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# *Commission Meeting*

of

## STATE HOUSE COMMISSION

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

**DATE:** December 12, 2016  
9:00 a.m.

### **MEMBERS OF COMMISSION PRESENT:**

Amy E. Melick, Chair  
Senator Bob Smith  
Senator Gerald Cardinale  
Assemblyman Paul D. Moriarty  
Assemblyman David P. Rible  
Beth Schermerhorn  
Jacki Stevens



### **ALSO PRESENT:**

Robert J. Shaughnessy Jr.  
*Commission Secretary*

Gary A. Kotler  
*Commission Counsel*

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

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MR. SHAUGHNESSY (Commission Secretary): Good morning.

Welcome to the December 12, 2016, State House Commission meeting.

In compliance with the Open Public Meetings Act, notice of this meeting was given by way of notice filed with the Secretary of State, delivered to the State House press corps, and posted at the Offices of the Commission.

At this moment, I will call the roll.

Deputy Chief Counsel Melick.

**AMY E. MELICK (Chair):** Present.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

MS. SCHERMERHORN: Present.

MR. SHAUGHNESSY: Associate Director Stevens.

MS. STEVENS: Present.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Here.

MR. SHAUGHNESSY: Senator Smith. (no response)

I understand he's on his way.

Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Here.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Present.

MR. SHAUGHNESSY: Chair, we have a quorum.

At the outset, I'd like inform that a matter has been withdrawn from this agenda -- specifically, No. 7, under Pensions Requests; under what would be the Judicial Retirement System, subparagraph 4, regarding certain appeals by certain members. That matter has been pulled from this agenda.

Also at the outset, I'd like to mention that we have received certain comments -- specifically comments to items No. 4, 5, and 6 on the agenda -- from Jean Public. They were sent Saturday, December 10; and they have been distributed to the members and are here for your consideration, and will be incorporated into the State House Commission records.

ASSEMBLYMAN MORIARTY: May I ask a question?

MR. SHAUGHNESSY: Of course, Assemblyman.

ASSEMBLYMAN MORIARTY: You said No. 7; is it 7, and then 4?

MR. SHAUGHNESSY: Yes, maybe--

ASSEMBLYMAN MORIARTY: Just that one?

MR. SHAUGHNESSY: I'm sorry if I misspoke. Right; so--

ASSEMBLYMAN MORIARTY: Okay.

MR. SHAUGHNESSY: So yes -- 7, subparagraph 4.

ASSEMBLYMAN MORIARTY: Okay. The others are still in play.

MR. SHAUGHNESSY: Yes, sir.

ASSEMBLYMAN MORIARTY: Okay; thank you.

MR. SHAUGHNESSY: So let's move on to the Old Business -- approval of the October 26, 2016, State House Commission meeting minutes. They have been distributed.

Is there a motion to approve those?

ASSEMBLYMAN MORIARTY: So moved.

MS. MELICK: Second.

MR. SHAUGHNESSY: Motion and second; thank you.

Any discussion? (no response)

All in favor? (affirmative responses)

Any opposed? (no response)

Any abstentions?

MS. STEVENS: I abstain.

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

Continuing on, under Old Business: No. 2, project RPR 12-11, Greystone Psychiatric Hospital, Block 7, part of Lot 1, Parsippany Troy Hills Township, Morris County.

Treasury is requesting that the lease to Comprehensive Behavioral Health Care, Inc., a service provider currently under contract with the Division of Mental Health Services, Department of Human Services, be amended to include Comprehensive Behavioral Health Care's use of trailer No. 22.

This project was previously approved by the State House Commission at its meeting of December 15, 2011, as the leasing of the Mountain Meadows Cottages 1 through 10. The lease term of 5 years, with two, 5-year renewals at an annual rental of \$1, was approved. The cottages will continue to be used as group homes.

Comprehensive Behavioral Health Care will, at its sole cost and expense, renovate and maintain the trailer and be responsible for all utilities

associated with its use of this space. The trailer No. 22 lease will be co-terminus with the term set forth for the existing cottages.

This matter is subject to real property review clearance, which is underway, to ensure that there is no other Department that has any interest in this trailer.

Do the members have any questions or comments about this?

(no response)

Any member from the public want to be heard on this? (no

response)

Hearing none, may I have a motion?

ASSEMBLYMAN MORIARTY: I'll make a motion.

MR. SHAUGHNESSY: Thank you, Assemblyman.

Second?

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second.

I'll call the roll.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

On to No. 3 under Old Business: Project RPR 16-04, Stockton University, Block 184, Lot 7, City of Linwood, Atlantic County.

This matter was initially presented to the Commission at its meeting of March 14, 2016. It was a request to transfer a single-family dwelling, that is currently occupied by Stockton University's Vice President for Administration and Finance, to Stockton University for \$1. The Commission did not approve this request.

The project was then presented to the State House Commission at its meeting of June 30, 2016, as a transfer of the property to Stockton University for an amount of \$125,000. The Commission, at that time, requested an enhanced offer from the University and tabled this request until a new offer was received.

Since 1970, Stockton University has paid all expenses related to the property, and continues to care for the general daily maintenance of the facility at an estimated cost of \$18,000 annually. There are significant repairs required to the property, including a new roof, water damage repairs, wood deck and trellis replacement. Due to these expenses and the costs incurred by the University for over 45 years, Stockton University offers to purchase the property from the State for the enhanced price of \$150,000.

Are there any comments by the members, or questions?

SENATOR CARDINALE: I have a comment.

MR. SHAUGHNESSY: Yes, Senator.

SENATOR CARDINALE: I think I probably have an underlying bias, because I believe that academia coddles its employees by such things as providing housing for them, as well as salaries that I think are in excess of their abilities and probably their values to our society.

Let me explain that further. A lot of talented people around this room -- experienced, educated, probably the equivalent of whoever is going to live in this house -- none of us get housing as part of our job.

I believe this attitude contributes to an overall societal problem that we have; which is that kids who go to college come out with huge debts. When I was an undergraduate student, I and my fellow students could have a part-time job and pay our tuition. And it was common; a lot of folks did that.

We have progressed in our society to a place where it's impossible for the average student to earn their way through school as a full-time student. I don't want to be an enabler of continuing this process. And so I come to this issue with a bias, okay? And I'm just explaining my bias. We have a suggested value of these premises of \$450,000. I don't know values in that area; but I know that generally the values that are being placed by the people who give us advice on values of property tend to be low.

We have somebody who watches our things, who happens to agree that most of our values are low. She just distributed some notes to us to that effect, in regard to a whole bunch of things.

I think it should be put up for sale on the open market; let them bid on it. If nobody else bids, maybe they'll get it for \$150,000; maybe they'll get it for \$1. But I think it should be put up to bid on the

market; and I may be the only one who thinks that, but I do believe that that's the way to dispose of the property.

MS. MELICK: Assemblyman.

ASSEMBLYMAN MORIARTY: Thank you very much.

I appreciate everything the Senator has said, and I rarely disagree with him on this panel. I think we have a very collegial atmosphere here, and we try to get the most money for our State.

I feel, in this instance -- I think that you do have a bias, which you acknowledge. And I want to say a few things about this property and this -- what has come before the State House Commission twice before. So just remember, they came here asking for a transfer for \$1; then it was \$125,000; and now it is \$150,000

I think that the University has shown good faith to come back here and say, "Okay; we thought we should get it for \$1 because, historically, you have transferred properties and ground on New Jersey colleges for \$1 for things that actually helped private companies profit." For example, I went back and looked at this after we decided not to allow it to go forward for \$1, and found out that we have continuously -- at least five occasions that I know of -- allowed transfers of property and assets for \$1 to public-private partnerships that ended up allowing the private part of that partnership to make a lot of money and prosper. I specifically -- I think I voted on a couple of these since I've been on this panel, where we transferred property to public-private partnerships so that they could build more dormitories. But the private part of that partnership was going to make a lot of money; and probably could have chipped in some money, but

didn't. They got it for \$1; they got the land for \$1. And then they built -- and now they're renting apartments for a few thousand dollars a month.

So I've been down -- I know where this property is; I've been to this campus. I think they're doing great work down there. I understand your bias. And who's to say that this property will continue to be a residence; it may morph into something else. But this college has spent close to \$300,000 on repairs to this property; the State has done -- as the owner, the State has done nothing to upkeep this property. They've paid about \$300,000; they're willing to pay \$150,000. And I think this is the third time before us; they've shown good faith each time. I believe that we should allow this transfer.

MR. SHAUGHNESSY: Thank you, Assemblyman.

Senator Smith is here; and we're on No. 3

SENATOR SMITH: Right; I know that. And I would like to note, for the record, that I want the State to do something about traffic on Route 1, and do it soon. (laughter)

MR. SHAUGHNESSY: Sorry about the weather and the traffic, Senator.

SENATOR SMITH: It's okay.

MR. SHAUGHNESSY: Okay; so do we have any other comments or questions from the members?

SENATOR SMITH: Just -- Department of Treasury, where are you?

MR. SHAUGHNESSY: Yes, we're under Old Business--

SENATOR SMITH: No, no; I know we're on No. 3.

MR. SHAUGHNESSY: Oh.

SENATOR SMITH: Is the Department of Treasury represented here today?

MR. SHAUGHNESSY: Yes. Stockton is here; we have both Stockton University and we have, I believe, someone from Treasury as well.

SENATOR SMITH: Yes, I'd like to hear from Treasury.

A simple question.

**ROBERT J. TIGHUE:** Sure.

SENATOR SMITH: Is this a good deal or not?

MR. TIGHUE: I think it's fair; I think it's a fair deal, based on the history of the property and the money that they've put in.

SENATOR SMITH: That's all I have.

SENATOR CARDINALE: May I--

MR. SHAUGHNESSY: Sure.

SENATOR CARDINALE: You say it's fair. We've got-- And, you know, I've never seen this property.

MR. TIGHUE: Okay.

SENATOR CARDINALE: So I can't provide any particular expertise. But we've got a note here -- which I guess was generated by your Department -- that the value is \$450,000.

MR. TIGHUE: Correct; the appraised value.

SENATOR CARDINALE: The appraised value.

I know that the appraisals that we get tend to be low.

MR. TIGHUE: I disagree with that, but--

SENATOR CARDINALE: Okay; you can disagree.

MR. TIGHUE: We will agree to disagree. (laughter)

SENATOR CARDINALE: I have seen a number of examples where I thought they were low.

MR. TIGHUE: Okay.

SENATOR CARDINALE: And I believe Senator Smith has agreed with me, from time to time--

SENATOR SMITH: We have.

SENATOR CARDINALE: --that the appraisals were low.

They make a big thing about having maintained the property. Yet they tell us that it needs a new roof; that there is water damage; that it needs some other work on it as well; that the deck is in bad shape and needs to be replaced, etc. When I look at \$150,000 that the taxpayers are going to achieve as a result of this transaction, and I look at the \$450,000 value, I say yes, it is a beneficial -- overall problem for the University to resolve by getting hold of this property and using it as remuneration, or partial remuneration, for somebody who is going to be employed there. And I understand that. But I don't see why the overall taxpayers of New Jersey need to subsidize -- beyond what we budgetarily subsidize annually at Stockton, and in that additional way, by disposing of property for less than the appraised value. And that's a point that I'd like you to address.

MR. TIGHUE: Well, you're really, kind of, putting me on the spot here with that question. (laughter)

SENATOR CARDINALE: I intended to.

MR. TIGHUE: I understand that.

I don't know if these are my policy decisions that I could defend; however, I could do the best I can to answer them.

You know, I think as Assemblyman Moriarty explained, it seems as if this particular sale and transaction is being pointed out, and we're almost trying to make an example out of Stockton. Which, to me -- I don't understand why. There has been no history of this from the Commission or from Treasury ever. And for this house sale -- this is not a huge sale we're talking about that's going to change the lives of anyone in New Jersey -- we need to make this an example.

So based on the history of the State -- the transactions that we've done in the State -- based on the fact that Stockton-- The intent of this purchase, in the beginning, was for Stockton University. And they have maintained this for 20, 30 years -- I'm not sure -- and possibly longer. And sure, it is deferred maintenance because, as you mentioned, there are budgetary issues with all universities and all State entities. So you have to prioritize where that money is going to go. So this house may not have been a number one priority, but I really can't speak to that; I don't do their budget.

But in the long run, they're willing to pay us what they consider is fair compensation. And to Senator Smith's question, I think it's a fair deal for Treasury. Now, whether or not you think you want to auction that -- what would that require? It would come into our hands. We would then have to carry the operating expenses; we would have to pay a commission to sell it for our auction process. So in the long run, do we make or lose money? I guess that would be to be seen, based on what the auction brings in. But I don't think we're really looking at much of a difference; in fact, it would probably be the best deal we could do at this point.

That's how I feel.

SENATOR CARDINALE: Thank you.

MR. TIGHUE: You're welcome.

MR. SHAUGHNESSY: Assemblyman.

ASSEMBLYMAN MORIARTY: I would just like to point out I don't -- I know you said that they supposedly are taking care of this, but they need a new roof. I don't want to go on the record as if they're not taking care of it. They replaced the roof in 1994 at a cost of \$25,000-plus. So a roof lasts about 20 years. And I think that's one of the reasons why they came before us, because they were leasing, as I recall, and they started realizing that they were going to have to put a lot of money back into this -- that it needed a new roof, that there were other repairs that needed to be made -- and they felt that before they sunk a lot more money into it, they should come here and say "Can we get the property, because we've been taking care of it forever."

So I don't think that they allowed the roof to go, and it's leaking, it's at the end of its life; and they were about to replace it anyway.

MR. TIGHUE: Exactly.

ASSEMBLYMAN MORIARTY: So there's another -- if they replaced it at \$25,900 in 1994, I don't know, maybe they can get it for that again; or it might be more money. I don't know. But I think they are maintaining the property, and I think that this is a good deal. And if there aren't any further comments, I would make a motion.

SENATOR SMITH: I second, but I think there are some comparisons to be made. How many times on the State House Commission agendas have we had buildings or properties where we've entertained a lease for \$1 a year, but the tenant is responsible to maintain the property? So

you want to do an alternative where we give Stockton a 100-year lease, \$1 a year, and just maintain the property? That doesn't seem like it's a good deal for the taxpayers. And quite frankly, this is -- it is Stockton *State* University, right?

MR. TIGHUE: Correct.

SENATOR SMITH: It's not like this is a private college -- Well, it's a free-standing, independent university; but it's Stockton State. It's not like we are unaffiliated with it as well. And you know, I take into account what the Treasury representative said -- which is, in the opinion of Treasury, a pretty fair deal.

So I'm happy to second it.

SENATOR CARDINALE: I have to comment.

SENATOR SMITH: Sure.

MR. SHAUGHNESSY: Motion, second.

Any further discussion? (laughter)

SENATOR CARDINALE: You've made it impossible for me to do what I intended to do--

SENATOR SMITH: I live to do that.

SENATOR CARDINALE: --which was to stop commenting at this point.

There is no basis in any experienced real estate operator's modus to give property away for \$1 a year, on the basis that the user is going to maintain the property. That's not how real estate businesses thrive.

I think if our President-elect were here, he would give us all a lesson on how to operate real estate that would be a great -- a different kind of basis than giving it away --

SENATOR SMITH: Every day there's a new lesson.

SENATOR CARDINALE: --on the basis of the person who's going to get to use it, maintains it. That just doesn't -- that's not part of the real estate armamentarium.

I have no further comment.

MR. SHAUGHNESSY: Okay.

SENATOR CARDINALE: I'm just simply going to--

MR. SHAUGHNESSY: All comments and discussion will be noted in the verbatim record.

So we have a motion and second.

Do any members of the public want to be heard on this matter?

I just want to open it up to the public as well. (no response)

Hearing none, I'll call the roll.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: No.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay; that matter is approved. Thank you very much.

Moving on to New Business, Department of Transportation requests, No. 4 on our agenda. Project: Route A.R.R.O.W. Staten Island Rapid Transit, part of Parcel 12B, City of Elizabeth, Union County.

DOT is requesting approval to modify an existing easement held by PSE&G on a property owned by the NJDOT. The previous easement, dated December 28, 1990, was granted by the Staten Island Railroad Corporation, prior to DOT ownership, and permitted the continued use, maintenance, operation, inspection, repair, reconstruction, relocation, renewal, and or replacement of two 230,000-volt crossings as Survey Stations 387+40 and 383+47. The modification will permit the upgrade of the two 230,000-volt crossings to 345,000 KV.

PSE&G will make payment to DOT of \$16,200, which is the appraised value.

I was just wondering if there are any members who have any comments or questions on this matter? (no response)

Hearing none, does anyone from the public want to be heard on this matter? (no response)

Hearing none as well, may I have a motion?

SENATOR SMITH: So moved.

MR. SHAUGHNESSY: Thank you.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second.

I'll call the roll.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: I'm voting "yes," but I want to point out that we are getting the appraised value. And by some magic, they are also going to maintain it. So I am voting "yes." (laughter)

MR. SHAUGHNESSY: Thank you, Senator.

Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved; thank you. And that is No. 4 on the agenda.

Moving on to No. 5, Department of Treasury requests: No. 5, project RPR 13-04, Burlington Armory, Block 156, part of Lot 11, Burlington City, Burlington County.

Treasury, on behalf of the Department of Military and Veteran Affairs, recommends the direct sale of the former Burlington Armory to the O League, a local 501(c)(3) non-profit organization that, over the past eight years, has been dedicated to providing community health and wellness services, promoting the pursuit of a well-rounded education, and providing a safe and positive environment for youth athletes of all levels. The negotiated sale price is \$225,000, which is above the appraised value of \$206,500.

Do any members have any comments or questions with regard to this? (no response)

Hearing none, any member of the public want to be heard on this?

Oh yes, sir; please come on up. If you wouldn't mind coming up and identifying yourself; thank you so much.

**S E I G H A O M U S O:** (off mike) Yes, no problem.

**MR. SHAUGHNESSY:** Both of you, as well. Thank you.

**MR. OMUSO:** Good morning, ladies and gentlemen.

This is my wife (indicates).

My name is Seigha Omuso. I just wanted to come up here and just, kind of, identify who we are so that you have an opportunity to see a face behind the request.

We're a 501(c)(3) nonprofit, as stated in the document; we've been around for about eight years. And we basically are looking to expand our level of opportunities for the kids in our district, Burlington City and Burlington County. We've been operating as a sports and education-based organization for the past eight years. As you can see on the document, we

are in collaboration with Rowan College at Burlington County; and I actually work there. We work with Rutgers University in STEM programs for youth from 3rd grade all the way up through high school. We work with college students as internship programs; we work with the New Jersey Youth Challenge as alternative programs for our kids.

So we just wanted to come up and just identify ourselves.

I'll let my wife give her introduction as well, and her background.

**S H E N E É O M U S O:** Good morning.

**MR. SHAUGHNESSY:** Good morning.

My name is Sheneé Omuso, and I am the Director of Education at the O League. By profession, I'm a Speech Language Pathologist, right here, actually, in Trenton. I have been working there, this year

We are just excited and thankful for this opportunity to present this before you. There is a great need in Burlington City for the services we provide, and have been providing, for eight years. We have tremendously grown over those eight years, from just a one-room office to now occupying a very large facility.

So we are excited to expand further, given the opportunity to do so.

Thank you.

**MR. SHAUGHNESSY:** Thank you for that. And we see that there are a number of recommendations that we've received with regard to your organization.

Okay; well thank you very much. We appreciate it.

**MS. OMUSO:** Okay.

MR. OMUSO: No problem; thank you.

MR. SHAUGHNESSY: No questions? (no response)

Thank you for your public comment.

Okay; we need a motion and a second.

ASSEMBLYMAN MORIARTY: I'll make that motion.

MR. SHAUGHNESSY: Okay; second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Senator, thank you; I appreciate that.

Motion and second.

Any further discussion? (no response)

I'll call the roll.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay; that matter is approved. Thank you very much.

And we're moving on to No. 6 on the agenda: Project RPR 17-02, Stockton University, Block 875.04, Lot 1.01, Galloway Township, Atlantic County.

Treasury recommends leasing space located on the grounds of Stockton University to American Tower for the construction, installation, and maintenance of two separate cell towers. The addition of the cell towers at this location will provide much-needed communication capacity for the University's police, faculty, students, and employees.

The terms of the lease will be for 5 years; with three, 5-year renewal options. The rent for each of the proposed towers will be \$40,000 for the first year of occupancy, with three percent annual increases based on the previous year's rent. The State will also receive 25 percent of any and all colocation fees that American Tower may receive.

So that's the matter up for your consideration.

SENATOR SMITH: Question.

MR. SHAUGHNESSY: Yes, Senator Smith.

SENATOR SMITH: The land that is being leased -- is it in the title of the State of New Jersey?

MR. SHAUGHNESSY: I believe so; I believe so. That's why it's Treasury, on behalf of Stockton University.

SENATOR SMITH: So who receives the \$40,000 per year?

MR. SHAUGHNESSY: That's a fair question; and that comes into the General Fund.

SENATOR SMITH: So it's coming to the State of New Jersey.

MR. SHAUGHNESSY: Yes, it's State money, State Budget money; that's correct.

SENATOR SMITH: Okay. And when it says, "The State will receive 25 percent of the colocation fees" -- if American Tower rents to some other cell, its cellular entity--

MR. SHAUGHNESSY: If they do--

SENATOR SMITH: --then we're entitled to 25 percent of that.

MR. SHAUGHNESSY: Correct.

SENATOR SMITH: The State of New Jersey.

MR. SHAUGHNESSY: Correct.

SENATOR SMITH: Okay.

MR. SHAUGHNESSY: The State's General Treasury.

SENATOR SMITH: Sounds great.

MR. SHAUGHNESSY: Okay.

Any further questions from the members? (no response)

Hearing none, any member of the public want to be heard on this? (no response)

Hearing none, then what we'll do is ask for a motion.

SENATOR CARDINALE: So moved.

MR. SHAUGHNESSY: Thank you, Senator.

Second?

ASSEMBLYMAN MORIARTY: Second.

MR. SHAUGHNESSY: Second; motion and second.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay; that matter is approved as well.

We are now moving to the Division of Pensions and Benefits requests.

So first, to do that, I need a motion to adjourn as the State House Commission, and to convene as the Judicial Retirement System Board.

ASSEMBLYMAN RIBLE: So moved.

MR. SHAUGHNESSY: So moved; second?

SENATOR CARDINALE: Second.

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

Any opposed? (no response)

Okay; hearing none, we are now sitting as the Judicial Retirement System Board.

We're on No. 7, small paragraph 1, approval of the minutes of the meeting held on October 20, 2016.

May we have a motion for that?

MS. MELICK: So moved.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second.

Any discussion? (no response)

Any members of the public want to be heard? (no response)

Hearing none, may I have a vote -- all in favor? (affirmative responses)

Any opposed? (no response)

Any abstentions?

MS. STEVENS: I abstain.

MR. SHAUGHNESSY: Thank you, Ms. Stevens.

ASSEMBLYMAN MORIARTY: I abstain.

MR. SHAUGHNESSY: Okay, we have two abstentions.

ASSEMBLYMAN MORIARTY: I haven't really looked at the minutes, I have to admit; and I'm not sure I was here for all of that. So I'm going to abstain.

MR. SHAUGHNESSY: So we have two abstentions. Thank you very much.

So I'll call the roll.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Abstain.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Abstain.

MR. SHAUGHNESSY: And Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay, that matter is approved.

No. 2, Confirmation of Death Claims, Retirements, and  
Survivor Benefits.

Do I have motion on that matter?

SENATOR SMITH: So moved.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second.

Any discussions? (no response)

Any members of the public want to be heard? (no response)

Hearing none, I'll call the roll.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

And then, No. 3 is the receipt of the financial statements for  
July, 2016.

Do I have a motion on that?

SENATOR CARDINALE: So moved.

MR. SHAUGHNESSY: Motion; second?

MS. MELICK: Second.

MR. SHAUGHNESSY: Motion and second.

Any discussion? (no response)

Any member of the public want to be heard? (no response)

Hearing none, I'll call the roll.

Ms. Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Ms. Schermerhorn.

MS. SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Ms. Stevens.

MS. STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Moriarty.

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

So that completes the Judicial Retirement System matters; so I need a motion to leave that and reconvene as the State House Commission.

MS. MELICK: So moved.

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Motion and second.

All in favor? (affirmative response)

Any opposed? (no response)

Okay; so we're now sitting, again, as the State House Commission.

SENATOR SMITH: What do we do with No. 4?

ASSEMBLYMAN MORIARTY: Yes.

MR. SHAUGHNESSY: I'm sorry?

SENATOR SMITH: What do we do with item No. 4?

MR. SHAUGHNESSY: Oh, pardon me.

So those have been pulled from the agenda for the time being.

SENATOR SMITH: Okay.

MR. SHAUGHNESSY: They will come back at some time. So those are pulled from the agenda today.

Okay; so next we're considering going into Executive Session to receive legal advice -- continued legal advice from the Attorney General's Office.

Do we have a motion to go into Executive Session?

ASSEMBLYMAN RIBLE: So moved.

MR. SHAUGHNESSY: So moved; second?

MS. MELICK: Second.

MR. SHAUGHNESSY: Motion and second.

All in favor? (affirmative responses)

Any opposed? (no response)

Any discussion? (no response)

Okay; please, I would ask everyone to depart the room for the time being.

MR. KOTLER (Commission Counsel): And the items being considered will remain confidential until that need no longer exists.

MR. SHAUGHNESSY: Thank you, Counsel.

**Commission goes into Executive Session at 9:38 a.m.**

**Commission returns from Executive Session at 10:04 a.m.**

MR. SHAUGHNESSY: Thank you. We have returned to Public Session, with regard to the State House Commission.

We've just received continued advice from the Attorney General's Office.

If I may, is there any discussion by the members?

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Thank you, Senator Smith.

SENATOR SMITH: Mr. Shaughnessy volunteered his soul to be the attendee of the State House Commission--

MR. SHAUGHNESSY: Yes, sir.

SENATOR SMITH: --designee for the hearings under Ogden-Rooney. And I would suggest that in whatever resolution we adopt at the next meeting, that we put his position, as Commission Secretary, as being the designee.

MS. MELICK: Yes.

SENATOR SMITH: Because people do change; Senators change, secretaries change, okay?

And then, we've looked at a couple of alternative ways in which to conduct these Ogden-Rooney hearings. I thought I heard consensus for 1a; did I miss that, or is that where everybody is?

MR. KOTLER: And would you just describe, for the record, what--

SENATOR SMITH: Well, I'll read it: 1a -- I says, "For those Green Acres conveyances for which the DEP has not yet conducted its hearing required by the Ogden-Rooney Act, the State House Commission shall conduct a Green Acres hearing for Green Acres conveyances, as to (indiscernible) to the Commission for approval by" -- and the choice that I think there was consensus for -- "holding a Green Acres hearing at the same time and place as the NJDEP conducts its hearing required by the Ogden-Rooney Act, at the Office of the NJDEP or at a location otherwise selected by the NJDEP in Trenton, New Jersey; in which instance the State House Commission shall also coordinate the mailing of notices and the scheduling

of the hearing with NJDEP, in compliance with the statutorily required time periods.”

That, I thought, was the consensus position of the-- And if that is the consensus position, do we need to do item 2, which is, “For those Green Acres conveyances for which NJDEP has already conducted its public hearings, pursuant to Ogden-Rooney, the State House Commission shall conduct a Green Acres hearing prior to the presentation of the Green Acres conveyances to the State House Commission, for approval in those instances--”

MR. KOTLER: Senator, if I may.

SENATOR SMITH: Yes.

MR. KOTLER: I see we have Judeth Yeany with us; if we could ask her a question.

Judeth, are--

MR. SHAUGHNESSY: First of all, thank you for attending today.

**JUDETH PICCININI YEANY, Esq.:** You’re welcome.

MR. KOTLER: On an off-day for you, since there were no DEP items. (laughter)

MS. YEANY: Well, we knew that the advice might be rendered today, which is why I came.

MR. KOTLER: So the question is, has DEP conducted any Ogden-Rooney hearings -- both local and the one here in Trenton -- that are complete; and the only thing that would be needed would be the Ogden-Rooney hearing to be conducted by the State House Commission?

MS. YEANY: Assuming that we still have permission to proceed with things that the State House Commission had already approved before this question was raised, then the only transaction I'm aware of where we completed the hearings, but have not gotten approval from the Commission to sell something, is the Durand Glass transaction that triggered the request for the advice.

We've been holding off scheduling hearings for other things that we have in the pipeline until this advice was rendered.

SENATOR SMITH: So back to Durand. Does that mean that we -- because there wasn't the joint hearing -- that we need to schedule a hearing?

MR. KOTLER: Well, it's -- is there any intention to have a, let's say, revised local and State Ogden-Rooney hearing for DEP, given the passage of time?

MS. YEANY: Well, that -- now that we know the advice, I can have that conversation with our management. Because certainly I think we're now dealing with an appraisal that's, probably, at least two years old. And I think there's a new Administration in Millville, so I think we've been waiting to go back to them until we knew what the advice was.

MR. KOTLER: So Senator, it appears to me -- the safe thing would be to--

SENATOR SMITH: To have the hearing.

MR. KOTLER: --is to at least get the members' input as to -- if we need to have a separate hearing, would they like that as a separate hearing by the Commission, or first or last item on the Commission agenda?

SENATOR SMITH: What are the differences between 2A and 2B again? Because that's all we're talking about, right?

MR. KOTLER: Yes, yes.

ASSEMBLYMAN MORIARTY: Well, this is a separate hearing--

SENATOR SMITH: And you just confirmed with Judeth that the only thing we're talking about here is the Durand tract.

MR. KOTLER: Right. Yes, 2A would require the members of the Commission or (indiscernible)--

SENATOR SMITH: To attend, right?

MR. KOTLER: --to attend on a day other than a meeting day.

SENATOR SMITH: Right.

MR. KOTLER: Whether it's in the State House -- if you could find a room (laughter) -- or elsewhere in Trenton; and offer the opportunity to the public to come in and make comments on that particular Green Acres matter.

The alternative would be to have that item heard -- just as a hearing item, not for determination -- as a first item or the last item in our agenda. So it's either part of the meeting or hold it separately.

SENATOR SMITH: Got it.

So am I understanding this correctly that, should we adopt 1a, everything is covered for the future? The only question is, the one item from the past--

MR. KOTLER: Correct.

SENATOR SMITH: --which is Durand Glass.

MR. KOTLER: Correct.

SENATOR SMITH: And with 2 -- item 2 on this draft, discussion item, deals only with that issue.

MR. KOTLER: Correct.

SENATOR SMITH: That's what we've identified from Judeth.

My belief is, we're not even going to have this as an item because, as she mentioned, the change in the Administration; and, I think, change in the "pressure" from developing the tract. But if that's the only item, I'd go for 2B, because this was pretty intense. I think we should have our own hearing on it if it's going to happen. I think that's down to a 20 percent probability.

ASSEMBLYMAN MORIARTY: You sure, 2B? Are you sure you don't want 2A?

MS. MELICK: Yes, it should be 2A.

ASSEMBLYMAN MORIARTY: It would be the separate hearing; 2B would be--

MS. MELICK: Right.

SENATOR SMITH: Oh.

ASSEMBLYMAN MORIARTY: --part of one of our regularly scheduled meetings, and it would be before or after.

MS. MELICK: Yes; right. Yes, I just, you know--

SENATOR SMITH: Are you sure about that?

MS. MELICK: Yes, that's what 2A is--

ASSEMBLYMAN MORIARTY: That's the way I read it.

MS. MELICK: And 2B is on, you know--

SENATOR SMITH: Holding a separate hearing. Okay, then I--

MS. MELICK: You've always asked to have them on legislative days, so--

SENATOR SMITH: Then I do 2A.

MS. MELICK: Two-A.

MR. KOTLER: Two-A -- a separate hearing, not at the State House Commission meeting.

SENATOR SMITH: Yes.

MR. KOTLER: It would be at a different time; okay.

SENATOR SMITH: But here in Trenton.

MR. KOTLER: Yes.

SENATOR SMITH: That would be my recommendation. And it's only on one item, and there's an 80 percent probability we're not even going to have it.

MS. MELICK: So--

MR. KOTLER: Is that the consensus of the members?

SENATOR SMITH: I don't know.

MR. KOTLER: No, I'm asking-- I'm looking at you. (laughter)

MS. MELICK: I would say, in terms of 1a -- which is, I think, the right way to go--

SENATOR SMITH: The right way, yes.

MS. MELICK: --to, fortunately, have the Secretary always be there and give all the members the option to attend--

SENATOR SMITH: I agree; yes.

MS. MELICK: --is the right path to go down. And then I agree that 2A would probably be a better time to arrange that, especially if it's going to be a four-hour meeting or something.

SENATOR SMITH: Yes.

MS. MELICK: You can't really do it on a legislative day.

SENATOR SMITH: Sounds great.

ASSEMBLYMAN MORIARTY: I'm good with that.

SENATOR SMITH: So the --- if there is consensus, this would be drafted with those changes; and we'd list it as an item on the next agenda of the State House Commission and give the public a chance to participate.

I feel like -- good government; my soul is glowing.

SENATOR CARDINALE: Of course, the other option is to repeal Ogden-Rooney. (laughter)

SENATOR SMITH: You want to put the bill in?

MS. MELICK: You guys can do that.

SENATOR CARDINALE: Would you schedule the hearing?

SENATOR SMITH: Yes, I will. (laughter)

SENATOR CARDINALE: Will you attend that hearing?

SENATOR SMITH: I might even vote for it. (laughter)

MR. SHAUGHNESSY: Okay. Do any other members have any comments or questions on this matter? (no response)

Now we put it to rest, I believe.

If not, I don't think there's any other business to presently come before the Commission.

So I'll take a motion to adjourn.

SENATOR SMITH: Happily.

ASSEMBLYMAN MORIARTY: So moved.

MR. SHAUGHNESSY: Second?

MS. MELICK: Second.

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

Thank you very much for your time and efforts today.

**(MEETING CONCLUDED)**