looking at, and that's where, personally, I'm coming down on the issue.

DR. NEWLING: Okay. I was-- As I say, part of my delivery had to do with the fact that I believed that -- perhaps I am wrong, because I am not a lawyer -- the Commission, as an agency of the State, had to function as if it were addressing, on behalf of the State, matters relating to a deed, incidentally in considering the Green Acres application matter; that's all.

In a certain sense, this clears the air. And, you know, environmentalists are people who win every battle except the last one. But I would say that I don't think this is the last battle over this matter. I think it's a great pity. And I'm sorry that somehow or another, though I sat here and was making notes and so on, I completely missed that you were discussing Buccleuch Park. I will dare say the recording will say -- have in it the words *Buccleuch Park*. And I -- at 77-and-a-half years of age, I think I must be beginning to lose it. But there we are. You win some and you lose some, and this--

MR. DiROCCO: Thank you, Dr. Newling, we appreciate it. And the record will reflect this conversation as well. So everything's going to be on the record for future meetings or any of the future discussions on this.

DR. NEWLING: Okay.

MR. DiROCCO: We appreciate you being here.

DR. NEWLING: For the record, do you wish to receive a copy of the report that I prepared, or was that something you--

MR. DiROCCO: I'm comfortable with receiving the report, if anyone has any problems with it-- We'll take the report; you can leave them.

DR. NEWLING: Okay.

MR. DiROCCO: Thank you.

DR. NEWLING: Okay. Thank you very much.

MR. DiROCCO: Any other items, Bob?

MR. SHAUGHNESSY: No. If there is no other public comment, then may I have-- There's no executive session, no other business, then just the motion for adjournment.

SENATOR SMITH: Motion to adjourn.

ASSEMBLYMAN BRAMNICK: Second.

MR. SHAUGHNESSY: So moved and seconded. All in favor?
(affirmative responses)

Thank you very much for your time.

(MEETING CONCLUDED)