
Commission Meeting

of

STATE HOUSE COMMISSION

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

DATE: December 15, 2011
9:00 a.m.

MEMBERS OF COMMISSION PRESENT:

Dominick DiRocco, Chair
Senator Bob Smith
Senator Gerald Cardinale
Assemblyman Joseph Cryan
Charlene M. Holzbaur
Robert A. Romano

ALSO PRESENT:

Robert J. Shaughnessy Jr.
Secretary

Gary A. Kotler
Counsel



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

STATE HOUSE COMMISSION
PROPOSED MEETING AGENDA

~~ December 15, 2011, 9:00 AM ~~

Committee Room 3, First Floor
State House Annex, Trenton, New Jersey

CALL TO ORDER:

- ~ Dominick DiRocco, Assistant Counsel, Governor's Office
(on behalf of Governor Chris Christie)
- ~ Deputy State Treasurer Robert A. Romano
(on behalf of State Treasurer Andrew P. Sidamon-Eristoff)
- ~ Office of Management & Budget Director Charlene M. Holzbaaur
- ~ Senator Gerald Cardinale
- ~ Senator Bob Smith
- ~ Assemblyman Jon M. Bramnick
- ~ Assemblyman Joseph Cryan

OLD BUSINESS:

1. Approval of the October 13, 2011 State House Commission Meeting Minutes --
The verbatim record of the October 13, 2011 State House Commission meeting will serve as the official minutes.

2. RPR #04-21 and 98-15, Block 105, Part of Lot 12 (formerly Lot 7), Union Township, Union County

Requesting Party: The NJ Department of the Treasury, on behalf of Kean University, requests approval to lease approximately 2.5 ± acres of vacant land to Union Township for a parking lot.

Terms: The lease will be for \$1.00 per year for thirty years with one, thirty year renewal option. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action. This project was approved by the State House Commission at its meetings of: December 15, 1997, December 17, 1998, September 23, 1999, December 13, 1999, June 29, 2000, March 25, 2002, March 22, 2004, March 14, 2005. The summary of prior approvals are listed in the State House Commission members briefing materials.

3. RPR #05-29, Block 625, Lot 84, Plainfield Armory, Plainfield City, Union County

Requesting Party: The NJ Department of the Treasury, on behalf of the Department of Military and Veterans Affairs, requests approval to dispose of the Plainfield

Armory, which has been declared surplus to the Department's needs. This action was previously approved by the State House Commission at its meeting of June 20, 2005 for the disposal of the Armory via auction with a minimum starting bid of \$1,000,000, if no State agency or municipality was interested in obtaining the property. It was also noted that this Armory is eligible for the NJ and National Register of Historic Places and would be sold with appropriate historic building protections. The City of Plainfield was interested in purchasing the property but did not have the funds to do so.

Terms: It is now recommended that the Armory be sold via internet auction with the minimum bid being \$900,000, appraised value, and to not have the property sold with historic protections in place. It has been determined that the property is not listed on the NJ Register of Historic Places and that the proposed sale to a third party is not subject to review pursuant to the NJ Register of Historic Places Act even though there was a prior determination of eligibility in 2009. The other regulatory process that could require the State Historic Preservation Office (SHPO) review would be pursuant to Section 106 of the National Historic Preservation Act. However, this review process would only be triggered if the sale/transfer was determined to be a federal undertaking such as a federal agency retaining an interest in or providing any funding for the property. The Armory is no longer receiving any federal funds for maintenance, repairs, operating expenses, etc. and there has not been any federal mission at the base since 2009 or any other continuing interests by the federal government at the site. As a result, a Section 106 review will not be necessary and the property can be conveyed free of any historical restrictions unless it was sold ultimately to the federal government.

4. Department of Human Services' Progress in the Development of Alternative Rate Setting Methodologies

Details on the Department of Human Services' progress to date are included in each State House Commission members briefing materials.

5. Department of Human Services' Response to Hudson County Letter to State House Commission Dated October 17, 2011

Details are included in each State House Commission members briefing materials.

NEW BUSINESS:

DEPARTMENT OF HUMAN SERVICES' REQUESTS:

6. Project: County Facilities Prior Period Rate Adjustments
Requesting Party: The NJ Department of Human Services

Terms: Pursuant to Title 30:4-78, the State House Commission shall fix the per capita cost rates used by the State to pay County governments for services rendered to these individuals in County psychiatric facilities. The Department of Human

Services has developed revised per capita cost rates in accordance with provisions of the County Psychiatric Hospitals State Aid Reimbursement Methodology. The revised rates are as follows:

~ A revised Calendar Year 2010 rate was developed for Hudson County Meadowview Hospital to correct errors in reported total costs for psychiatric services provided during the Calendar Year 2008 service period.

~ A revised Calendar Year 2011 rate was developed for Runnells Specialized Hospital of Union County to correct errors in reported total costs for psychiatric services provided during the Calendar Year 2009 service period.

~ Revised Calendar Year 2010 and 2011 rates were developed for Acute Partial Hospital and Outpatient Psychiatric Services provided at Bergen Regional Medical Center to reflect corrections in the allocation of drug costs for clients receiving these services.

In this regard, the Department of Human Services is hereby recommending the following resolution for the Commission's consideration:

Whereas, pursuant to Title 30:4-78, the State House Commission shall establish rates to be charged to the State for various patients in County psychiatric facilities.

Therefore, be it resolved, that the following rates, developed in accordance with the approved County Psychiatric Hospitals State Aid Reimbursement Methodology Per Capita Cost Rates, effective January 1, 1991, be and are hereby established for the noted period. These rates are to be charged at 45% for the January 1 through June 30 service period and at 125% for the July 1 through December 31 service period for County indigent clients* and at 100% for the entire year for State indigent clients. The rates established by the State House Commission shall be predicated on compliance with the facility's Certificate of Need and its conditions as approved by the Department of Health & Senior Services. Failure to comply with any aspect of the Certificate of Need or its conditions as determined by the Department of Human Services may result in the reduction of the rate for the applicable period by 25% in each month of such non-compliance. The facility shall supply all information determined by the Department of Human Services to be necessary to monitor such compliance.

<u>Facility Name</u>	<u>Inpatient Rates**</u>	<u>Outpatient Rates***</u>
	<u>Calendar Year 2010</u>	
Hudson County Meadowview Hospital Psychiatric Services	\$837.14	NA
	<u>Calendar Year 2011</u>	
Union County Runnells Specialized Hospital	\$732.53	NA

Calendar Year 2010

Bergen Regional Medical Center:		
Acute Partial Hospital	NA	\$ 68.42****
Outpatient Psychiatric	NA	\$157.97

Calendar Year 2011

Bergen Regional Medical Center:		
Acute Partial Hospital	NA	\$ 77.01****
Outpatient Psychiatric	NA	\$172.67

- * The County indigent percentage may not exceed 85% for the year as a whole.
- ** These rates represent a per day rate.
- *** These rates represent a per visit rate.
- **** The Acute Partial Psychiatric rate represents a one-half day billing rate for these services.

7. Project: County Facilities Calendar Year 2012 Payment Rates
 Requesting Party: The NJ Department of Human Services

Terms: Pursuant to Title 30:4-78, the State House Commission shall fix the rates to be charged to the State for various patients in County psychiatric facilities. The Department of Human Services has developed revised per capita cost rates in accordance with provisions of the County Psychiatric Hospitals State Aid Reimbursement Methodology. The following rates, developed in accordance with the approved County Psychiatric Hospitals State Aid Reimbursement Methodology Per Capita Cost Rates, effective January 1, 1991, including revisions to the methodology, be and are hereby established for the calendar year beginning January 1, 2012. These rates are to be charged at 45% for the January 1 through June 30, 2012 service period and at 125% for the July 1 through December 31, 2012 service period for County indigent clients* and at 100% for the entire year for State indigent clients. The rates established by the State House Commission shall be predicated on compliance with the facility's Certificate of Need and its conditions as approved by the Department of Health & Senior Services. Failure to comply with any aspect of the Certificate of Need or its conditions as determined by the Department of Human Services may result in the reduction of the rate for the applicable period by 25% in each month of such non-compliance. The facility shall supply all information determined by the Department of Human Services to be necessary to monitor such compliance.

<u>Facility Name</u>	<u>Inpatient Rates**</u>	<u>Outpatient Rates***</u>
----------------------	--------------------------	----------------------------

Bergen Co. Regional Medical Center:		
Inpatient Services	\$716.98	NA
Geriatric Psych.	425.45	NA
Extended Acute Psych.	355.21	NA
Acute Partial Psych.	NA	\$114.74****
Outpatient Psych.	NA	245.85

Buttonwood Hospital of Burlington County	521.19	NA
Camden County Health Services Center Psychiatric Services	730.51	NA
Hudson County Meadowview Hospital Inpatient Services	849.47	NA
Essex County Hospital Center Inpatient Services	710.48	NA
Union County Runnells Specialized Hospital	756.95	NA

* The County indigent percentage may not exceed 85% for the year as a whole.

** These rates represent a per day rate.

*** These rates represent a per visit rate.

**** The Acute Partial Psychiatric rate represents a one-half day billing rate for these services.

8. Project: State Facilities Calendar Year 2012 Payment Rates
Requesting Party: The NJ Department of Human Services

Terms: Pursuant to Title 30:4-78, the State House Commission shall fix the rates to be charged to Counties for various clients residing in State institutions and programs, pursuant to the Commissioner of Human Services' recommendations. This is also in accordance with the provisions of the Rate Setting Methodology for Establishing State Psychiatric Hospital, Developmental Center and Residential Functional Service Rates, effective January 1, 1991, including revisions to the methodology, are hereby established for the calendar year beginning January 1, 2012:

<u>Facility Name</u>	<u>County Rate (Per Diem)</u>	
State General Psychiatric Hospitals	\$474.38	(1)
Ann Klein Forensic Center	337.02	(1)
Community Mental Health Center of UMDNJ	510.49	(2)
State Developmental Centers	190.27	(3)
Residential Functional Services	138.19	(3)

Notes:

- (1) This rate is billed to Counties for all applicable inpatient days and includes credits and/or debits to reflect recoveries from the Medicare Part B program. Other applicable third party recoveries are refunded separately to Counties when received by the facility.

- (2) This rate is billed to Counties for all applicable inpatient days and does not include any credits to reflect recoveries from third party payers. Applicable third party recoveries are refunded separately to Counties when received by the facility.
- (3) This rate is billed to Counties for all applicable inpatient days and includes applicable credits to reflect recoveries from the Medicaid and Medicare programs.

DEPARTMENT OF TREASURY REQUESTS:

9. RPR #12-11, Block 7, Part of Lot 1, Greystone Psychiatric Hospital, Parsippany Troy Hills Township, Morris County

Requesting Party: The NJ Department of the Treasury, on behalf of the Department of Human Services, requests approval to lease the Mountain Meadows Cottages, #1 through #10, located on the grounds of the Greystone Psychiatric Hospital to Comprehensive Behavioral Health Care, Inc., a service provider currently under contract with the Division of Mental Health Services. This is a continuation of Lease (RPR 03-28), which has expired. The cottages will continue to be used as group homes.

Terms: The lease will be for five years with two, five year renewal options at an annual rental of \$1.00 with Comprehensive Behavioral Health Care, Inc., being responsible for all utilities associated with their use of the space. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

10. RPR #12-12, Ramapo College of New Jersey, Block 18, Part of Lot 3, Mahwah Township, Bergen County

Requesting Party: The NJ Department of the Treasury, on behalf of Ramapo College of New Jersey, requests approval to grant permanent utility easements to Ramapo Solar LLC, a subsidiary of National Energy Partners, for the installation and maintenance of underground electrical conduits to supply electric to a proposed solar photovoltaic system.

Terms: As provided by the NJ Economic Stimulus Act of 2009, Ramapo College is planning to enter into a public private partnership under which the private partner, Ramapo Solar LLC will install, at its expense, solar panels on college grounds and on the roofs of certain college buildings and sell back to the college electricity generated by the panels. Ramapo Solar LLC will also pay for the re-roofing of several academic buildings and a residence hall, a project that is valued at over \$2.2 million. Since this action directly benefits the State, the easements will be granted for \$1.00. Real Property Review clearance will be completed if no Department or Agency expresses formal interest or possible conflict with the proposed action.

11. RPR #12-13, The College of New Jersey, Block 215, Lots, 34, 35, 39, 104, Part of Lots 32, 33, 36, 38, 97, 106, 109, Ewing Township, Mercer County

Requesting Party: The NJ Department of the Treasury, on behalf of The College of New Jersey, requests approval to convey 6.5 ± acres of vacant land and improvements to The College of New Jersey for a public/private partnership development of the "Campus Town Project", which will include student housing and retail space.

Terms: The College of New Jersey requests the property be conveyed for \$1.00 instead of the appraised value of \$165,000, on the premise that the College is itself a State entity. This property and the other land to be developed by the College is located entirely on its campus, has been solely used and occupied by the College and is contiguous with and to other College owned lands. There is precedent for this request as the State House Commission approved a similar conveyance to Montclair State University for \$1.00 for the development of its student housing project. Real Property Review clearance will be completed if no Department or Agency expresses formal interest or possible conflict with the proposed action.

12. RPR #93-33, Block 959, Lot 2, Wall Township, Monmouth County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Robin Ennis for \$935 per month for a term of one year with four one year renewal options with annual increases based on the Consumer Price Index for housing.

Terms: This property is a one bedroom, one bath apartment. Mrs. Ennis has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

13. RPR #93-42, Block 1902, Lot 3, Hampton Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Jean Michael for \$450 per month for a term of one year with four, one year renewal options with annual increases based on the Consumer Price Index for housing.

Terms: This property is a one bedroom, one bath, ranch style single family house. Ms. Michael has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

14. RPR #93-51, Block 370, Lot 5, Byram Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Ann Sobel for \$1,720 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, ranch style single family house. Ms. Sobel has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

15. RPR #93-52, Block 2801, Lot 41, Mt. Olive Township, Morris County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to James Smith for \$1,190 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, ranch style single family house. Mr. Smith has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

16. RPR #93-62, Block 902, Lot 10, Allamuchy Township, Warren County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Joanne and Michael Providakis for \$840 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, 1.5 bath, ranch style house. Mr. and Mrs. Providakis have been tenants since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

17. RPR #93-64, Block 902, Lot 84, Allamuchy Township, Warren County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Jeffrey and Dolly Snyder for \$1,210 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, two bath, ranch style single family house. Mr. and Mrs. Snyder have been tenants since 1993. Facts supporting this rental

figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

18. RPR #93-78, Block 901, Lot 105, Allamuchy Township, Warren County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Mary Ann Goodstein for \$1,040 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, ranch style single family house. Ms. Goodstein has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

19. RPR #93-90, Block 55, Lot 13.1, Branchburg Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Bruce and Roberta Lake for \$1,260 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, ranch style single family house. Mr. and Mrs. Lake have been tenants since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

20. RPR #93-94, Block 58, Lot 15, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Augustine and Maureen Scafidi for \$1,100 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a two bedroom, one bath, ranch style single family house. Mr. and Mrs. Scafidi have been tenants since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

21. RPR #93-96, Block 58, Lot 16, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Vivian Shields for \$1,225 per month for a term of one

year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, ranch style, single family house. Ms. Shields has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

22. RPR #93-97, Block 74.01, Lot 10, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Middlebush Farms for \$1,100 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, two story, single family house. Middlebush Farms have been tenants since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

23. RPR #93-98, Block 102, Lot 1.10, Bridgewater Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to George Brickman and Laurie Morse for \$1,065 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a two bedroom, one bath, ranch style, single family house. Mr. Brickman and Ms. Morse have been tenants since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

24. RPR #93-100, Block 57.01, Lot 12, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Steven and Anna Brenner for \$1,600 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, 2.5 bath, ranch style, single family house. Mr. and Mrs. Brenner have been tenants since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

25. RPR #93-106, Block 85, Lot 10, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Anna Higgins for \$1,325 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, ranch style, single family house. Ms. Higgins has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

26. RPR #93-107, Block 58, Lot 3, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to John Van Cleef for \$1,100 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a two bedroom, one bath, two story single family house. Mr. Van Cleef has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

27. RPR #93-109, Block 57.01, Lot 1, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Ellen Wilson for \$1,300 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, 1.5 bath, ranch style house with a detached garage. Ms. Wilson has been a tenant since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

28. RPR #93-111, Block 4, Lot 1, Upper Freehold Township, Monmouth County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Ernest and Marion Stillwell for \$885 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing.

Terms: This property is a three bedroom, one bath, two story single family house. Mr. and Mrs. Stillwell have been tenants since 1993. Facts supporting this rental

figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

29. RPR #95-14, Block 370, Lot 3, Byram Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Ruth Stewart for \$1,210 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a two bedroom, 1 bath, ranch style single family house. Ms. Stewart has been a tenant since 1994. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

30. RPR #97-33D, Block 67, Lot 3, Branchburg Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Debra Cook for \$860 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a one bedroom, one bath apartment. Ms. Cook has been a tenant since 1997. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

31. RPR #98-26, Block 37.02, Lot 49, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Robert Acosta for \$1,500 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, one bath, ranch style single family house. Mr. Acosta has been a tenant since 1998. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

32. RPR #98-60, Block 1001.01, Lot 115, Allamuchy Township, Warren County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Richard and Diane Millman for \$1,320 per month for a

term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, 2 bath, split level style house. Mr. and Mrs. Millman have been tenants since 1998. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

33. RPR #00-33, Block 366, Lot 5, Byram Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Donald Dolan Sr. for \$820 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a one bedroom, one bath, duplex. Mr. Dolan has been a tenant since 2001. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

34. RPR #00-34, Block 37.02, Lot 48, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Eugene and Doris Gambrell for \$1,650 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, 1.5 bath, ranch style, single family house. Mr. and Mrs. Gambrell have been tenants since 2000. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

35. RPR #00-35, Block 366, Lot 5, Byram Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Donald Dolan, Jr. for \$940 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a two bedroom, one bath, duplex. Mr. Dolan has been a tenant since 2001. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

36. RPR #01-02, Block 800, Lot 2, Mt. Olive Township, Morris County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Charles and Joyce Applegate for \$910 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a two bedroom, 1.5 bath, ranch style house. Mr. and Mrs. Applegate have been tenants since 1993. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

37. RPR #01-37, Block 901, Lot 8, Allamuchy Township, Warren County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to David and Linda Bell for \$1,410 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a five bedroom, two bath, cape cod style house. Mr. and Mrs. Bell have been tenants since 2001. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

38. RPR #02-01, Block 366, Lot 6, Byram Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Jefferson Lakes Camp and Travel Co. for \$1,320 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, one bath, ranch style house with a three car garage. Jefferson Lakes Camp and Travel Co. have been tenants since 2001. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

39. RPR #02-34, Block 158, Lot 7, Wantage Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Patrick and Patricia Saski for \$1,130 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a four bedroom, 1.5 bath, single family house with a two car garage. Mr. and Mrs. Saski have been tenants since 2002. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

40. RPR #03-29, Block 67, Lot 3, Branchurg Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Edward Krutsick for \$925 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a one bedroom, one bath apartment. Mr. Krutsick has been a tenant since 2003. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

41. RPR #04-06, Block 74.01, Lot 17, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Scott and Barbara Hewitt for \$1,700 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, 2 1/2 bath, ranch style, single family house. Mr. and Mrs. Hewitt have been tenants since 1994. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

42. RPR #05-09, Block 902, Lot 58, Allamuchy Township, Warren County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Jeffrey McNeel for \$1,410 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, two bath, single family house. Mr. McNeel has been a tenant since 2005. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

43. RPR #05-23, Block 57.01, Lot 55, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Elbereth LLC, d.b.a. Bug Juice Properties, for \$1,200 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, one bath, ranch style house. Bug Juice Properties has been a tenant since 2005. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

44. RPR #06-08, Block 37.02, Lot 50, Franklin Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Linda Paul, for \$1,500 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a two bedroom, one bath, ranch style house. Ms. Paul has been a tenant since 2006. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

45. RPR #06-22, Block 67, Lot 3, Branchburg Township, Somerset County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Florence and Andrew Bailey for \$860 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a one bedroom, one bath apartment. Mr. and Mrs. Bailey have been tenants since 1996. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

46. RPR #07-06, Block 958, Lot 8, Wall Township, Monmouth County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Kira and Jeremy Lang for \$935 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a one bedroom, one bath apartment. Mr. and Mrs. Lang have been tenants since 2006. Facts supporting this rental figure are included in each

State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

47. RPR #10-10, Block 158, Lot 7, Wantage Township, Sussex County

Requesting Party: The NJ Department of the Treasury requests approval to lease a DEP residential property to Robert and Laurie Lendenmann for \$1,480 per month for a term of one year, with four, one year renewal options, with annual increases based on the Consumer Price Index for housing purposes.

Terms: This property is a three bedroom, 1.5 bath, two story, single family house. Mr. and Mrs. Lendenmann have been tenants since 2010. Facts supporting this rental figure are included in each State House Commission members' briefing materials. Real Property Review clearance was completed with no Department or Agency expressing formal interest or possible conflict with the proposed action.

DEPARTMENT OF ENVIRONMENTAL PROTECTION (DEP) REQUESTS:

48. Project: Wharton State Forest, Block 266, Lot 3, Waterford Township, Camden County

Requesting Party: The NJ DEP, Division of Parks & Forestry, requests approval to enter into a ground lease with Western Pacific Broadcasting, LLC (Western) for the operation of commercial television transmitting facilities, broadcasting tower and necessary appurtenances. The lease involves the reuse of a commercial broadcasting tower that has existed on the site since the early 1980's. The lease will be for 20 years.

Terms: The annual rental payment is \$27,000 with a 3% increase each year, plus 30% of gross revenue from co-locators (subtenants). Under the terms of the lease, the tenant would not have to provide any revenue it receives under the agreement with an existing co-locator, Cricket Communications, but would have to share 30% of the gross revenue with DEP for any new co-locators on the tower. If Western Pacific Broadcasting assigns the lease to its parent company, the parent company would not have to share 30% of the revenue it generates from allowing Western to use the tower.

49. Project: Swartswood State Park, Block 1901, Lot 9 (p/o), Hampton Township, Sussex County

Requesting Party: The NJ DEP, Division of Parks & Forestry, requests approval to dispose of a 0.052 ± acre of land in order to resolve a building encroachment that occurred due to a deed and survey error. The parcel will be sold to Patricia Cholasta, the adjacent property owner (Block 2104, Lot 8) for \$2,821.25, fair market value as determined by appraisal). In addition, the DEP proposes to lease to Ms. Cholasta, for a term of 10 years, a 0.188 acre parcel currently being used as her front yard at an annual rental of \$820 as determined by the appraisal.

Terms: As part of the compensation for the conveyance and lease, Mrs. Cholasta shall execute a Right of First Refusal, giving the DEP first option to purchase Block 2104, Lot 8, at fair market value in the event she decides to sell her house. As a condition of this transaction, the buyer is responsible for the cost of the survey and all other technical costs.

50. Project: Tuckahoe Wildlife Management Area, Block 7602, Lot 29 (p/o), Egg Harbor Township, Atlantic County

Requesting Party: The NJ DEP, on behalf of Atlantic County, requests approval to divert a total of 0.200 ± acre of land in fee within the Tuckahoe Wildlife Management Area to Atlantic County in connection with the replacement and realignment of County Bridge EH-21 on County route 559 over English Creek in Egg Harbor Township.

Terms: The value of the area to be conveyed was calculated based on its current assessed value as the appraisals for the project have not yet been completed. Because the roadway is now closed due to the failure of the existing bridge structure, this project is moving forward on an emergency basis and an expedited schedule has been implemented for replacement of the bridge to re-open the roadway. The estimated per acre value for the subject lot is \$8,526.64, based on the current assessed value of the parcel. Applying the per acre value, the estimated value of the 0.200 ± acre of State property to be conveyed is approximately \$1,705.33.

To compensate, the County will provide \$5,000 in materials and delivery costs to improve access to the Great Egg Harbor WMA by securing approximately 333 tons of crushed concrete (at \$0.15 per ton) and delivering it to the site. In addition, the bridge design includes a raised profile to allow sufficient clearance for recreational boats utilizing English Creek to pass under the bridge structure, thereby increasing public access to the WMA. Proposed improvements include bicycle and pedestrian compatible through an increased shoulder width providing additional recreational opportunities.

51. Project: Campgaw Mountain County Reservation (Franklin Lakes Section), Block 1602, Lot 1, Franklin Lakes Borough, Bergen County

Requesting Party: The NJ DEP, on behalf of Bergen County, requests approval to allow the County to grant easements totaling 2.922 ± acres to United Water New Jersey, Inc. (United) on a portion of Campgaw Mountain County Reservation in order to allow United to construct a ground level 3 million gallon usable water storage tank and ancillary facilities on a disturbed portion of the park.

Terms: To compensate, United will pay \$2,545,000 for the acquisition of 13.862 acres of replacement land. The appraised value of the parkland interests proposed to be transferred to United is \$732,000. United will construct, at the approximate cost of \$575,000, a 2,700 foot long water line and pump station to provide water service to the County riding stables located on the northern portion of the park.

The approval of the proposed diversion is subject to the following:

- 1) Bergen County must obtain approval from the National Park Service and General Services Administration to amend an existing federal deed restriction on the area proposed for diversion.
- 2) A portion of the proposed replacement property (approximately 0.958 acres) is encumbered with a future roadway right of way, future right of way extension and temporary cul-de-sac. Franklin Lakes Borough will vacate this area by ordinance within six months of State House Commission approval and prior to transferring ownership of the replacement parcel to Bergen County.
- 3) An existing non-exclusive 0.08 acre driveway easement across Block 1109, Lot 1, for use by an adjacent private property is proposed to be expanded to contain a total area of 0.10 acres. The granting of the expanded easement area for use by the adjacent private property owner must be recorded prior to transferring ownership of the replacement parcel to Bergen County.

The Green Acres rules require applicants for major diversions or disposals to conduct two public hearings. The first was a scoping hearing and is conducted by the applicant prior to filing a pre-application for the proposed diversion/disposal with Green Acres. The second public hearing is called the final hearing and is conducted by the applicant after Green Acres has completed its application review.

Prior to the scoping hearing, Bergen County conducted a community outreach meeting on Saturday, January 23, 2010. The scoping hearing was then held on March 18, 2010. After extensive discussions with Green Acres about the proposed diversion, the final Green Acres hearing was held on September 14, 2011.

The Bergen County Department of Parks, acting on the County's behalf, conducted a public hearing on September 14, 2011 that combined the first Local Lands and Building Hearing with the Green Acres final hearing. Two weeks later, on September 28, 2011, the County Parks Department held the second hearing required under Local Lands and Building Law. No one attended the second Local Lands and Buildings hearing.

Approximately 25 people attended the community outreach meeting and the Green Acres mandated scoping and final hearings. Approximately half the attendees asked logistical questions about the proposed water tank. All questions were responded to by the County without further comment from the public. No one objected to the project at any of the public hearings. A summary of the comments made at the hearings are included in each State House Commission members' briefing materials.

DEPARTMENT OF TRANSPORTATION (DOT) REQUESTS:

52. Project: Route 29, Section 6, Parcel VX27A2, VX28A2, VX29A2, VX30B, VX33A2 & VX34, Adjacent to Block 1082, Lot 6, Lambertville City, Hunterdon County

Requesting Party: The NJ Department of Transportation (DOT), Division of Right of Way and Access Management, Property Management Unit, requests approval to

sell by direct sale to the adjoining property owners, Daniel Connelly and Amy Reynolds of 65 Grants Alley, Lambertville, parcels containing approximately 0.0876 acres (3,816 square feet) to be assembled to their residential yard.

Terms: The recommended sale amount shall be \$1,600, fair market value.

53. Project: Route S100 (AKA Route 1 & 9), Block 8, Adjacent to Lot 1299K, Parcel VX2B1B, Elizabeth City, Union County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, requests approval to lease with an option to acquire a site identified as Parcel VX2B1B of the Route S100 Project to 901 Spring Street LLC, the adjoining property owner (Jason Cheng, managing member, 2025 Lincoln Highway (Rt. 27), Edison, NJ), for assemblage to their developed commercial property, a hotel, for the continued use as employee and customer parking. The parcel contains approximately 26,092 square feet (0.599 acres).

Terms: The lease will be month to month at a monthly rental of \$5,275 with an option to acquire the property for the recommended sale price of \$595,000. The option to acquire the property will be for one year from the date the lease is executed.

54. Project: Route 33, Section 7, Parcel VX5C2, Block 164, Part of Lot 1, Howell Township, Monmouth County

Requesting Party: The NJ Department of Transportation, Division of Right of Way, Property Management Unit, requests approval to sell by direct sale to the adjoining property owner, Joseph Roda of #1 Howell Road, Howell Township, a 994 square foot parcel located adjacent and behind his residential property in order to add to his residential property to allow for access to the residential street behind his property.

Terms: The recommended sale amount shall be \$2,250, appraised value.

55. Project: Route 40, (AKA Route 70), Section 10 & 11, Parcels VXW47B, VXW48B & VX120B, Block 1085, Adjacent to Lot 1, Lakewood Township, Ocean County

Requesting Party: The NJ Department of Transportation, Division of Right of Way, Property Management Unit, requests approval to sell by direct sale to the adjoining property owner, Future's Trust Realty Associates, (Principal Managing Members: Harvey N. Karen of Wall, NJ and Peter Falk of Interlaken, NJ), a 10,503 square foot parcel for assemblage to their adjoining undeveloped commercial property to increase the overall size of their property for possible future commercial development.

Terms: The recommended sale amount shall be \$58,000. The appraised value is \$57,600.

DIVISION OF PENSIONS AND BENEFITS' REQUESTS:

56. Judicial Retirement System -
Requesting Party: The NJ Department of the Treasury, Division of Pensions & Benefits

Terms: The State House Commission shall sit as the Board of Trustees for the Judicial Retirement System to approve the following:

1. Approval of the Minutes of the Meeting Held on October 13, 2011.
2. Confirmation of Death Claims, Retirements & Survivor Benefits.
3. Financial Statements for Period of June, 2011 to August, 2011.

EXECUTIVE SESSION (as necessary)

OTHER BUSINESS (as necessary)

ADJOURNMENT

TABLE OF CONTENTS

	<u>Page</u>
Joel D. TeBeest Director of Finance Office of Finance New Jersey Department of Human Services	8
Marci D. Green, Esq. Administrator Office of Leases Natural and Historic Resources New Jersey Department of Environmental Protection	19
Caroline Armstrong Bureau of Legal Services and Stewardship Green Acres Program New Jersey Department of Environmental Protection	26
James Darrar Supervisor Relocation and Property Management Division of Right of Way and Access Management New Jersey Department of Transportation	30
pnf:1-39	

MR. SHAUGHNESSY (Secretary): Good morning, ladies and gentlemen. This is the December 15, 2011 State House Commission meeting.

Thank you for your patience. May I read the Open Public Meeting Act?

DOMINICK DiROCCO (Chair): Yes. Good morning, everyone. Sorry for the delay.

Mr. Shaughnessy, please read the Open Public Meetings Act and take a roll.

MR. SHAUGHNESSY: In compliance with the Open Public Meeting 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 in the Office of the State House Commission.

I will take 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.

SENATOR SMITH: Here.

MR. SHAUGHNESSY: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Here.

MR. SHAUGHNESSY: And Assemblyman Bramnick. I believe he has a commitment right now; he may be here soon.

There is a quorum; thank you very much.

First, under old business: We have three items under old business, and I may take some things out of order just for expediency, but we'll try to move as expeditiously as possible.

Under old business, approval of the October 13, 2011 State House Commission meeting. Do I have a motion on that?

SENATOR SMITH: So moved.

MR. SHAUGHNESSY: A second?

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: All in favor?

ALL: Aye.

MR. SHAUGHNESSY: Any opposed or abstentions?

ASSEMBLYMAN CRYAN: Abstain.

MR. SHAUGHNESSY: Thank you, Assemblyman.

Okay, next -- going on to No. 2 under old business: RPR 04-21 and 98-15, Block 105, part of Lot 12 -- formerly Lot 7 -- Union Township, Union County. Treasury, on behalf of Kean University, requests approval to lease approximately 2.5 plus-or-minus acres of vacant land to Union Township for a parking lot. The lease is proposed to be for \$1 per year for 30 years, with one 30-year renewal option. The summary of the prior approvals are listed in the State House Commission members briefing. We have representatives here on behalf of Kean if need be. Otherwise, I will move that for your consideration.

Any discussion?

SENATOR CARDINALE: So moved.

ASSEMBLYMAN CRYAN: Second.

MR. SHAUGHNESSY: Motion and second.

Any further discussion on this matter? (no response)

Okay, I'll call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy 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 Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: That matter is approved.

Okay, next is No. 3 -- it's RPR 0-- It's under old business again, No. 3 -- 05-29, Block 625, Lot 84, Plainfield Armory, Plainfield City, Union County. Treasury, on behalf of the Department of Military and Veterans Affairs, requests approval to dispose of the Plainfield Armory, which has been declared surplus By DMVA. Action was previously approved by the State House Commission at its meeting of June 20, 2005, for the disposal of the Armory via an auction, with a minimum starting bid of \$1 million, if no State agency or municipality was interested in obtaining

the property. It was also noted that the Armory is eligible for the New Jersey and National Register of Historic Places and would be sold with appropriate historic building protections.

Since 2005, we've obtained a current 2011 fair market appraisal; it is now being recommended that the Armory be sold via an internet auction with the minimum bid being \$900,000, which is a net liquidated appraised value, and to not have the property sold with historic protections in place. It's has been determined the property is not listed on the New Jersey Register of Historic Places and that the proposed sale to a third party is not subject to review pursuant to the New Jersey Register of Historic Places.

Do we have any questions or comments about this matter? (no response)

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

May I have--

SENATOR SMITH: Motion.

MR. SHAUGHNESSY: Motion; thank you, sir.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Okay, motion and second.

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 Cryan.

ASSEMBLYMAN CRYAN: Yes.

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

On to--

SENATOR SMITH: Before you go onto your next item--

MR. SHAUGHNESSY: Yes, sir, Senator Smith.

SENATOR SMITH: Unfortunately, I have an 11 o'clock meeting on some important legislative issues. I'd like to be-- I've reviewed the agenda; I'd like to be recorded in the affirmative on all items except No. 51. It's not that I'm necessarily opposed to it, but I want to have a little bit of a discussion about it, get some questions answered. So if you would record me in the affirmative on all other items, I wish you adieu and happy holidays.

MR. DiROCCO: Thank you, Senator.

MR. SHAUGHNESSY: Okay, let's move on.

Items 4 and 5 under old business are not particularly action items, but informational items. No. 4 is Department of Human Services' progress in the development of alternative rate-setting methodologies. We have representatives from DHE here if need be. But the details on the Department of Human Services' progress and data are included in each State House Commission member's briefing binder.

Do we have any questions or comments on this? (no response)

If not, we'll move on to old business No. 5, which again is a non-action item: it's Department of Human Services' response to Hudson County letter to State House Commission dated October 17, 2011. DHS' response is included in each State House Commission member's briefing binders.

Do we have any discussion, comments on that matter? (no response)

Okay, hearing none, we'll be moving on under new business.

Again, we're moving on to new business portion of the agenda.

Department of Human Services requests.

No. 6, No. 7, as well as No. 8 relate to this matter. No. 6: County facilities prior-period rate adjustments. The requesting party is the New Jersey Department of Human Services. Pursuant to Title 30:4-78, the State House Commission shall fix the per capita costs used by the State to pay county governments for services rendered to these individuals in county psychiatric facilities. The Department of Human Services has developed revised per capita cost rates as more particularly set forth in the members' materials.

So we move that for your consideration.

Any comments, public comment? (no response)

May I have a motion?

SENATOR CARDINALE: Well, I have a comment that I'd like to make.

MR. SHAUGHNESSY: Yes, Senator Cardinale.

SENATOR CARDINALE: I'm not going to oppose this, but I still continue to be confused by the very wide disparity from one place to another. I mean, there's something wrong. I know that you're working on a better way to set these rates, but where you have rates for in-patient psychiatric of \$700 in one place, and \$500 in another place, and \$800 in another place, it does not seem to me that there is any rhyme or reason to those disparities. You might say that Burlington County is a little less expensive to operate, but the rest of them are all pretty close to one another geographically. I just don't understand. And I'd just like to go on record as, maybe, encouraging you to find a better process, which I know you are working on.

MR. DiROCCO: Yes, Senator, we had a discussion about this at a previous meeting.

SENATOR CARDINALE: We did.

MR. DiROCCO: We did, and I know our frustration -- all of us, collectively -- last time was *a)* that why does this matter even have to come before the State House Commission? None of us are particularly, I think, well-versed in this dense topic. And it seems to be, sort of, a vestigial issue in statute that saddles this Commission with this determination. And we had also discussed, perhaps, with the Legislators on the panel about maybe considering pursuing some sort of legislation to find a different way for these rates to be set year-to-year so that we don't have to come back every year and sort of question what is going on. But we do have Human Services representatives here who might be able to--

SENATOR CARDINALE: I don't want to delay the meeting because I understand the long agenda and the timeframes, and I don't think

we'll learn enough. But I would hope that the various departments would continue to work on getting a more consistent approach to these things. I don't think we ought to be rewarding, with higher payments, inefficient places; or penalizing, with lower rates, places that are running efficiently. I think we ought to take as a model the places that are running efficiently and use that model, or cause other places to use that model, in designing their operations so that we would have the taxpayers being protected to the extent that it's possible.

MR. DiROCCO: Okay, thank you, Senator.

Any other comments or questions on this?

ASSEMBLYMAN CRYAN: I just have--

MR. DiROCCO: Assemblyman.

ASSEMBLYMAN CRYAN: --a general question.

There was-- As I read some of these notes, there was going to be a meeting yesterday -- did I read that right? Did we have an agreement anywhere, on anything?

MR. DiROCCO: Maybe we can ask DHS to give us a quick synopsis on that. The meeting was between the Department of Human Services and, I believe, some county representatives; and I don't know the result, or if there was a resolution on that. Maybe we can get a quick update.

J O E L D. T e B E E S T: Is this turned on? (referring to PA microphone.)

Yes, we did meet yesterday. It was a follow-up on our continuing set of meetings with this Commission -- or this Committee. The sense is: we need more time. That's not just coming from me; that's coming

from the counties and the county hospitals. We've spent a lot of time reviewing the methodology we have; you know how complicated it is. All the questions that you brought up are brought up in Committee.

ASSEMBLYMAN CRYAN: Can I interrupt just in the--

MR. TeBEEST: Yes.

ASSEMBLYMAN CRYAN: --aspect of time. Is there a commitment, moving forward, to continue on this process--

MR. TeBEEST: Yes.

ASSEMBLYMAN CRYAN: --from you folks and everyone involved?

MR. TeBEEST: Yes.

ASSEMBLYMAN CRYAN: Then I'm good.

MR. DiROCCO: Thank you, Assemblyman.

Any other discussion or issues at this point? (no response)

Can we open the meeting to the public?

MR. SHAUGHNESSY: Any public comment with regard to item No. 6 on the agenda? Anyone wishing to comment? (no response)

MR. DiROCCO: Roll?

MR. SHAUGHNESSY: Do I have a motion?

MR. DiROCCO: We need a motion, I guess.

MR. SHAUGHNESSY: Do I have a motion?

SENATOR CARDINALE: Motion.

ASSEMBLYMAN CRYAN: Second.

MR. SHAUGHNESSY: Motion and second; 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, I'll note, has been marked in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Do you have enough votes to pass it?

MR. SHAUGHNESSY: We have three, four--

ASSEMBLYMAN CRYAN: Then I'm a "no."

MR. SHAUGHNESSY: Yes.

Okay, so Assemblyman Cryan has been marked "no."

Thank you.

We're moving on to No. 7 on the agenda.

The project is the county facilities Calendar Year 2012 payment rates. The requesting party is the New Jersey Department of Human Services. Pursuant to the same title as previously mentioned, the State House Commission shall fix the rates to be charged to the State for various patients in county psychiatric facilities. DHS has developed revised per capita cost rates in accordance with provisions as more particularly set forth in the membership materials.

Any public com-- Any member comment on this?

SENATOR CARDINALE: Same comments as the prior, and I don't think we need any more explanation than that. They are continuing to pursue a methodology which will result in a more equitable distribution of these monies from county to county.

MR. SHAUGHNESSY: So do-- Are there any public comments? Anyone here in the public to comment on No. 7 on the agenda? (no response)

Okay, may I have a motion?

SENATOR CARDINALE: I'll move it.

MR. SHAUGHNESSY: Second?

ASSEMBLYMAN CRYAN: Second.

MR. SHAUGHNESSY: Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has been marked in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: No.

MR. SHAUGHNESSY: That matter is approved.

Okay, No. 8 -- the remaining one of these three matters. No. 8: State facilities Calendar Year 2012 payment rates. Requesting Party, DHS. Pursuant to same statute, the State House Commission shall fix the rates to be charged to counties for various clients residing in State institutions and programs, pursuant to the Department of Human Services' recommendations as more particularly set forth in the members' booklets.

Is there any member comment on this?

SENATOR CARDINALE: I will repeat the comment as was made with respect to the prior two items.

MR. SHAUGHNESSY: Thank you, Senator; it's in the record.

SENATOR CARDINALE: I move the--

ASSEMBLYMAN CRYAN: I just have a--

SENATOR CARDINALE: Go ahead; I'm sorry.

ASSEMBLYMAN CRYAN: I'm sorry; a quick question.

Are there any of these cuts in the psychiatrics that it's been noted to you folks has an impact in care? These are all cuts, right? I mean, these are all reduced rates -- is that right?

MR. TeBEEST: They're not all reduced.

ASSEMBLYMAN CRYAN: The one's that are--

MR. TeBEEST: The major ones are.

ASSEMBLYMAN CRYAN: Excuse me -- the one's that are reduced: Have you received any feedback in terms of impact of care?

MR. TeBEEST: I have not.

ASSEMBLYMAN CRYAN: Okay. All right, thank you. I want to move along, so I don't want to (indiscernible).

MR. DiROCCO: Any other public, or any other questions or comments? Or does anyone from the public wish to be heard on this matter?

MR. SHAUGHNESSY: Senator, did I hear a motion?

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Is there a second from anyone?

ASSEMBLYMAN CRYAN: Second.

MR. SHAUGHNESSY: Second by Assemblyman Cryan; 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 has been marked in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: Okay, that matter's approved.

Next, we're moving on expeditiously to Department of Treasury request No. 9. RPR 12-11, Block 7, part of Lot 1, Greystone Psychiatric Hospital, Parsippany, Troy Hills Township, Morris County. Treasury, on

behalf of the Department of Human Services, requests approval to lease the Mountain Meadows Cottages, 1 through 10, located on the grounds of the new Greystone Psychiatric Hospital, to Comprehensive Behavioral Health Care, Inc., a service provider currently under contract with the Division of Mental Health Services. This is a lease, originally RPR 03-28, which has expired. The cottages will continue to be used as group homes. The lease is proposed for five years, with two, five-year renewal options at an annual rent of \$1 a year with Comprehensive Behavioral Health Care, Inc. being responsible for all utilities associated with their use of the space.

I will note also that we received a letter of support from Mayor James P. Barberio of Parsippany-Troy Hills, supporting this leasing action.

Any discussion from members on this? (no response)

Hearing none, any public comments? (no response)

ASSEMBLYMAN CRYAN: Motion.

MR. SHAUGHNESSY: Motion.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Second.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has been marked in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: The matter's approved.

Next is No. 10 on the agenda, with regard to Ramapo State college. It's RPR 12-12; it involves Block 18, part of Lot 3, Mahwah Township, Bergen County. Treasury, on behalf of Ramapo College of New Jersey, requests approval to grant permanent utility easements to Ramapo Solar LLC, a subsidiary of National Energy Partners, for the installation and maintenance of underground electrical conduits to supply electric to a proposed solar photovoltaic system. As provided by the New Jersey Economic Stimulus Act of 2009, Ramapo is planning to enter into a public-private partnership under which the private partner, Ramapo Solar LLC, will install, at its own expense, solar panels on college grounds and on the roofs of certain buildings, and sell back to the college electricity generated by the panels. Ramapo Solar LLC will also pay for the re-roofing of several academic buildings and a resident hall, a project that is valued at over \$2.2 million. Since the action directly benefits the State, the easements will be granted for \$1 -- it's proposed it be granted for \$1.

And I'll also note: Real Property Review clearance will be completed if no department or agency expresses formal interest or conflict with the proposed action.

Any member questions or comments? (no response)

Are there any public members who want to be heard in this matter? (no response)

Okay, do I have a motion?

ASSEMBLYMAN CRYAN: Motion.

MR. SHAUGHNESSY: Second?

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second. I will call the roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has been marked in the affirmative.

And Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: Thank you; that matter is approved.

Items 12 through 47--

Oh, pardon me; did I miss 11?

Yes, thank you very much. Inadvertently I missed No. 11. I will call that now.

Eleven is RPR 12-13, The College of New Jersey, Block 215, Lots, 34, 35, 39,104; part of Lots 32, 33, 36, 38, 97, 106 and 109, Ewing Township, Mercer County. Treasury, on behalf of The College of New Jersey, requests approval to convey 6.5 plus-or-minus acres of vacant land

and improvements to The College of New Jersey for a public-private partnership development of the Campus Town Project, which will include student housing and retail space. The College of New Jersey requests that the property be conveyed for \$1 instead of an appraisal that was received for \$165,000, on the premise that the College is, itself, a State entity. The property and the land to be developed by the College is located entirely on the campus, has been solely used and occupied by the College, and is contiguous with and to other College-owned lands.

I will note, again, that real property review clearance will be completed so long as no other department or agency expresses formal interest or possible conflict of the proposed action.

With regard to item No, 11, is there any member who would like to be heard? Any questions or comments on this matter? (no response)

Hearing none, are there any members of the public present who would like to be heard on this matter? (no response)

Do I have a motion on No. 11?

SENATOR CARDINALE: Moved.

MR. SHAUGHNESSY: Motion; do I have a second?

ASSEMBLYMAN CRYAN: Second.

MR. SHAUGHNESSY: Roll call.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith indicated that he wanted to be marked in the affirmative.

And Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: Okay, that matter, No. 11, is approved.

Okay, I was just beginning to say that items 12 through 47 are leases on behalf of DEP. Those are important, but there are many other important matters that we'd like to reach so we're going to hold them for a bit and we'll try to move them later on.

So we're going to No. 48, I believe it is. So at the moment items 12 through 47 are held. No. 48 -- and these begin Department of the DEP -- the Department of Environmental Protection requests. No 48: Wharton State Forest, Block 266, Lot 3, Waterford Township, Camden County. DEP requests approval to enter into a ground lease with Western Pacific Broadcasting, LLC for the operation of commercial television transmitting facilities, broadcasting tower, and necessary appurtenances. The lease involves the reuse of a commercial broadcasting tower that has existed on the site since the early 1980s. The lease will be -- is proposed -- for 20 years. The annual rental payment is \$27,000 with a 3 percent increase each year, plus 30 percent of gross revenue from co-locators or subtenants. Under the terms of the lease, the tenant would not have to provide any revenue it receives under the agreement with an existing co-

locator, Cricket Communications, but would have to share 30 percent of the gross revenue with DEP for any new co-locators on the tower. If Western Pacific Broadcasting assigns the lease to its parent company, the parent company would not have to share 30 percent of the revenue it generates from allowing Western to use the tower.

Do any of the members have any questions or comments with regard to that?

ASSEMBLYMAN CRYAN: I do. I have no idea whether \$27,000 is fair or not.

MR. SHAUGHNESSY: We--

ASSEMBLYMAN CRYAN: You know, 3 percent -- and we asked for more. To be candid about it, I'm going to vote for it because I have no idea whether it's right or wrong, which seems kind of foolish. It seems like a negotiation, but some of these considerations seem shaky. Is somebody here?

MR. SHAUGHNESSY: We have Marci Green from the DEP.

ASSEMBLYMAN CRYAN: Hey.

M A R C I D. G R E E N, ESQ.: Hi, yes. I actually also have the representatives from Western Pacific here -- they flew up from Florida -- as well as the current tenant, which is Univision, another television station.

Just to give you some background: We currently receive \$9,400 a year from Univision, the current tenant. The lease expired a couple of years ago, and we were concerned that it was undervalued, so we tried to negotiate with them. And we used-- We're the only agency -- State agency -- that has broadcast on our lands, so it was difficult to find out what the fair market value was. So we started with what Department of

Treasury charges for cell towers, which is \$38,000 a year. That was the beginning of our negotiation. Univision couldn't -- wouldn't agree to pay that, and they actually relocated their broadcasting equipment to a tower in Philadelphia. They continued to pay rent, but that was, kind of, a sign that maybe \$38,000 was too high.

This past summer I was notified by -- contacted by this current perspective tenant, Western Pacific. They had purchased a license at an FCC auction and wanted to start a new television station in South Jersey. So again, I started at \$38,000 and they said, "Sorry, too much," and they walked away.

They came back and we negotiated. And, Assemblyman, I had the same concerns you did: What is the fair market value here? It's difficult to find out what ground leases are. We don't own the tower; we're just leasing the land. And it's difficult as it is within the cell tower industry to find out what companies are paying for these leases.

So I can tell you we did contact John Blair, who is the Executive Director of the Public Broadcast -- New Jersey Public Broadcasting Authority, to ask him what his opinion is, because this is their business. They are always seeking space on towers and towers. And he-- We told him all the negotiations, and the price that we arrived at, and he thought that it was a very fair deal.

ASSEMBLYMAN CRYAN: Last question--

MS. GREEN: I can tell you just from my experience that I feel like its fair market value, based on my negotiations over the last few years with this tower.

ASSEMBLYMAN CRYAN: And why a 20-year lease?

MS. GREEN: Excuse me?

ASSEMBLYMAN CRYAN: Why a 20-year lease, is the other thing. This thing is for 20 years.

MS. GREEN: Twenty years, exactly -- yes.

ASSEMBLYMAN CRYAN: Yes. Is that--

MR. DiROCCO: Yes, is that customary throughout the industry? Where did the 20-year term come from?

MS. GREEN: Well, I have these gentlemen who could speak to that, but apparently a customary is 99 years. But our policy at DEP is not to enter into leases for more than 20 years so as not to encumber a property for such long terms. Because of their-- They wanted a longer term lease because they have financing, and to get their financing they need to show that they have a longer-term lease. The most we agreed to give them is 20 years.

ASSEMBLYMAN CRYAN: Okay. Last question: How long was the Univision lease?

MS. GREEN: Univision was from 1980-- It was 25 years.

ASSEMBLYMAN CRYAN: Okay.

MS. GREEN: From 1980, and I believe it expired in 2005 -- yes.

MR. DiROCCO: So it seems comparable. Thank you.

Thank you, Ms. Green.

SENATOR CARDINALE: May I?

MR. DiROCCO: Senator.

SENATOR CARDINALE: There is a tower currently physically present on this site?

MS. GREEN: Correct.

SENATOR CARDINALE: And the current lease has expired?

MS. GREEN: Correct.

SENATOR CARDINALE: Why do you believe that we do not, as a State, own that current structure?

MS. GREEN: Under the terms of the original lease we don't own the structure. When I say the lease has expired, there was a 25-year renewal term in the lease with Univision. We tried to renegotiate for that renewal term and couldn't reach an amount, so they're-- They're not there illegally; they're there as the holdover tenant. But under the terms--

SENATOR CARDINALE: But they are paying rent as a holdover tenant?

MS. GREEN: They pay the rent as a holdover, yes.

MR. SHAUGHNESSY: Any further questions, comments? (no response)

Any public comment? (no response)

Do I have a motion?

ASSEMBLYMAN CRYAN: Motion.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second; thank you very much.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has marked in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: That matter is approved.

Okay, we'll move quickly on to No. 49, and then 50 and onward.

No. 49: Swartswood State Park, Block 1901, part of Lot 9, Hampton Township, Sussex County. DEP requests approval to dispose of a 0.052 plus-or-minus acre of land to resolve a building encroachment that occurred due to a deed and survey error. The parcel will be sold to Patricia Cholasta, C-H-O-L-A-S-T-A, the adjacent property owner, Block 2104, Lot 8, for \$2,821.25, fair market value as determined by appraisal. In addition, the DEP proposes to lease to Ms. Cholasta, for a term of 10 years, a 0.188-acre parcel currently being used as her front yard at an annual rental of \$820 as determined by an appraisal.

Any member comments or questions on this one? (no response)

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

Hearing none, may I have a motion?

ASSEMBLYMAN CRYAN: Motion.

MR. SHAUGHNESSY: Second? Motion and second?

MR. DiROCCO: I'll second.

MR. SHAUGHNESSY: Okay.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith in the affirmative.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: And Assemblyman Cryan; thank you, sir.

No. 50 on today's agenda: The project is Tuckahoe Wildlife Project: Tuckahoe Wildlife Management Area, Block 7602, part of lot 29, Egg Harbor Township, Atlantic County. DEP requests approval to divert a total of 0.2 plus-or-minus acres of land in fee within the Tuckahoe Wildlife Management Area to Atlantic County, in connection with the replacement and realignment of County Bridge EH-21 on County Route 559 over English Creek in Egg Harbor Township.

I would like to point out in the compensation section there is a typo. And where it says \$0.15, or 15 *cents* per ton, it should be 15 *dollars* per ton. So let me read the agenda as it should be written. "To compensate, the County will provide \$5,000 in materials and delivery costs to improve access to the Great Egg Harbor WMA by securing

approximately 333 tons of crushed concrete at \$15 per ton and delivering it to the site.

Do I have any comments or questions with regard to item No. 50? (no response)

No member comments or questions; then, any public member wishing to be heard on this matter? (no response)

May I have a motion?

ASSEMBLYMAN CRYAN: Motion.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion and second.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith, again, has been marked in the affirmative.

MR. SHAUGHNESSY: And Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: Thank you; that matter's approved.

No. 51 on the agenda: No. 51 is Campgaw Mountain County Reservation, Franklin Lakes Section, Block 1602, Lot 1, Franklin Lakes Borough, Bergen County. DEP, on behalf of Bergen County, requests

approval to allow the County to grant easements totaling 2.922 (*sic*) plus-or-minus acres to United Water of New Jersey, Inc. on a portion of Campgaw Mountain County Reservation to allow United to construct a ground level, 3-million gallon usable water storage tank and ancillary facilities on a disturbed portion of the park. To compensate, United will pay \$2,545,000 for the acquisition of 13.862 acres of replacement land. The appraised value of the parkland interests proposed to be transferred to United is \$732,000. United will also construct, at the approximate cost of \$575,000, a 2,700-foot-long water line and pump station to provide water service to the County riding stables located on the northern portion of the park.

With regard to this matter, do any members have any comments or questions?

ASSEMBLYMAN CRYAN: One.

MR. SHAUGHNESSY: Okay, we have one. Thank you, Assemblyman.

ASSEMBLYMAN CRYAN: Where does the money go -- the \$2.5 million? General fund or DEP? Who gets it?

MR. SHAUGHNESSY: Do we have someone from DEP to verify that?

Please come up and identify yourself. Thank you.

C A R O L I N E A R M S T R O N G: Good morning. My name is Caroline Armstrong with the Green Acres Program. I didn't hear the question.

ASSEMBLYMAN CRYAN: The sale is for \$2.5 million, approximately.

MS. ARMSTRONG: Correct.

ASSEMBLYMAN CRYAN: Does it go in the General Fund, DEP fund -- where does the \$2.5 million end up?

MS ARMSTRONG: The \$2.5 million is going toward the acquisition of the property, the 13.862-acre property that will be trans--

ASSEMBLYMAN CRYAN: Yes, United Water is going to pay \$2.5 million, right?

MS. ARMSTRONG: That's correct.

SENATOR CARDINALE: They're going to buy other property.

ASSEMBLYMAN CRYAN: They're going to buy other property with it?

MS. ARMSTRONG: That's right, and that-- Right, and that property will be transferred through the trust for Public Land--

ASSEMBLYMAN CRYAN: Okay, got it.

MS. ARMSTRONG: --who was hired by the County to facilitate the transaction, and will end up in the County's hands.

ASSEMBLYMAN CRYAN: Thank you. (laughter)

MR. SHAUGHNESSY: Any other questions or comments? (no response)

Any public members here who want to be heard on this matter?
(no response)

MR. SHAUGHNESSY: Thank you, Ms. Armstrong.

Do I have a-- I'm sorry.

MS. ARMSTRONG: That's right. Just one comment: On the agenda, the acreage which was listed as 2.922 acres is actually 2.992 acres, which is reflected in the report.

MR. SHAUGHNESSY: Okay, slightly different: 2.992 acres is the actual.

MS. ARMSTRONG: Right.

MR. SHAUGHNESSY: Thank you for that clarification.

MS. ARMSTRONG: Sure.

MR. DiROCCO: Thank you.

MR. SHAUGHNESSY: The record will so reflect.

Okay -- do I have a motion?

ASSEMBLYMAN CRYAN: Motion to move.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Motion, second, okay.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has noted a negative vote on this one matter; okay?

MR. SHAUGHNESSY: And Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: Okay, that matter is approved. Thank you.

On to 52: No. 52 begins our Department of Transportation requests. The first one, No. 52, is Route 29, Section 6, Parcels VX27A2, VX28A2, VX29A2, VX30B, VX33A2 and VX34, adjacent to Block 1082, Lot 6, Lambertville City, Hunterdon County. New Jersey Department of Transportation requests approval to sell, by direct sale, to the adjoining property owners, Daniel Connelly and Amy Reynolds of 65 Grants Alley, Lambertville, parcels containing approximately 0.0876 acres, or 3,816 square feet, to be assembled to their residential yard. The recommended sale amount shall be \$1,600, the fair market value.

MR. SHAUGHNESSY: Any questions or comments on this, members? (no response)

Any members of the public here to be heard on this? (no response)

Hearing none -- motion?

SENATOR CARDINALE: So moved.

MR. SHAUGHNESSY: Second?

ASSEMBLYMAN CRYAN: Second.

MR. SHAUGHNESSY: Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has been marked in the affirmative.

And Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: The matter is approved.

Okay, No. 53 project: S100, also known as Route 1 and 9, Block 8, adjacent to Lot 1299K, Parcel VX2B1B, Elizabeth City, Union County. Department of Transportation requests approval to lease, with an option to buy or option to acquire, a site identified as Parcel VX2B1B of the Route S100 Project to 901 Spring Street LLC, the adjoining property owner -- Jason Cheng is the managing member of that entity -- for assemblage to their developed commercial property, a hotel. The lease will be a month-to-month, at a monthly rental of \$5,275 with an option to acquire the property for the recommended sale price of \$595,000. The option to acquire the property will be for one year from the date the lease is executed.

Any member questions or comments about this matter?

SENATOR CARDINALE: Yes, I'm a little confused. It says there is no current offer. Is this-- Are we just-- Why are we doing this if there is no current offer?

MR. SHAUGHNESSY: I believe we have Mr. Darrar from the Department of Transportation.

J A M E S D A R R A R: Yes, Jim Darrar, Supervisor, Property Management.

Well, we spoke to their attorney. They didn't have any financing to be able to acquire the property right now. They had just purchased a hotel recently, and they wanted to be able to pursue that avenue. So rather than having to come back to the State House meeting, we're hoping to present the matter for the lease, get them under lease, and then if they were able to develop the financing within the next year we would be able to close on the property.

SENATOR CARDINALE: But they're willing to rent?

MR. DARRAR: Oh, yes, they very much want to rent the property, yes.

SENATOR CARDINALE: So the comment about "no current offer" is only as to the--

MR. DARRAR: Only as to the potential of them buying it, and that would be at the \$595,000, if they decide.

SENATOR CARDINALE: Thank you.

MR. SHAUGHNESSY: Any other questions or comments from the members? (no response)

Hearing none, any public members who want to be heard? (no response)

Okay. Assemblyman Cryan, a motion?

ASSEMBLYMAN CRYAN: Motion.

MR. SHAUGHNESSY: Second?

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Okay, thank you Senator Cardinale.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has been marked in the affirmative.

Pardon me.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: Okay, that matter is approved. No. 53 is approved.

No. 54 is for project Route 33, Section 7, Parcel VX5C2, Block 164, part of Lot 1, Howell Township, Monmouth County. DOT requests approval to sell by direct sale to the adjoining property owner, Joseph Roda, R-O-D-A, a 994-square-foot parcel located adjacent and behind his residential property, to add to his residential property to allow for access to the residential street behind his property. The recommended sale amount shall be \$2,250, the appraised value.

Any member questions or comments on this matter?

ASSEMBLYMAN CRYAN: A very quick one.

MR. SHAUGHNESSY: Sure.

ASSEMBLYMAN CRYAN: I got an e-mail about legal costs. The fact is, you guys do this stuff in-house, right?

MR. DARRAR: (off mike) We do all our appraisals in-house.

ASSEMBLYMAN CRYAN: So it's all fixed cost.

MR. DARRAR: Oh, sorry.

Yes, we -- again, Jim Darrar, Property Management -- yes, we're currently getting these reports done with our in-house staff, yes.

ASSEMBLYMAN CRYAN: Okay, that's all I need.

I'll make a motion.

MR. SHAUGHNESSY: Any members of the public here to be heard on this? (no response)

Okay -- motion, Assemblyman Cryan?

ASSEMBLYMAN CRYAN: Motion.

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: Second; roll.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has been marked in the affirmative.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: Thank you sir; that matter is approved.

Okay, we're moving on now to 55 -- okay.

No. 55 is project Route 40, also known as Route 70, Section 10 and 11, Parcels VXW47B, VXW48B and VX120B, Block 1085, adjacent to Lot 1, Lakewood Township, Ocean County. DOT requests approval to sell by direct sale to the adjoining property owner, Future's Trust Realty Associates -- the managing principal members are Harvey N. Karen of Wall Township and Peter Falk of Interlaken, New Jersey -- a 10,503-square foot parcel for assemblage to their adjoining undeveloped commercial property to increase the overall size of their property for possible future commercial development. The recommended sale amount shall be \$58,000. The appraised value is slightly under that: \$57,600.

Any members' comments or questions on No. 55?

SENATOR CARDINALE: I have Assemblyman Cryan's question with respect to this: Who gets the \$58,000?

MR. SHAUGHNESSY: Okay.

MR. DiROCCO: Jim?

MR. SHAUGHNESSY: Mr. Darrar, please.

MR. DARRAR: Yes, okay.

In that particular case, we purchased that right-of-way with State funding, so it will go back into our account. And at the end of the year it will more than likely wind up back in Treasury's. If it was acquired-- If this right-of-way was acquired with Federal dollars, that would then be dedicated to our Federal Trust Fund, but this right-of-way was Route 40; that was an old route which was acquired with State money. And like what happens with all of our accounts, at the end of the year if we don't use it--

MR. DiROCCO: It goes to the General Fund?

MR. DARRAR: It's going to go back into the Treasury.

SENATOR CARDINALE: If you don't use it. But do you have the opportunity to use it for something else -- like to give bonuses to all of your people? (laughter)

MR. DARRAR: If that's the case, I haven't seen one, so-- (laughter) I really don't know what they could do with that money, I just know I deposit it and then at the end of the year that account is zero every year. So it's--

SENATOR CARDINALE: I'm not going to hold this one up, but could we get an opinion or some clarification--

MR. DiROCCO: Maybe we can get some clarity on that.

SENATOR CARDINALE: --on what happens when the State sells, or a Department sells these properties? Because I think the Assemblyman's question was very important for us to know: where these monies go. Ultimately, I suppose if they're left over, they do come into the next budget year where they can be dealt with. But can they be used to hire more people? Can they be used to buy new desks? What can they be used for is, I think, an important thing for us to know.

MR. DARRAR: Okay. I'll go back and ask the accounting folks where that money goes.

SENATOR CARDINALE: I'll move it.

MR. SHAUGHNESSY: And do I have a second?

ASSEMBLYMAN CRYAN: Second.

MR. SHAUGHNESSY: Okay, motion and second.

Assistant Counsel DiRocco.

MR. DiROCCO: Yes.

MR. SHAUGHNESSY: Deputy Treasurer Romano.

DEPUTY TREASURER ROMANO: Yes.

MR. SHAUGHNESSY: Director Holzbaur.

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith has been marked in the affirmative.

And Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. SHAUGHNESSY: The matter's approved.

Okay.

DIRECTOR HOLZBAUR: Mr. Secretary, I have to leave.

MR. SHAUGHNESSY: Okay.

ASSEMBLYMAN CRYAN: And I have a caucus that's about to start. Can we--

MR. SHAUGHNESSY: Yes, we just-- We want to make sure there's a quorum here.

MR. DiROCCO: We'll be one short, I think.

MR. KOTLER: Assemblyman, if we take a brief recess, Assemblyman Bramnick is going to be here in about seven minutes, at about 11:45.

ASSEMBLYMAN CRYAN: My caucus has started.

MR. DiROCCO: Sure.

ASSEMBLYMAN CRYAN: Do you need me to put votes on record, or--

MR. KOTLER: It wouldn't matter.

MR. DiROCCO: No; we appreciate it. Thank you, Assemblyman. Again, sorry for the delay; I apologize. Thank you.

SENATOR CARDINALE: I will have to be leaving in 20 minutes.

ASSEMBLYMAN CRYAN: Do you have to do each one of those votes individually?

MR. DiROCCO: I was going to suggest that we take them all collectively.

MR. SHAUGHNESSY: Yes, we can.

SENATOR CARDINALE: I don't think we can do that; I've got questions about some of them.

MR. SHAUGHNESSY: Director Holzbaur, is your intention to vote on any remaining matters in the affirmative?

DIRECTOR HOLZBAUR: Yes.

MR. SHAUGHNESSY: Okay.

SENATOR CARDINALE: Can we do this for the Judicial retirement system while we still have a quorum? Can we get rid of that item--

MR. SHAUGHNESSY: We could.

SENATOR CARDINALE: --which is an important item, I think.

MR. SHAUGHNESSY: I mean--

MR. KOTLER: We don't have a quorum.

MR. SHAUGHNESSY: Oh, we don't?

MR. DiROCCO: Charlene left her vote in the affirmative.

MR. KOTLER: Right, but you need five people in the room or on the telephone for those votes to count. So that's why I suggested a short recess--

MR. DiROCCO: Is Assemblyman Bramnick coming?

DEPUTY TREASURER ROMANO: No, but you need five. You need five people in here.

ASSEMBLYMAN CRYAN: Guys, I'm sorry. I have to leave.

MR. DiROCCO: I apologize, ladies and gentlemen, for the sidebar discussion. We're just trying to figure out logistically how to proceed with the rest of the meeting.

For the record, it appears that we've lost our quorum, so we're going to have to take up these remaining items at a separate meeting. We'll have to work on getting folks back.

So I guess we'll--

MR. SHAUGHNESSY: Please retain your binders, members that are still present.

MR. DiROCCO: Can we have a motion to adjourn, or will that be inadequate?

MR. KOTLER: You can't have a motion.

MR. DiROCCO: We can't have a motion to adjourn.
(laughter)

Yes, we'll take a two-month recess.

MR. KOTLER: The meeting disappears, or is adjourned by its own (indiscernible).

MR. SHAUGHNESSY: Okay, thank you very much.

Thank you, everyone.

MR. DiROCCO: Thank you.

DEPUTY TREASURER ROMANO: The meeting just ended.

MR. DiROCCO: Yes, the meeting has ended.

(MEETING CONCLUDED)