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# *Commission Meeting*

of

## NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

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**LOCATION:** Committee Room 16  
State House Annex  
Trenton, New Jersey

**DATE:** August 13, 1999  
10:00 a.m.

**MEMBERS OF COMMISSION PRESENT:**

B. Carol Molnar, Chair  
Senator Bernard F. Kenny Jr.  
Assemblyman Louis A. Romano  
Michael R. Ferrara  
Janice Mitchell Mintz  
Margaret M. Villane  
E. Martin Davidoff  
Robert A. Roth



**ALSO PRESENT:**

Jerry Traino  
(representing Assemblyman Francis J. Blee)

Paul Shidlowksi, Acting Executive Director  
New Jersey Commission on Capital Budgeting and Planning

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

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**B. CAROL MOLNAR (Chair):** I'd like to call the meeting to order. In accordance with the Open Public Meetings law, the Commission has provided adequate public notice of this meeting by giving written notice of the time, date, and location. Notice of the meeting has been filed at least 48 hours in advance by mail or fax to the Trenton *Times* and the *Star-Ledger* and filed with the Office of the Secretary of State.

Now take the roll call.

MR. SHIDLOWSKI: Mr. Martin Davidoff.

MR. DAVIDOFF: Present.

MR. SHIDLOWSKI: Mr. Anthony Annese. (no response)  
Mr. Robert Roth.

MR. ROTH: Present.

MR. SHIDLOWSKI: Senator Littell. (no response)  
Senator Bernard Kenny.

SENATOR KENNY: Here.

MR. SHIDLOWSKI: Jerry Traino for Assemblyman Frank Blee.

MR. TRAINO: Here.

MR. SHIDLOWSKI: Assemblyman Louis Romano.

ASSEMBLYMAN ROMANO: Here.

MR. SHIDLOWSKI: Mr. Mortimer representing Treasurer  
DiEleuterio.

MR. MORTIMER: Here.

MR. SHIDLOWSKI: Commissioner Janice Mintz.

COMMISSIONER MINTZ: Here.

MR. SHIDLOWSKI: Ms. Margaret Villane.

MS. VILLANE: Here.

MR. SHIDLOWSKI: Mr. Michael Ferrara.

MR. FERRARA: Here.

MR. SHIDLOWSKI: Ms. Carol Molnar.

MS. MOLNAR: Here.

MR. SHIDLOWSKI: Madam Chair, we have a quorum.

MS. MOLNAR: Thank you.

Our first item of business is the approval of the minutes of April 23, 1999. That was a telephonic meeting.

ASSEMBLYMAN ROMANO: Madam Chair, I make a motion to accept the minutes.

MS. VILLANE: I'll second it.

MS. MOLNAR: Thank you.

Any discussion? (no response) If not, we'll take a vote.

MR. SHIDLOWSKI: Mr. Davidoff.

MR. DAVIDOFF: Abstain.

MR. SHIDLOWSKI: Mr. Roth.

MR. ROTH: Yes.

MR. SHIDLOWSKI: Jerry Traino.

MR. TRAINO: Yes.

MR. SHIDLOWSKI: Assemblyman Romano.

ASSEMBLYMAN ROMANO: Yes.

MR. SHIDLOWSKI: Mr. Mortimer.

MR. MORTIMER: Yes.

MR. SHIDLOWSKI: Commissioner Mintz.

COMMISSIONER MINTZ: Abstain.

MR. SHIDLOWSKI: Ms. Villane.

MS. VILLANE: Yes.

MR. SHIDLOWSKI: Mr. Ferrara.

MR. FERRARA: Yes.

MR. SHIDLOWSKI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. SHIDLOWSKI: The minutes are approved.

MS. MOLNAR: Thank you.

We have a few announcements.

MR. SHIDLOWSKI: Yes, Madam Chair and members of the Commission. I'd like to introduce folks who are up here with us today. Mr. Andy Sapolnick and Ms. Susan Fisher are representatives from the Attorney General's Office who will be acting as counsel to the Commission today.

MS. MOLNAR: Thank you.

Before we start with the presentations, I have a brief statement.

Before we proceed with the deliberation of the projects as outlined, I want to make a brief statement to clarify the role of the New Jersey Capital Budgeting and Planning Commission. The role of the Commission on Capital Budgeting and Planning, in the capital recommendation process, is advisory in nature. The Commission consists of four public members; four legislative members, who represent equally the political parties; and four members from the executive branch.

The Commission is, by design, a bipartisan body, whose objective is to arrive at a logical and reasonable method of recommending the

investment of capital funds. Under the terms of the New Jersey Building Authority's legislation, the Commission is to make "findings as to whether the project is necessary and convenient to meet the needs of the State agencies which are to utilize the project, whether the project is consistent with the State Capital Improvement Plan, and whether it meets the criteria otherwise established by the Commission for its approval of State capital projects."

Therefore, our task today is simply to determine whether there exists a need for these specific projects. The role of the project does not include an evaluation of alternative locations for Building Authority projects. The project report, forwarded to this Commission, must, by statute, specify a location for that project.

The recommendation of this Commission, in and of itself, ensures or precludes the execution of a project. The Commission's deliberations are just one step in a statutory process. This statutory process also requires that a public hearing be held.

With regard to the Special Treatment Unit Project, my understanding is that the public hearing will be scheduled in the near future. This will provide ample opportunity for public comment on other aspects of the proposed project.

Finally, there is an opportunity for additional public comment during the legislative process as the project moves forward and the required concurrent resolution is introduced by both Houses.

Although the Commission, as a rule, does not hear public testimony, we are willing to take some public testimony on the Special Treatment Unit prior to the Commission's vote. However, public testimony

should address those particular issues that concern the Commission's role as I have previously outlined.

Here are some ground rules for the public testimony. First, the overall time for public testimony will be limited to no more than two hours. Individual testimony will be limited to three minutes. We wish to avoid duplicating the statement of previous speakers. Testimony will be taken in the order of sign in. There is a sign-in sheet as you came in if you would like to speak.

Thank you.

Our first project is the rehabilitation and restoration of the State House executive wing and related work. Speaking to that project will be David Mortimer.

MR. MORTIMER: Madam Chair and members of the Commission, as many of you know, not too long ago we had a glorious occasion with the lighting of the dome and unveiling that great piece of renovation work that was just completed. I think everyone is proud and pleased at the fact that our state capital, which is the second oldest in the country, has a fitting dome. As we sit in these chambers, which are going through the final stages of a renovation project to make sure that they're brought up to not only code and safety standards, but put back into the position of historical preservation so that we can leave this building as a legacy for future generations-- Our colleagues here from the Assembly know that the legislative chambers, which were completed a few short years ago, not only provide for a greater functional space, but also display the true architectural beauty and splendor that those structures were built with.

The last piece of this mosaic is the actual executive portion of the State House. You know from your text that the State House was built in 1792. It's had several major additions and renovations not always in the plan sense. The most major was after a fire back in the 1800s.

Those of you who walk around the State House will very easily see that it needs to be addressed. We have wiring issues, fire code issues, some life safety issues because the building is 200 years old. The appearance of the building, while we have been maintaining it with coats of paint and other kinds of cosmetics, really needs to get the full structural treatment and have itself restored to then fill the last piece of this well-developed, well thoughtout, and well-restored capital complex. This project plan outlines that. There is an estimated cost of approximately \$80 million.

Assemblyman Romano will probably recall that when we did the legislative portion of the State House, it was in the \$140 million range. There was a smaller amount of space in the executive portion, but the price will not be finally determined until we get some more of the preliminary engineering work done.

The first things we need to do, and intend to do, are to bring in the historical preservation and surveying people so that they can outline those areas of the building and help to understand exactly what needs to be done to make sure that the work ends up with a product that we can all be proud of as with the rest of the complex that has been completed.

I don't know if there are any further questions about it, but I would be more than happy to try to answer them.

MS. MOLNAR: Thank you.

ASSEMBLYMAN ROMANO: Madam Chair.

MS. MOLNAR: Assemblyman Romano.

ASSEMBLYMAN ROMANO: A fast question.

I know, Mr. Mortimer, that you are well aware of trying to get other monies for projects. I'm just curious. Due to the unique character of this project being a state complex as such -- the historic nature of it-- Is there any possibility where monies are derived from the Federal government or private corporations who would care to leave some money to a historical building such as the State House?

MR. MORTIMER: I will tell you that, as you probably recall, we had a private fund-raising activity for the dome, Dimes for the Dome. We did produce some money. I'm not aware, but that doesn't mean that we won't look to see if there is any Federal funds. I tend to think not, since this is a State building. I'm not aware of any programs. We will look at it. I would think that the State is always in a position of potentially welcoming private contributions towards restoration projects. For example, when we-- (remainder of comment indiscernible) So that's something we can certainly look at.

ASSEMBLYMAN ROMANO: One caveat. I don't expect you to rename the State House, though. (laughter)

MR. DAVIDOFF: We're not going to call it the PNC State House? (laughter)

MR. MORTIMER: Contrary to some local radio station's chicanery, we have no intention of that.

MS. MOLNAR: Any other questions or comments?

Mr. Davidoff.

MR. DAVIDOFF: I have a couple of questions.

Explain for me, Mr. Mortimer, why this is not a part of the normal capital planning budgets that we go through each year, if you would. Why does this come up as a special-- This may affect the projects coming up, too.

MR. MORTIMER: I think that, in our sense, it is part of the normal process. I mean, we've been going through a standard approach to dealing with the capital district. This step, today, is another part in the process of advancing a piece of that.

MR. DAVIDOFF: Will this be in the 2001 capital budget?

MR. MORTIMER: Our expectations are that this will be in the 2000 capital budget because we expect to have a project report before the building committee with awards for contracts sometime before the end of Fiscal 2000.

MR. DAVIDOFF: The next thing is the-- The way this seems to be financed is through a lease as opposed to an appropriation of (indiscernible). Could you explain the costs of the lease? What interest rates, approximately, if we were going to do it today--

MR. MORTIMER: The concept of the State going into a bonding program and then having lease payments back to defease the bonds as a budgetary issue-- The rates will be struck when we actually go out and we strike the bonds.

MR. DAVIDOFF: I'm sorry.

MR. MORTIMER: The lease payments will be determined when we finally have the total deal in place and we know what the cost of the money

is. Then we will amortize the cost of the bond, and that will equal the lease payment.

MR. DAVIDOFF: But if we're using a lease on this as opposed to - Again I may have to ask you to simplify. Normally, I understand the State can go out and borrow money. Since the bonds are tax-free, we get a very low rate of 4 percent, 5 percent, 6 percent. Are the lease rates going to be in that range, or are they not tax-free-- (remainder of comment indiscernible) How does that work differently?

MR. SHIDLOWSKI: May I interject?

MR. MORTIMER: Yes.

MR. SHIDLOWSKI: The New Jersey Building Authority will be selling bonds to finance this project. Because they need to maintain an equity interest in the property, we convey the title of the property to them, and then we lease it back.

MR. DAVIDOFF: I see.

MR. SHIDLOWSKI: The value of the lease payments is sufficient to make the debt service payments.

MR. DAVIDOFF: So we are getting the ability to sell tax-free bonds through the Building Authority. We're leasing from the Building Authority at not market rates, but at State market rates.

Now, the other thing is in many of the projects that we see here we'll do in phases. For example, we will approve a set of money one year to say, "Here's the money for the planning, architectural engineering, etc., and then they'll come back off of the next year, and we approve the actual construction." It sounds like the architectural engineering has not been done,

so would it be prudent to do this in other stages? If not, could you explain why?

MR. MORTIMER: In essence, the process that we're going through now is to make sure that this group has an opportunity to pass the project plan back to the Building Authority, so they can go ahead and take the steps to do contracting. We're fully expecting that this is going to be done in stages but not necessarily be going through an approval process that's phased. So I don't think we expect, as we did with the legislative portion of the State House or other improvements around here-- We don't come back after the engineering and design and say, "Okay, now we need to have construction money." We're asking for approval for consideration and recommendation of the project in its entirety, and then other entities will pick it up as it goes through the appropriate process, primarily the Building Authority.

MR. DAVIDOFF: Okay, so this is the normal process we've done with major renovations.

MR. MORTIMER: Yes.

MR. DAVIDOFF: Okay, thank you.

COMMISSIONER MINTZ: Madam Chair, I just have one question to Mr. Mortimer.

Is it not true that the Building Authority will, as the project moves through its various stages, still remain a check point for oversight? (affirmative response)

That may allay some of your concerns, Mr. Davidoff, in terms of the approval of the whole without an ongoing phased oversight by an independent body.

MR. DAVIDOFF: Thank you very much.

MR. MORTIMER: That's correct, Commissioner.

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

We are going to take a vote on this issue.

ASSEMBLYMAN ROMANO: Madam Chair, I make a motion that we accept the project by the resolution attached therewith.

COMMISSIONER MINTZ: I'll second it.

MS. MOLNAR: Thank you.

We'll now take a roll call.

MR. SHIDLOWSKI: Should I read the resolution into the record?

MS. MOLNAR: Okay.

MR. SHIDLOWSKI: Whereas, pursuant to the New Jersey Building Authority Act, the New Jersey Building Authority is authorized to undertake projects as defined in the Act. And whereas the Authority, prior to undertaking any project whose cost is estimated to exceed \$100,000 shall comply with the provisions of the Act, including the preparation of a project report and the submission of the report to the Commission on Capital Budgeting and Planning for its review and findings.

Whereas, the New Jersey Building Authority decided that it is desirable and in the best interest of the Authority to undertake the rehabilitation and restoration of the State House executive wing and related work project to consolidate and improve services.

Whereas, the New Jersey Building Authority prepared the rehabilitation and restoration to the State House Executive wing and related

work project report, approved it by resolution, and presented it, and the associated materials, to the Commission for its review and findings.

Whereas, the Commission finds that the rehabilitation and restoration to the State House executive wing and related work to be necessary and convenient to meet the needs of the State agency, which is to utilize the project.

Whereas, the project is consistent with the purpose and intent of the Capital Improvement Plan and meets the criteria established by the Commission for its approval for State capital projects.

Now, therefore, be it resolved that the New Jersey Commission on Capital Budgeting and Planning recommends approval of the rehabilitation and restoration to the State House executive wing and related work projects to the Governor and the Legislature.

MS. MOLNAR: Thank you.

Now take a vote.

MR. SHIDLOWSKI: Mr. Davidoff.

MR. DAVIDOFF: Yes.

MR. SHIDLOWSKI: Mr. Roth.

MR. ROTH: Yes.

MR. SHIDLOWSKI: Senator Kenny.

SENATOR KENNY: Yes.

MR. SHIDLOWSKI: Assemblyman Romano.

ASSEMBLYMAN ROMANO: Yes.

MR. SHIDLOWSKI: Mr. Mortimer.

MR. MORTIMER: Yes.

MR. SHIDLOWSKI: Commissioner Mintz.

COMMISSIONER MINTZ: Yes.

MR. SHIDLOWSKI: Ms. Villane.

MS. VILLANE: Yes.

MR. SHIDLOWSKI: Mr. Ferrara.

MR. FERRARA: Yes.

MR. SHIDLOWSKI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. SHIDLOWSKI: It's approved, Madam Chair.

MS. MOLNAR: Thank you.

The next item is the upgrading and improvements to the Richard J. Hughes Justice Complex. We have Robert Rusciano.

Could you identify what Department you're from and also who is with you for the stenographer?

**ROBERT A. RUSCIANO:** Absolutely.

Good morning, Madam Chair and Commission members. My name is Bob Rusciano, and I am the Acting Director of the Division of Property Management and Construction with the Department of Treasury. I'm here this morning to talk about two project reports. The first being the Richard Hughes Complex. With me in that regard is Madeline Crane, from the Department of Law and Public Safety. The second project is the Department of Transportation's E and O Building renovations. And with me to discuss or answer any questions on that is Don Chiacchio, from the Department of Transportation.

MS. MOLNAR: Okay, thank you. Do you want to start with the Richard Hughes Complex first?

MR. RUSCIANO: Absolutely.

In 1980, the Mercer County Improvement Authority authorized funding for the design and construction of a new facility to house the State courts and other related administrative functions. This 1.2 million square foot facility, known as the Richard J. Hughes Justice Complex, was completed in 1981. It provides space for 2000 employees, including the State Supreme Court, Administrative Office of the Courts, the Department of Law and Public Safety, and the public defenders-public advocates offices.

In 1998, the New Jersey Building Authority approved the acquisition of the Hughes Justice Complex from the Mercer County Improvement Authority. At the same time, the New Jersey Department of the Treasury, in its Fiscal Year 2000 capital budget, requested funding to address the aging infrastructure and building systems of this almost 20-year-old facility.

At that time, the Commission endorsed the need for such renovations and, recognizing the recent acquisition, recommended the funding for these improvements be secured through the Building Authority.

The total project cost is estimated at \$21 million and is inclusive of all the essential project components such as professional fees, furniture, fixtures and equipment, construction costs, and contingencies.

The project report, which you have in front of you, was prepared in response to the recommendations of the Commission and was approved by

the Building Authority and is now being forwarded again for consideration by the Commission.

If you have any questions at this time, we will be happy to answer them.

MS. MOLNAR: Thank you.

Any questions or comments from the Commission members?

ASSEMBLYMAN ROMANO: Madam Chair.

MS. MOLNAR: Assemblyman.

ASSEMBLYMAN ROMANO: I think you will recall, members of the Commission, when we discussed the Richard Hughes Complex, that the fenestration on the outside of the building was a problem. We're not talking about leaks only, we're talking about structural possibilities -- or I should say possibilities that the structure was not able to hold the fenestration so that work would be required. I have nothing but the highest regard for the judges of the State, and I'd hate to see anybody get hurt on their way walking into the building.

On that basis, Madam Chair, I move the resolution.

MS. MOLNAR: Thank you.

Any other questions or comments?

Mr. Davidoff.

MR. DAVIDOFF: I must admit I'm somewhat troubled that 18 years after we build the building, we're looking at spending \$21 million to make renovations. You have in here -- in your second paragraph -- that this Commission recommended that you undertake the major renovations. Can you give me some background to that statement?

MR. RUSCIANO: The Fiscal 2000 capital budget request identified numerous things which needed to be addressed in the building. One of those included the upgrade of the HVAC system. There were some issues relative to the roof, which was in need of repair. There had, in fact, been some issues related to the glass atrium at the entrance way. There were a number of projects that were combined, which, over the years, had been requested through the normal pay-as-you-go capital.

While some interim repairs were made and there was a new skin put on the building and there were some renovations on an interim basis to the HVAC system, it was felt that the order of magnitude was such that it was better to combine all of those projects. So in looking at the Commission's recommendations last year, the idea was to go in concert with the refinancing. If we were, at this point in time, going to acquire the building, it made sense, in the age of the infrastructure, to make sure that the State was taking all of the identified capital needs at this time and putting them together in a single place.

That really is the genesis for why we're back today.

MR. SHIDLOWSKI: Mr. Mortimer-- (*sic*)

MR. DAVIDOFF: He's Mr. Mortimer. (indicating)

MR. SHIDLOWSKI: I'm sorry.

Mr. Davidoff, you may recollect that the Commission's Fiscal Year 2000 recommendations recommend that all of these associated projects be referred to the Building Authority for funding, since, at that time, we were aware that the Building Authority was acquiring the building from the Mercer County Improvement Authority.

MR. DAVIDOFF: The question here-- We have some structural problems with the atrium apparently. What are we doing as we build new buildings or allow major authorities in the State to build buildings to make it so that we're not paying for the mistakes of architects, contractors, and engineers 10 years, 15 years, 20 years later? This, to me, -- somebody goofed down the road, and we're now coming in to say, "Okay, let's fix it," what is the Building Authority doing to prevent this going forward. What happens there that is not going to happen in the future?

MR. RUSCIANO: I think one of the things that is happening through the Building Authority's efforts is paying much more attention in the development of the scope of work to all of the issues that need to be addressed and to tighten the language in the procurement documents that go out to the architects and engineers, which hold them accountable for the products that they deliver. I think, over time, that's been the evolutionary process and recognizing that the State, as the end user, has to deal with these buildings on the long term, we are taking more measures. And certainly, the Building Authority has been very diligent in staying on top of that design process and that procurement process to make sure that what, in fact, that State is buying is what's being built in the building through increased oversight from construction management firms that are outside of the State workforce looking at verification of costs before we go into the process, so we have a better idea what we think the costs are going to be for the project and really just doing much more due diligence in keeping all of the constituents around the table during the design and construction process to avoid any surprises coming up.

I think that's been the process that we tried to use with the State House Dome. That's the emerging process that the Building Authority is very interested in maintaining as it moves forward. I can't speak to what happened in the 20 years since this transpired, but I can tell you that that's, in terms of what we're trying to do today, what I see as being significant.

MR. DAVIDOFF: Does this include on-site supervision of these projects?

MR. RUSCIANO: Yes.

MR. DAVIDOFF: I just hope, in 20 years, somebody says they didn't know what you were doing when you were building some of these things. I just seems that everything you keep saying just keeps coming back here.

Let met ask a couple other questions.

MR. RUSCIANO: Sure.

MR. DAVIDOFF: I've been in that building. To me, the lobby escalators seem to work fine. Why do they need to be replaced? What is the cost of those escalators?

**M A D E L I N E C R A N E:** There have been some significant -- several significant repair projects that have been undertaken in the last few years of the escalators and the elevator systems in the building. Unfortunately, the escalators keep -- the same kind of problems keep occurring and keep breaking down. There has been an assessment done -- I believe an engineering assessment done of the mechanism. The determination is that it is more cost-effective to actually do a replacement rather than keep spending large sums of money to repair them.

MR. DAVIDOFF: What is the cost of that replacement?

MS. CRANE: The report indicates \$500,000 to do those replacements.

MR. DAVIDOFF: And how much will we save? One of the things we do require here is to show us what the operational savings -- what we will be saving per year in operations for repairs.

MS. CRANE: I actually don't have those numbers, but I know that that's taken into consideration when looking at the options in terms of replacement or continuing to maintain and repair those.

MR. DAVIDOFF: Well, we need to know those numbers.

Normally, Madam Chair, is that our normal process to get the cost savings in these capital projects? Are these different from what we ask for in the capital budgets?

MR. SHIDLOWSKI: If you would like that information, Mr. Davidoff, you could request that it's provided through the Chair.

MR. DAVIDOFF: Through the Chair, I would request that we get all the cost savings analysis. Is this something we could defer this vote on until we get that information?

MR. SHIDLOWSKI: Although cost savings is one of the things that we all consider when approving projects, it's not the only criteria.

MR. DAVIDOFF: I understand that.

MR. SHIDLOWSKI: I wouldn't recommend it.

MR. DAVIDOFF: But that is an option.

MR. RUSCIANO: Can I add that in terms of those project operated savings to the extent that they were included in the Fiscal Year 2000

capital budget request-- Those would be available -- or had been made available to the Commission in the submission of the budget.

The other thing I had wanted to add was that the estimates that we're talking about are certainly preliminary to the extent that there has not been a design architect procured to look at these. And there would be due diligence relative to that process in moving this further along to the actual construction costs. This provides the Building Authority with a benchmark in terms of financing the project. As you note in the project report, it indicates that the costs can go up or down depending on the results of all of the actual design work and bidding.

MR. DAVIDOFF: Two more questions.

I noticed that you have a feasibility study for a 1200-car parking lot. You also have a resurfacing of these parking areas. Would the parking lot be going on-- Would the parking deck be going on the area being resurfaced?

MR. RUSCIANO: At this point in time, that's one of the decision points that we would have to make. There are other locations for the parking deck that are being looked at as contentious or that would serve more of the complex in that immediate area, not necessarily right behind the Justice Complex. So I think what you're seeing is sort of an either or. Certainly we would not be refinishing the parking deck -- building the parking deck on top of a newly refinished parking service.

MR. DAVIDOFF: So technically, we would be authorizing that -- five years from now say, "Oh, we're going to put the deck there."

MR. RUSCIANO: I think what we intend to do is come up with the right decision at the earliest point and avoid having to do duplication.

MR. DAVIDOFF: That's all, thank you.

MS. MOLNAR: Thank you.

Any other questions or comments?

ASSEMBLYMAN ROMANO: I remake the motion, Madam Chair.

MS. MOLNAR: Thank you.

Do I hear a second?

MS. VILLANE: I'll second it.

MS. MOLNAR: Okay, we'll read the Resolution 99-5.

MR. DAVIDOFF: May I make a subsidiary motion?

MS. MOLNAR: Sure.

MR. DAVIDOFF: I'd like to move to postpone until we get the cost savings information.

MS. MOLNAR: Do I hear a second? (no response) No second from the table. It's back to the original motion.

MR. SHIDLOWSKI: Whereas, pursuant to the New Jersey Building Authority Act, the New Jersey Building Authority is authorized to undertake projects as defined in the Act.

And whereas the Authority, prior to undertaking any project whose cost is estimated to exceed \$100,000 shall comply with the provisions of the Act, including the preparation of a project report and the submission of the report to the Commission on Capital Budgeting and Planning for its review and findings.

Whereas, the New Jersey Building Authority decided that it is desirable and in the best interest of the Authority to undertake the upgrades

and improvements to the Richard J. Hughes Justice Complex project to consolidate and improve services.

Whereas, the New Jersey Building Authority prepared the upgrades and improvements to the Richard J. Hughes Justice Complex project report, approved it by resolution, and presented it and the associated materials to the Commission for its review and findings.

Whereas, the Commission finds the upgrades and improvements to the Richard J. Hughes Justice Complex to be necessary and convenient to meet the needs of the State agencies, which is to utilize the project.

Whereas, the project is consistent with the purpose and intent of the Capital Improvement Plan and meets the criteria established by the Commission for its approval for State capital projects.

Now, therefore, be it resolved that the New Jersey Commission on Capital Budgeting and Planning recommends approval of the upgrades and improvements to the Richard J. Hughes Justice Complex project to the Governor and the Legislature.

MS. MOLNAR: Thank you.

We will now take a vote.

MR. SHIDLOWSKI: Mr. Davidoff.

MR. DAVIDOFF: No.

MR. SHIDLOWSKI: Mr. Roth.

MR. ROTH: Yes.

MR. SHIDLOWSKI: Senator Kenny.

SENATOR KENNY: Yes.

MR. SHIDLOWSKI: Assemblyman Romano.

ASSEMBLYMAN ROMANO: Yes.

MR. SHIDLOWSKI: Mr. Mortimer.

MR. MORTIMER: Yes.

MR. SHIDLOWSKI: Commissioner Mintz.

COMMISSIONER MINTZ: Yes.

MR. SHIDLOWSKI: Ms. Villane.

MS. VILLANE: Yes.

MR. SHIDLOWSKI: Mr. Ferrara.

MR. FERRARA: Yes.

MR. SHIDLOWSKI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. SHIDLOWSKI: It's approved, Madam Chair.

MS. MOLNAR: Thank you.

The next item is the Department of Transportation Engineering and Operations Building, HVAC improvements and communication cabling.

MR. RUSCIANO: In 1981, the State Building Authority provided funding for the design, construction, and furnishings of a 288,000 square foot, seven-story building at 1035 Parkway Avenue, in Ewing Township. Construction was completed in the late summer of 1986 at the total cost of \$35.1 million. Since that time, there have been complaints consistent with sick building syndrome resulting from the lack of fresh air and intake of vehicle exhaust fumes into the air-handling units. The building's heating and cooling systems also proved to be inadequate during hot or cold temperature extremes resulting in employee discomfort.

Funding in the amount of \$6.5 million is requested to address these concerns. In addition to the HVAC improvements, the voice and data communications cable installed in 1986 needs to be upgraded. By today's standards, the cabling is less than adequate to support the high-speed PC communications and network requirements necessary to meet the needs of the end users. Funding in the amount of \$1 million is requested for this purpose.

In order to minimize staff downtime and lost productivity, the most cost-effective approach is to recable each floor while it is vacant concurrent with the HVAC improvements and upgrades.

The project report, in this regard, was prepared and submitted to the Building Authority, which was approved in its last meeting and is now forwarded for consideration by the Commission.

MS. MOLNAR: Thank you.

MR. RUSCIANO: If you have any questions on this one, we'd be happy to answer them.

MS. MOLNAR: Any questions?

Mr. Davidoff.

MR. DAVIDOFF: I'm going to support this project, but I do have a question.

This is a building-- Now, this is not (indiscernible) from the Mercer County Improvement Authority. This is one you guys did.

What is the solution to the air flow problem? What was wrong in the original design that requires this?

MR. RUSCIANO: In terms of the actual solution, I would ask Mr. Chiacchio to speak to that. What I can comment on is that since the problem

emerged, there have been numerous studies. In fact, there were various consultants who were brought in to look at this in concert with the Attorney General's Office, which was asked to look at it to address the issue that you had raised earlier regarding culpability of the previous architect who had designed it.

As a result of all of those analyses, it was determined to the extent that anyone was culpable, it was very difficult to have pinpointed that, and that at this point in time the best approach was to move forward to eliminate some of the problems.

The project in and of itself has been involved in it over a number of years. At this point in time, it is at a cost which is significantly lower than where it had been roughly around 18 months ago. So it has been, in effect, value engineered to make sure that what we're doing is not excessive relative to just dealing with the improvements of the air-handling system.

In terms of the actual recommendation, Mr. Chiacchio will address that.

**D O N A L D C H I A C C H I O:** Yes, basically that building, if you're familiar with it, is laid out as an *L*. In fact, it's two separate buildings. Each floor has two air-handling units on it. Some of the problems with regard to the amount of fresh air that comes into the building goes back to the original design -- to standards back in 1980 -- early '80s. If you recall, we were coming off the oil embargo, and the State policy was to build buildings as tight and as energy efficient as possible. If I recall, I think the standard, at that time, was designed to about 12 cubic feet per person in the building. Today, the minimum recommended is 20 cubic feet. So the actual air-handling

equipment is not physically capable of delivering 20 cubic feet per person throughout the building.

In addition, in order to save energy, one of the things that was not included in the original design was what we call preheat coils right at the source of the air intakes. So therefore, on your extremely cold days, as an example, any time you get down around 20 degrees or below, your heating capacity is inadequate to cool the amount of fresh air that you're going to bring in.

We, in the engineering studies, had the existing system evaluated to see if it could be modified or upgraded in some way. Again it was a cost analysis completed that indicates that the units are totally inadequate and that the entire air-handling units and distribution system has to be replaced.

MR. DAVIDOFF: The 20 cfm minimum-- What capacity will the new unit have?

MR. CHIACCHIO: The new design will be to deliver a minimum of 20 cfms per person throughout the unit.

MR. DAVIDOFF: And the maximum of that -- of what you're designing?

MR. CHIACCHIO: It's supposed to be consistent. As Mr. Rusciano eluded to at one point in time-- I agree with you so that we wouldn't be back here at some future time asking to upgrade the building again.

MR. DAVIDOFF: I'm just wondering, maybe two years from now, the minimum might be 32 cfm. I'm just saying that when you're looking at the detail design, the cost is minimal to go from 20 cfm to 30 cfm, and you have the flexibility so that if the (indiscernible) were changed, you have that flexibility built in. It's going to be easier than ripping it out. Again 15 years

from now and somebody says, “We could have spent an extra \$300,000 now and had a greater capacity.” It’s like somebody said, “Well, we have these computers. They can only have two digits.” I would certainly do that.

The other thing is, when you’re dealing with the life and health of people, which you are here, I would urge that these problems are existing in other buildings. You should run, don’t walk, to solve this. I’m very concerned about the health of people and running into that situation. I will gladly support this. Also, when you’re building this, let’s look to the flexibility and wonder if today’s standards may not be tomorrow’s standards. Let’s look historically, and let’s have the flexibility to provide-- (remainder of comment indiscernible)

MS. MOLNAR: Thank you.

Any other questions or comments? (no response) If not, do I hear a motion to approve?

ASSEMBLYMAN ROMANO: So moved.

MS. VILLANE: Second.

MS. MOLNAR: Okay, we’ll read the resolution.

MR. SHIDLOWSKI: I’ve been informed by counsel that it’s not necessary for me to read the resolution into the record.

MS. MOLNAR: Oh, good.

MR. SHIDLOWSKI: So we can go right to the vote.

MS. MOLNAR: Terrific.

MR. SHIDLOWSKI: Mr. Davidoff.

MR. DAVIDOFF: Yes.

MR. SHIDLOWSKI: Mr. Roth.

MR. ROTH: Yes.

MR. SHIDLOWSKI: Senator Kenny.

SENATOR KENNY: Yes.

MR. SHIDLOWSKI: Assemblyman Romano.

ASSEMBLYMAN ROMANO: Yes.

MR. SHIDLOWSKI: Mr. Mortimer.

MR. MORTIMER: Yes.

MR. SHIDLOWSKI: Commissioner Mintz.

COMMISSIONER MINTZ: Yes.

MR. SHIDLOWSKI: Ms. Villane.

MS. VILLANE: Yes.

MR. SHIDLOWSKI: Mr. Ferrara.

MR. FERRARA: Yes.

MR. SHIDLOWSKI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. SHIDLOWSKI: It's approved, Madam Chair.

MS. MOLNAR: Thank you for coming.

MR. RUSCIANO: Thank you very much.

MS. MOLNAR: We appreciate it.

Our last item, the construction of a special treatment unit for the Department of Corrections. I'd like to welcome Mary Ellen Bolton, Chief of Staff, Corrections.

**MARY ELLEN U. BOLTON:** Good morning.

My name is Mary Ellen Bolton. I'm the Chief of Staff for the New Jersey State Department of Corrections. To my immediate left is Mr. William

Plantier from the Division of Operations and an expert in special needs inmates. To my right is Mr. Waldis, Director of Administration. Also assisting me, and I believe giving out some handouts, is Deidra Fedkinhauer (phonetic spelling), who is the legislative liaison for the Department of Corrections.

Ladies and gentlemen of the Commission, I appear before you today to respectfully request that you consider the project report for the special treatment unit submitted by the Department of Corrections. I understand that the Commission's role is to make findings as to whether the project is necessary and convenient to meet the needs of the State agencies and to meet the goals and objectives of the Capital Commission.

In order to protect the public safety and provide appropriate treatment for sex offenders, the Senate unanimously passed S-895 and the Assembly passed A-1919. This resulted in Public Law c.72. The law established a civil procedure for the involuntary commitment of those persons 18 years of age and older who have been convicted and adjudicated delinquent or found not guilty by reason of insanity of committing a sexually violent offense, served a term of incarceration deemed appropriate by the courts, and as a result of their suffering from a mental abnormality or personality disorder, the individual would be likely to engage in recidivous behavior if not confined in a secure facility for control, care, and continued treatment of that affliction.

In addition, the law, effective August 12, 1999, orders that the Department of Corrections is responsible for the operation of a facility designed for custody, care, and treatment of this population and shall provide for that custodial care; a person is so committed must be housed and managed separately from all other offenders under the jurisdiction under the

Department of Corrections. Except for occasional instances of supervised, incidental contact, they shall be segregated from all such offenders, and that the Department of Human Services shall be responsible for providing and arranging for treatment tailored to address the specific needs of this population.

In compliance, the Department of Corrections and the Department of Human Services have created a partnership. It will be the first time in the history of the State of New Jersey that these two agencies will work in such a cooperative venture. And in reviewing the 11 such institutions across the country, there is only one other that has shared responsibilities to maximize the expertise of both Departments.

I refer you to the scope referenced in your project, and I would like to delineate just a few of the items. The proposed special treatment unit is designed as a medium facility with a maximum security perimeter to house 150 individuals in a single cell environment. The facility will also include limited kitchen facilities, indoor and outdoor recreation, administrative office space, treatment space, conference rooms, classrooms, courtrooms, and visiting facilities. The program area support facility and infrastructure will be designed for the 150-bed unit with the possible expansion to exceed but to not exceed 300 residents.

I would like to close by saying that the plan before you represents the highest level of concern for public safety. As such, the facility will be secured by a state-of-the-art maximum security fencing and a perimeter patrol augmented by K-9 unit. It is the most cost effective, as proposed, in that it will

be a satellite to a parent institution and draw on the major support functions and expertise of the facility and the staff.

It is necessary to fulfill the requirements of the enacted legislation Public Law c.72 and truly is the most convenient for both agencies involved. I am available, as is the staff, for any questions the Commission may have in order to make an informed decision on whether this project is necessary, convenient, and consistent with the State Capital Improvement Plan and whether it meets the criteria otherwise established by the Commission for its approval of a State capital project.

I thank you.

MS. MOLNAR: Thank you very much.

Any questions or comments?

MR. DAVIDOFF: Just a point of order.

MS. MOLNAR: Sure.

MR. DAVIDOFF: Is it prudent to take the public input first and then for us to do our questions and comments?

MS. MOLNAR: I believe--

MR. DAVIDOFF: Or will we have an opportunity afterwards?

MS. MOLNAR: The Commission members will go first, and then we will open it to the public in that order.

MR. DAVIDOFF: We'll have a chance to go after the public also?

MS. MOLNAR: Depending on the hour.

Senator Kenny.

SENATOR KENNY: Thank you, Madam Chair.

Assuming you receive all of the approvals from this body as well as the Legislature, when would construction commence? When would you anticipate the project would be complete for permanent siting?

MS. BOLTON: Senator, I understand that we need to go out to bid for all of the particular components of the construction, but I am told that from the day that the shovel enters the ground, the building would be completed in about 12 months to 13 months.

SENATOR KENNY: And when do you-- To your best guess, when do you anticipate that process starting?

MS. BOLTON: I'm hopeful that with your consent, we can start as soon as we have the public hearing.

SENATOR KENNY: When would that be scheduled for? What is the procedure?

MS. BOLTON: I understand that the public hearing would be between 30 days and 45 days after the minutes to this Commission's meeting are generated and signed. I refer to someone who might be more knowledgeable if I'm not correct.

MS. FISHER (Counsel): Under the Building Authority statute, after this meeting, they will be scheduling a public hearing. They have to give 15 days notice to the municipality of the hearing. The public hearing will be held in the municipality.

MR. MORTIMER: Madam chair.

MS. MOLNAR: Yes.

MR. MORTIMER: Perhaps, Senator, I can help you. Your question was when will we start. The steps that are left to be taken are-- There

would be a public hearing in Woodbridge, but there will also need to be a concurrent resolution approved by the Legislature for the project funds, which will probably occur sometime in the late fall or early winter. We can't go to construction awards until those kinds of funds have been made available.

I think that, for your question, we're probably talking about having occupancy of a new facility sometime in the late spring or early summer of 2001.

SENATOR KENNY: Thank you.

MS. MOLNAR: Any other questions or comments?

Mr. Ferrara.

MR. FERRARA: Yes.

Ms. Bolton, you mentioned a medium security facility with a maximum security fence. Could you expand on what the difference is?

MS. BOLTON: Absolutely. As I read the scope of work that was in your packet, I wanted to make sure that I had an opportunity to define that completely.

In Corrections, when we talk about the type of facility, it's dictated by the movement that is permitted for the inmates. In this particular situation, we will have residents who will not be locked in their cells 23 hours a day, but more specifically be available for treatment, whether it's one-on-one or group treatment and counseling, which is the purpose of the institution and confinement. So their movement within the institution would be of a higher level and for more hours of the day than for a maximum security inmate. However, the perimeter, or the fence that we have devised, is a state-of-the-art fence that is put up in maximum security prisons.

MR. FERRARA: Could you describe that fencing for me, please?

MS. BOLTON: I would be happy to.

The fence, as you see here, (indicating) is composed of two separate fences. The inner fence would be 12 feet high, and at the top it would have two rows of razor ribbon. It would also have an intrusion system, so when the resident -- if the resident were to touch that part of the fence, there would be an electronic device that would be set off in the control inside the institution as well as in a remote receiver in the vehicle that is providing the perimeter control.

If, potentially, the inmate was able to get through that fence, there would be a 20-foot space before they would reach the second fence, which would be 16-feet high and have 11 rows of razor ribbon and also have a special illumination device so that as soon as the alarm went off, lights would go on, even at a greater intensity than they would be on the perimeter normally.

In addition to this type of a perimeter, there would also be a marked vehicle with an armed uniformed officer and a canine that would be specifically designated for this particular patrol.

MS. MOLNAR: Any other questions or comments?

MR. DAVIDOFF: The high-maximum fence is already there because you have a facility there. Is that correct or not?

MS. BOLTON: No, that is not correct, sir. The building that we are proposing would have its own fence. The fence would be installed when the building would be constructed.

MR. DAVIDOFF: Currently, there is a facility-- This is satellite to what kind of facility?

MS. BOLTON: This would be sandwiched between two facilities that are both a maximum security environment. One facility has a wall, if you will, with razor ribbon on the top. The other one has a fence that was installed 20 years ago as the result of an escape. Since that fence was installed, there have been no escapes from that facility. However, that fence would also be upgraded to be a state-of-the-art fence like this one.

MR. DAVIDOFF: Just so I understand the two-- What are the facilities? How large are they? What are they for? The first facility, is that an 800 unit?

MS. BOLTON: The first facility is an 800-bed unit for sex offenders.

MR. DAVIDOFF: Sex offenders. That exists right now?

MS. BOLTON: Yes.

MR. DAVIDOFF: Has there been an escape from the facility?

MS. BOLTON: Twenty years ago--

MR. DAVIDOFF: Twenty years ago.

MS. BOLTON: --before there was any fence.

MR. DAVIDOFF: The second facility is what?

MS. BOLTON: East Jersey State Prison.

MR. DAVIDOFF: And how many people are there?

MS. BOLTON: About 2500.

MR. DAVIDOFF: Okay. So on one side, you have 2500?

MS. BOLTON: Yes.

MR. DAVIDOFF: On the other side you have 800.

MS. BOLTON: Yes.

MR. DAVIDOFF: And this is going to go in the middle?

MS. BOLTON: Yes.

MR. DAVIDOFF: It's not going to go outside of either one, it's going to be in the middle, and it's going to have it's own security fence around it.

MS. BOLTON: Yes.

MR. DAVIDOFF: This is medium security as opposed to high security for the other sex offenders. Why the difference? Are these different kinds of people there?

MS. BOLTON: Yes.

MR. DAVIDOFF: Can you explain?

MS. BOLTON: The individuals that we were talking about in the maximum security environment are inmates who have been criminally committed to that institution by the courts by virtue of the offense that they committed. The individuals that would be going to the special treatment unit are those individuals whose case had been adjudicated, has served the maximum amount of time in the prison environment, and then has been determined by a doctor and the courts to be inappropriate for release to the community, and thereby are civilly committed as residents, not as inmates.

MR. DAVIDOFF: What happens if we don't build this facility? Where do those people go?

MS. BOLTON: There are some individuals who have gone to the forensic hospital. To be quiet honest--

MR. DAVIDOFF: Where is that?

MS. BOLTON: In Trenton.

Absent to this public law, there have been some individuals who could conceivably have been released to the community.

MR. DAVIDOFF: But the law does now exist?

MS. BOLTON: The law does now exist.

MR. DAVIDOFF: So what if you don't build this prison? What happens?

MS. BOLTON: Public law directs us to have a facility, run by the Department of Corrections, to house the civilly committed individuals. They must be segregated from the inmate population.

MR. DAVIDOFF: There is no facility in state right now?

MS. BOLTON: That's correct. There is an interim unit that is being used at the present time.

MR. DAVIDOFF: At the forensic hospital?

MS. BOLTON: No, in Kearny.

MR. DAVIDOFF: In Kearny?

MS. BOLTON: Yes.

MR. DAVIDOFF: Is that a prison?

MS. BOLTON: It is a facility that we lease.

MR. DAVIDOFF: That you lease.

MS. BOLTON: It had been used for general population inmates. Those inmates were removed so that we could meet the letter of the law. That facility is now an interim unit until we can build and construct the permanent site.

MR. DAVIDOFF: Is there any reason that we can't use the interim unit as a permanent unit?

MS. BOLTON: Yes, sir. In looking at that facility, it was built as an interim unit. So the life expectancy of the facility in and of itself -- they have a short period of time.

2. The property and the building do not belong to us. We lease the property and the building.

3. There is only enough room for 150 individuals in that facility, and there is no opportunity for expansion. Statistically, across the country, as we did our research, we believe that this population, by the year 2005, will grow to about 300. So trying to be a visionary and trying to use taxpayers' dollars wisely, we believe we will have to expand the facility to 300. We cannot accommodate that expansion on that site.

And lastly, there is not enough program space there to accommodate the inmates in a satisfactory manner for a therapeutic environment.

MR. DAVIDOFF: The current 800-person facility-- How old is that facility?

**WILLIAM PLANTIER:** It's 23 years old.

MR. DAVIDOFF: Twenty-three years old. And the condition?

MR. FLANCE: It's in very good condition.

MR. DAVIDOFF: It's in very good condition.

Comparing, for a moment, to the temporary facility-- Actually, you gave out there a cost comparison.

MS. BOLTON: Yes.

MR. DAVIDOFF: This is comparing a stand-alone versus a satellite?

MS. BOLTON: Yes.

MR. DAVIDOFF: A stand-alone being the temporary facility used now?

MS. BOLTON: No, a stand-alone would be an institution of its own, which would have all the components of a facility that did not borrow or share services and staff.

MR. DAVIDOFF: Madam Chair, may I ask that this be included in the record, this cost comparison, which, for those (indiscernible) that a stand-alone unit would cost \$9.5 million per year and a satellite would cost \$8.3 million and that it would be \$25 million to build a stand-alone versus a satellite of \$20 million. That excludes site, utilities, cost of repair, etc.

Let me ask one other question. I know it's not our prime directive here, but it is certainly an issue that's come up and has concerned me. That particular township has a very large number of people who are in a correctional facility. What alternatives did you look at as to other locations and in particular-- I understand that (indiscernible), is that correct?

MS. BOLTON: It was a public meeting.

MR. DAVIDOFF: If you could explain those two things and let us understand what those two--

MS. VILLANE: Madam Chair, excuse me.

The role of our Commission here today is to decide if this is a worthwhile project for the State to undertake, not to decide if the location is appropriate. So I really don't think that we should discuss that.

MR. DAVIDOFF: Well, I would like the Chair -- if I could at least get some information as to what steps-- It's obviously a concern to the public.

I want to understand the process that they've gone through to decide that this facility is the one that we do. If they decide a different location, we need to give them different dollars. It does have some impact on the balance between the cost benefit of the facility.

MS. MOLNAR: You're questioning the stand-alone versus the satellite, for example.

MR. DAVIDOFF: Yes.

MS. MOLNAR: What they considered in the stand-alone?

MR. DAVIDOFF: I'm also -- what sites they were considering for the stand-alone if any.

MS. MOLNAR: I'm not sure we can discuss specific sites. I guess Mary Ellen could address if they did look at other sites in general and how she arrived at this stand-alone figure. But every specific single site they looked at, I'm not sure, this Commission should dwell on.

MR. DAVIDOFF: Then I will move on to another topic with your permission.

MS. MOLNAR: Okay.

MR. DAVIDOFF: Can you tell me, in evaluating this project-- Madam Chair, would it be appropriate just to ask, logistically, what hearings have taken place and meetings?

MS. MOLNAR: Sure.

MR. DAVIDOFF: Thank you.

Would you describe what meetings did take place?

MS. BOLTON: We have had the opportunity to speak to three separate communities. The community in Chesilhurst, the community in Woodbridge, and the community in Kearny.

MR. DAVIDOFF: And is Edison also bordering near this?

MR. PLANTIER: Yes.

MR. DAVIDOFF: Was that community spoken to?

MS. BOLTON: Yes.

MR. DAVIDOFF: I would ask that when you do have your hearings, maybe you invite them also.

MR. PLANTIER: I don't believe Edison would be immediately adjacent.

MR. MORTIMER: Madam Chair.

I think that in the--

MR. DAVIDOFF: I'm finished, Mr. Mortimer.

MR. MORTIMER: I appreciate that you finished, but I think that there is, unfortunately, a process that you're well aware of, and I will include, if this Commission accepts a recommendation on this, full public hearings through the Building Authority and the proper notices would be given to those interested parties. I think it's counterproductive for us to try to get eloquent in skirting the issue and stick to the issue, which is whether or not this is a financially prudent decision and meets a required State policy objective.

MS. MOLNAR: Thank you.

MR. DAVIDOFF: Thank you.

MS. MOLNAR: Any other questions right now from Commission members? (no response) If not, as we said at the beginning, we're going to open it up to public comment.

Could we excuse Corrections temporarily while we have the public come forward?

Now, our public comment will be limited to public comment. There will not be a dialog with Corrections or Commission members. It's for anyone who wants to make a statement.

I have the sign-in sheet in front of me.

I would like to welcome, first on our list, Senator Joe Vitale. I believe accompanying him is Jim Davy and Frank--

**SENATOR JOSEPH F. VITALE:** Councilman Pelzman is a Councilman from Woodbridge. He represents the area in which the facility is proposed to be built. Jim Davy is a Business Administrator for the township of Woodbridge.

I want to first thank the Commission for, at least, providing this public forum for the elected officials that represent those in the community that will be affected by this facility.

As a member of the Legislature who voted to support SA-95 that created the New Jersey Sexually Violent Predator Record, I recognize the overwhelming need to protect our citizens from sexually violent predators, and I continue to support the incarceration of these individuals through the civil commitment procedures as set for in the legislation.

And as I recognize that this Commission is not empowered with the task of site selection, it does have a responsibility to ensure that the

millions of dollars that will be invested in this and additional facilities throughout the state is spent wisely, in the public interest, and carried out pursuant to the goals of the statute.

Unfortunately, the unattended result of your actions today will result in a siting of this facility in the township of Woodbridge, the community in which I live and represent. I also appreciate the opportunity in giving us a little bit of a wide birth to express ourselves today in a short manner, but, however, you can understand the concern that we all have in that community and the communities that border the township of Woodbridge, not limited to the borough of Carteret and the city of Rahway.

Already the New Jersey Building Authority, the Department of Corrections, and Governor Whitman appear to have selected Woodbridge as the location for this first facility. This decision, based in part on what DOC has called cost-effective location, is anything but that.

You will hear today from Woodbridge Township officials who will outline their concerns, including the overwhelming financial strain that this facility will place on local services, property values, and the quality of life of the citizens of our community.

I'm here today to support those positions and state, for the record, in the strongest of terms, my opposition to this project, its location, and the way in which deciding decisions have been carried out, all along knowing that the decisions are not made by this Commission.

For quite some time now, the Department of Corrections has continually demonstrated its unwillingness to honestly inform the citizens of

Woodbridge Township and the officials elected to represent them of their plans to locate the facility within their borders.

As early as the spring of this year, I met with Corrections Commissioner Terhune to discuss this and other issues as they relate to this issue and requested that I be kept fully informed of any Corrections issues at East Jersey State Prison, at the existing Diagnostic and Treatment Facility, and any other discussions relating to the additional sex offender facility.

Not since that time have I received one phone call, one piece of correspondence addressing any of these subjects. Therefore, I can only conclude that this unwillingness to share information and fully inform the citizens of Woodbridge and its elected officials was deliberate and was meant to mislead and coverup the true intentions of this administration.

In a recent article published as early as yesterday in the *Star-Ledger*, a spokesperson for Governor Whitman stated, "We were in the process of implementing a notification system. Unfortunately, a lower-level employee inadvertently gave out information before the notification process could be implemented." I'd like to know what a notification system is. Did the Governor's spokesperson mean that they were looking for a telephone? Has the bureaucracy gotten so complicated that it needs a plan to communicate with a handful of elected officials? Or were those words just what they really appear to be, simply that this administration blindsided itself and got caught? As for that lower-level employee, I would like to say thank you.

The process that will ultimately lead to the siting of this facility will be long and complicated. Ultimately, the Legislature must approve it or reject it. And given the fact that the township of Woodbridge has shouldered

more than its fair share of responsibility by having a maximum security prison and sex offenders facility already within its borders, you can understand why its citizens and elected officials are so vehemently opposed to the construction of an additional facility. Simply put, it's time for equity and fairness and for others in this state -- other communities throughout our state to step up and shoulder their responsibilities.

I would like to thank the Commission again for giving us this birth and providing us the opportunity to speak today to express ourselves. This is not something we're looking forward to in Woodbridge. Clearly, you know that we will fight as best we can to prevent this from happening in our community.

Thank you.

MS. MOLNAR: Thank you, Senator.

Also on the list is James Davy who's, I believe, sitting with--

**JAMES M. DAVY:** Madam Chair, I want to take this opportunity to thank you and the Commission for the opportunity to come today and speak. I have a brief statement on behalf of Mayor McGreevey.

We would like to thank the Commission for changing the format of today's session from a telephone conference, which was originally scheduled, to an open public meeting. The proposal before the Commission this morning is a most significant one. It is a proposal which will result in the expenditure of upwards of \$20 million in State funds to construct a facility to house 300 violent sexual predators who are considered too dangerous for release.

Clearly, a decision of such magnitude merits detailed and thoughtful review and analysis. Unfortunately, the process which has

proceeded today's hearing has been flawed from day one. Last year, the Department of Corrections failed to notify Woodbridge Township before plans for the facility were announced. Although Commissioner Terhune later assured us that Woodbridge was just one of a number of sites under consideration, there are now indications from the Department of Corrections that only one other site was actually considered.

Commissioner Terhune also promised that local communities would be involved throughout the process, but the State has, once again, moved forward without notifying Woodbridge Township.

To this day, Woodbridge Township has yet to directly receive any formal notification that the New Jersey Building Authority has forwarded a proposal to construct the special treatment unit for sexual offenders to the Capital Budgeting and Planning Commission. While we appreciate the Commission's decision to allow representatives of Woodbridge to testify this morning, we are here at a significant disadvantage because we do not have the documents and information which the State has relied upon to make its decision to build this facility in Woodbridge.

Unfortunately, I suspect that the Commission does not have this information as well. This is most unfortunate because it is incredulous that an agency of the State of New Jersey could make a decision on an issue of that magnitude, an issue which calls for the use of \$20 million in State funds without having proper documentation and analyses upon which to base your decision.

Madam Chairwoman, on behalf of Mayor McGreevey, the Municipal Council, and citizens of Woodbridge Township, I would like to

formally request the following items, and I would also request that if the Commission does not have these items, that you postpone today's vote until all these materials, which are critical to your decision making, are in hand and can be reviewed and thoughtfully considered by each and every member of the Commission.

The materials we are seeking are as follows: all documents relating to the rejection of alternate sites; all documents relating to the project report, which include, but are not limited to, prior drafts of the project report; all documents utilized by the New Jersey Building Authority in generating the report; all documents relating to the scope of the project; all documents relating to any accounts or funds received relating to the project; all documents provided by the Department of Corrections relating to the project; all documents submitted by the Building Authority to the Commission for the Commission's review of the project report; minutes, excerpts, and/or notes from any meetings among Building Authority officials and the Department of Corrections concerning the project; all documents relating to the Commission's review of the project including, but not limited to, documents such as review reports generated by the Commission; minutes of any and all Commission meetings discussing consideration of the project report; and all documents relating to any environmental analyses of the project.

I would suggest that these are important documents that you should also have in your possession as you consider this very important project and one that is going to expend upwards of \$20 million.

Madam Chairwoman and members of the Commission, Woodbridge Township respectfully requests this material under the Freedom

of Information Act. Once again we urge the Commission to obtain and review this material prior to taking any action on the proposal before you this morning, and we urge you to do the same.

Thank you, once again, for allowing me, on behalf of Mayor McGreevey, to provide this testimony to the Commission.

MS. MOLNAR: Thank you, Mr. Davy.

MR. SHIDLOWSKI: We would request that if you're making a request under the Freedom of Information Act that you put your request in writing, please.

MR. DAVY: It will be done.

MR. SHIDLOWSKI: Thank you.

MR. DAVY: Can I also suggest-- I'd like to also submit, for the record-- Just last night, in two hours, there was a petition generated by the local community and residents. This petition was handed to me this morning. In just two short hours-- Last night, within the community, there were over 300 people placing their names on a petition to object to the siting of this facility in the manner and the place that you are talking about.

Should I submit this to you, Madam Chair?

MS. MOLNAR: Yes, thank you.

MR. DAVIDOFF: Point of information, Madam Chair.

MS. MOLNAR: Yes.

MR. DAVIDOFF: The speaker just indicated that he received no notice. Public notice of this meeting was in the *Star-Ledger* -- you had stated earlier, is that correct?

MR. SHIDLOWSKI: We informed the *Star-Ledger* and the *Trenton Times* of the time and place of this meeting.

MR. DAVIDOFF: And there was public notice. And also, the Building Authority will be conducting a public hearing after this?

MS. MOLNAR: Yes.

MR. DAVIDOFF: Thank you very much.

MR. DAVY: If I understand that process -- that is within 30 days of the dated minutes of this meeting are promulgated?

MS. FISHER: The Building Authority statute says that after this meeting, the Building Authority decides when to hold the public hearing in the municipality and has to send out notice of that meeting 15 days before that date. So a date has not been set. It probably will happen, I assume, within the next month or so.

MR. DAVY: Within the month?

MS. FISHER: By statute, it is really a 15-day notice period.

MR. DAVY: Does the Building Authority have to wait for the minutes of this meeting to convene that meeting -- that public hearing?

MS. FISHER: I don't believe so.

MS. MOLNAR: Thank you, Mr. Davy.

I believe Mr. Pelzman, Councilman, did you want to make a statement?

**C O U N C I L M A N F R A N K G. P E L Z M A N:** Yes, I did, Madam Chair.

I, too, would like to thank the Commission for allowing us to come down here this morning to speak.

I noticed in your opening statement that you made two comments regarding criteria, necessity and convince. While I think we'll all agree that there is a necessity for this type of institution, the convenience portion of it is what disturbs me. It may be convenient for the State of New Jersey, but it is not convenient for the township of Woodbridge. There are several concerns that we have. I speak from my constituents who have been inundating me with phone calls.

First, there is the security. While I agree that no one has escaped there in 20 years, also there was no escape from the workforce that was used for seven years or eight years, but it occurred in Woodbridge. So the possibilities are always there.

I have concerns about tower-free medium security regardless of the razor wire edge fencing that you have around there. The reason I say that is because, again perhaps someone here knows or can alleviate the rumor that the present security towers that are at the prison are going to be unmanned in the future. That would only add additional burden to the surrounding area in the fact that we now are saying this is going to be tower-free. If you talk to the guards there, they're very concerned about that as well.

Secondly, the infrastructure in the township of Woodbridge is at its maximum. We have presently instituted a program where we spend \$10 million a year to update sewers and roads. Our sewer capacity in that area is at its maximum. I don't know what we're going to do in order to accommodate the extra sewer capacity that is going to be required.

The funding just isn't there. The township, as all townships, is straining to keep its tax rates as level as possible.

Thirdly, whether the Commission knows or not, the people of Woodbridge are serviced, in the Avenel section of where this facility is planned, with a volunteer first aid and fire department. I emphasize the word volunteer. We all know how difficult it is to get volunteers. My problem with this facility is that they, at the present time, call upon the first aid squads and the fire departments to service their facilities. Normally, a first aid squad would take 20 minutes to a half-hour to take care of an individual in normal circumstances, in the public. Once they go into this facility, they are in a lock-up and a security -- they are then rechecked, and then it takes anywhere from an hour and one-half to two hours if they are called to the facility.

The Department of Corrections has admitted that in some cases, the individuals asking to be taken to the hospital are doing no more than wanting to get a little bit of fresh air. That concerns us. What we're doing is taking volunteers that are stretched to the max, using them in that facility for two hours which prevents them from doing what they're supposed to do, and that is to take care of the constituents of Woodbridge.

Basically, those are my concerns. Those are the concerns of the constituents. The additional concern is, as Mr. Davy and Senator Vitale have stated, the notification process to the township of Woodbridge has, to say the least, been inadequate. It has been nonexistent. We are really, really concerned that so much of this has been planned and done without the knowledge of Woodbridge. We have no faith to believe that anything that happens from this day forward will be any better.

Madam, I thank you for allowing us to speak.

MS. MOLNAR: Thank you, Councilman.

Thank you, gentlemen.

MR. DAVY: Madam Chair, I have the petitions. Should I hand them to you?

MS. MOLNAR: Sure.

The next person on our list-- I'd like to welcome Richard Rubin, attorney for Woodbridge.

**RICHARD RUBIN, ESQ.:** Madam Chair, my testimony has been-- (remainder of comment indiscernible)

MS. MOLNAR: Thank you so much.

Last on my list, I would like to welcome Assemblywoman Barbara Buono.

**A S S E M B L Y W O M A N B A R B A R A B U O N O:** Good morning, everyone.

I do know how to work these things, usually from the other side, though. (referring to PA microphone)

I appreciate the opportunity to come before you and testify. I am here to address you with all do respect. As you well know, you are the first step in this process. You are the gatekeepers. I'm here to urge you, under principles of equity and fairness, that this site should not be located in Middlesex County. I'm asking you, under principles of fairness and equity, to help Middlesex County and allow other communities to help shoulder the burden because of the risk inherent in siting a tower-free, medium security facility, such as this, in Middlesex County's backyard.

Plans by the State Commission for Capital Budget and Planning to even consider the construction of a new facility to treat sex offenders in

Woodbridge Township, I believe, and with all due respect, is ill-conceived, offensive, and punitive and should be withdrawn. I believe that the planned construction is ill-conceived because Woodbridge and Middlesex County already, as has been testified previously, host the East Jersey State Prison and the Adult Diagnostic Treatment Center. Local and county officials received virtually no notice regarding the hearing scheduled for Friday, August 13.

If approved and constructed, the facility would house high-end criminal sex offenders. It is offensive to the citizens of Middlesex County for the State to plan a third facility at this location. The plan construction is punitive because it represents a clear overload of State criminal facilities in a suburban, densely populated community. To suggest that the selection of Woodbridge relates to the existence of the Avenel Facility for Sex Offenders insults the intelligence. It's ludicrous, I believe, to suggest that some advantage to the State by locating the new facility next to the old. The plan is offensive because the Governor's Office and officials of the State Commission for Capital Budget and Planning and the State Department of Corrections gave local and county officials, virtually, no notice of the basic plan of the hearing scheduled for today. We are aware that other sites had been under consideration and had been rejected for various reasons.

I'm here, quite frankly, to ask the question, why Woodbridge? Why Middlesex County? And why isn't consideration being given to locate the new facility in some other suburban or rural area in another county? We fully support Woodbridge officials in denouncing State plans to locate the 300-bed facility in Woodbridge, indeed. We oppose State plans to locate the facility anywhere in Middlesex County.

I thank you.

MS. MOLNAR: Thank you, Assemblywoman.

I'd like to invite back Mary Ellen Bolton.

I'm not sure, during your testimony, whether you discussed the issue of the volunteer services and whether the State is providing any assistance as far as paramedics or first aid.

MS. BOLTON: Thank you, Madam Chair. I would be happy to address that.

The concern of the community was brought to our attention when we participated in a public meeting in Woodbridge. At that time, the Commissioner directed my office to make contact with our privatized company for health care in correctional medical services. They have been in contact with the municipality. I have been providing a stippling to a municipality, on a regular basis, for the services that they provide to both of the institutions. I did author a document and send that to Senator Vitale's office.

MS. MOLNAR: The other question I had-- As far as infrastructure, when you build this facility, is there any assistance to the local municipal level for things such as sewers?

MS. BOLTON: No, that would not be within my purview to respond to.

MS. MOLNAR: Any other questions from the Commission?

Mr. Ferrara.

MR. FERRARA: The issue of fire was also mentioned. I know some State institutions actually have their own fire departments. Do you have any fire trucks or anything that you would be able to--

MS. BOLTON: We do not have any fire trucks.

MR. FERRARA: I guess it's Human Services. I know their facilities do have their own fire departments.

MS. MOLNAR: Thank you.

Mr. Davidoff.

MR. DAVIDOFF: First of all, I would suggest that you work with the township for fire facilities and see if you can make the township (indiscernible) on that end. I think that was a good point that was raised.

MS. BOLTON: We'd be happy to.

MR. DAVIDOFF: There are a couple other points that were raised in the most recent testimony. First of all, are these high-end criminal sex offenders? I thought you had indicated that these were people that had already served their terms.

MS. BOLTON: That's absolutely correct. These individuals have already had their case adjudicated and served a maximum time of incarceration and have been civilly committed to this unit by the courts. So they are no longer criminals, but they are individuals who are civilly committed by virtue of their inability to respond to treatment and their likelihood of recidivous behavior.

MR. DAVIDOFF: And the accusation -- there was-- In earlier testimony, it was stated that there was no consideration given to other locations. Just here, in your handout, it seems you did give consideration to other locations. Is that correct?

MS. BOLTON: That is absolutely correct. The Commissioner, personally, visited three other sites in concert with other State officials to

determine the appropriate siting of this particular unit in other municipalities and/or cities.

MR. DAVIDOFF: And then there was some discussion about tower abandonment. Can you inform us of what that may have been talking about?

MS. BOLTON: There have been some proposals discussed within the Department of Corrections about the use of towers. I can tell you, unequivocally, that the towers at East Jersey State Prison, as they are currently manned, will continue to be manned in that fashion for that facility. There are two towers. One at the east perimeter of East Jersey and at the most eastern part of this particular unit that would be manned and have visibility of this unit. There is a second tower along the same wall that would have visibility a little bit further west.

MR. DAVIDOFF: And this particular satellite will then also have a tower?

MS. BOLTON: No, this particular satellite will not have towers.

MR. DAVIDOFF: But the statement made earlier that the towers are being invented is just untrue?

MS. BOLTON: The towers at East Jersey State Prison, as it is known now, will remain manned.

MR. DAVIDOFF: I would just ask that if that changes, you will give the communities an opportunity to be heard--

MS. BOLTON: Absolutely.

MR. DAVIDOFF: --about that change. I think that's important.

MS. BOLTON: Yes.

MR. DAVIDOFF: Also, with respect to sewers, you do pay sewer bills to the community for the usage based upon volume, is that correct?

MS. BOLTON: Yes, sir, we do.

MR. DAVIDOFF: So the community is getting dollars toward its sewer utility?

MS. BOLTON: Yes, sir.

MR. DAVIDOFF: Thank you.

MS. MOLNAR: Any questions or comments?

Assemblyman.

ASSEMBLYMAN ROMANO: Thank you, Madam Chair.

My comments, I guess, have to made only because some things were said here, today. I just want to correct any misunderstanding. This is generally speaking.

Whatever problems anyone has had with the notification by the Department relative to this entire situation is a matter that should be kept to the Department in terms of how it was notified, whether it was notified. That's not the providence of this particular Commission. Perhaps, though even more important -- things were said in terms of our action -- since result in deciding the placement of this facility. Nothing could be further from the truth.

It was also said that we are the first step in the process. Quite contrary, we came up third, I think, in this series. You have the Department of Corrections, No. 1, who, however it did it, decided upon the facility being located at East Jersey. No. 2, you had the Building Authority who looked at this process. And now it comes to us in terms of the Capital Commission's role

and charge as we have in so many other situations as to the necessary inconvenience. And by convenience here, they're not suggesting that we're looking at whether it's convenient to buses or trains or whatever the case might be here.

So I want that understood because the decision I will make, the vote that I will cast, is not based on the site placement. I have nothing to do with the site placement. Many of us who sit here today-- I will only speak for myself-- We only became -- I know I only became aware that this was on the agenda -- I became aware on Monday when I received a call to my office from Assemblyman Wisniewski. So don't think that I had hidden or privy knowledge to what was going on today.

In any event, let me tell you this, I did spend time trying to find out the surrounding circumstances, not that I'm entitled to them to make the decision, but just to understand what the entire problem is about.

My vote here today is cast on the role of the Commission. I have nothing to do with the siting of the building. And I want to rectify or correct any misunderstanding there might be. Yes, I come from Hudson County. Yes, Kearney is part of Hudson County. And while there is always that thought to rush things along so that we can remove those prisoners from the Kearney has nothing to do with my decision here. I do not have a conflict of interest.

I think that had to be said, Madam Chair. I excuse myself when I get impassioned, but I felt it had to be said.

Thank you.

MS. MOLNAR: Thank you, Assemblyman.

Any other questions or comments from the Commission? (no response)

As part of our public comments, I did agree--

Assemblyman Wisniewski wanted me to mention, for the record, that he is opposed to this project being put into Woodbridge Township. I will note that for the record.

There are no other questions or comments?

MR. MORTIMER: Madam Chair, I make a motion that we accept the recommendation.

MS. VILLANE: I'll second it.

MS. MOLNAR: Any other questions or comments on the motion?  
(no response) If not, we'll take a roll call.

MR. SHIDLOWSKI: Mr. Davidoff.

MR. DAVIDOFF: Abstain.

MR. SHIDLOWSKI: Mr. Roth.

MR. ROTH: Yes.

MR. SHIDLOWSKI: Senator Kenny.

SENATOR KENNY: Yes.

MR. SHIDLOWSKI: Assemblyman Romano.

ASSEMBLYMAN ROMANO: Yes.

MR. SHIDLOWSKI: Mr. Mortimer.

MR. MORTIMER: Yes.

MR. SHIDLOWSKI: Commissioner Mintz.

COMMISSIONER MINTZ: Yes.

MR. SHIDLOWSKI: Ms. Villane.

MS. VILLANE: Yes.

MR. SHIDLOWSKI: Mr. Ferrara.

MR. FERRARA: Yes.

MR. SHIDLOWSKI: Ms. Molnar.

MS. MOLNAR: Yes.

Thank you.

I will like to thank you for coming, both the public and the Departments.

MS. BOLTON: Thank you, Madam Chair.

**(MEETING CONCLUDED)**