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# *Commission Meeting*

of

## NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

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**LOCATION:** 33 West State Street  
Trenton, New Jersey

**DATE:** November 22, 2019  
10:00 a.m.

**MEMBERS OF COMMISSION PRESENT:**

James M. Rutala, Chair  
Eugene Lepore, Vice Chair  
Rob DiBenedetto (for Senator Paul A. Sarlo)  
Senator Samuel D. Thompson  
Assemblyman John DiMaio  
Justin Braz  
Catherine Z. Brennan  
Dennis Zeveloff



**ALSO PRESENT:**

Jamie Langsdorf  
*Executive Director*

David F. Patella  
*Assistant Executive Director*

Daniel Nason  
Brian Onda  
*Budget Specialists*

*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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***(The New Jersey Commission on Capital Budgeting and Planning held a meeting on November 22, 2019, at 10:00 a.m. Members of the Commission present via teleconference were James M. Rutala, Eugene Lepore, Senator Samuel D. Thompson, Assemblyman John DiMaio, Justin Braz, Catherine Z. Brennan, Rob DiBenedetto, and Dennis Zeveloff)***

JAMES M. RUTALA (Chair): Good morning.

I'd like to call this meeting to order.

In accordance with the Open Public Meetings Act, the Commission has provided adequate notice of this meeting by giving written notice of the time, date, and location. The notice of the meeting has been filed at least 48 hours in advance by mail and/or fax to the Trenton *Times* and the *Star-Ledger*, and filed with the Secretary of State.

We will now take roll call.

MR. LANGSDORF (Commission Executive Director): Thank you, Chairman.

Senator Sarlo.

MR. DiBENEDETTO (For Senator Sarlo): Present.

MR. LANGSDORF: Senator Thompson.

SENATOR THOMPSON: Here.

MR. LANGSDORF: Assemblywoman Sumter. (no response)  
Assemblyman DiMaio.

ASSEMBLYMAN DiMAIO: Here.

MR. LANGSDORF: Ms. Catherine Brennan.

MS. BRENNAN: Here.

MR. LANGSDORF: Ms. JoAnn Povia. (no response)

Mr. Zeveloff.

MR. ZEVELOFF: Here.

MR. LANGSDORF: Mr. Braz.

MR. BRAZ: Here.

MR. LANGSDORF: Mr. Lepore.

**EUGENE LEPORE (Vice Chair):** Here.

MR. LANGSDORF: Mr. Rutala.

MR. RUTALA: Here.

MR. LANGSDORF: Okay; Chairman, we have a quorum.

MR. RUTALA: Okay, the first order of business is election of the Chair and Vice Chair, and the approval of the Executive Director.

Do we have a nomination for the Chair and Vice Chair?

MR. LANGSDORF: Yes, we have a nomination; I believe Jim Rutala as the Chair and Eugene Lepore as the Vice Chair.

MR. RUTALA: Okay; is there a second?

ASSEMBLYMAN DiMAIO: Second.

MR. RUTALA: Okay.

MR. LANGSDORF: Okay; so I guess we can take a vote.  
Senator Sarlo.

MR. DiBENEDETTO: Yes.

MR. LANGSDORF: Senator Thompson

SENATOR THOMPSON: Yes.

MR. LANGSDORF: Assemblywoman Sumter. (no response)  
Assemblyman DiMaio.

ASSEMBLYMAN DiMAIO: Yes.

MR. LANGSDORF: Ms. Catherine Brennan.

MS. BRENNAN: Yes.

MR. LANGSDORF: Ms. JoAnn Povia. (no response)

Mr. Zeveloff.

MR. ZEVELOFF: Yes.

MR. LANGSDORF: Mr. Braz.

MR. BRAZ: Yes.

MR. LANGSDORF: Mr. Lepore.

MR. LEPORE: Yes.

MR. LANGSDORF: Mr. Rutala.

MR. RUTALA: Yes.

MR. PATELLA (Commission Assistant Executive Director):

Could we just remind everybody that when you respond, just identify yourselves for transcription purposes?

Thank you.

MR. RUTALA: Okay, thank you.

Next, we have approval of Jamie Langsdorf as the Executive Director.

MR. LANGSDORF: Can someone make a motion?

MS. BRENNAN: I'll make a motion.

MR. LANGSDORF: Do we have a second?

SENATOR THOMPSON: Second.

MR. LANGSDORF: Okay, we'll vote on the Executive Director.

Senator Sarlo.

MR. DiBENEDETTO: Yes.

MR. LANGSDORF: Senator Thompson

SENATOR THOMPSON: Yes.

MR. LANGSDORF: Assemblywoman Sumter. (no response)  
Assemblyman DiMaio.

ASSEMBLYMAN DiMAIO: Yes.

MR. LANGSDORF: Ms. Catherine Brennan.

MS. BRENNAN: Yes.

MR. LANGSDORF: Ms. JoAnn Povia. (no response)  
Mr. Zeveloff.

MR. ZEVELOFF: Yes.

MR. LANGSDORF: Mr. Braz.

MR. BRAZ: Yes.

MR. LANGSDORF: Mr. Lepore.

MR. LEPORE: Yes.

MR. LANGSDORF: Mr. Rutala.

MR. RUTALA: Yes.

MR. LANGSDORF: Thank you.

MR. RUTALA: Congratulations, Jamie; we look forward to  
working with you.

MR. LANGSDORF: Thank you; likewise.

Thank you very much.

MR. RUTALA: We'll move on now to approval of the minutes  
of May 31, 2019.

Do we have a motion?

ASSEMBLYMAN DiMAIO: I'll move it.

MR. LEPORE: Second.

MR. LANGSDORF: Okay; on the motion to approve the  
minutes from May 31, 2019; Senator Sarlo.

MR. DiBENEDETTO: Yes.

MR. LANGSDORF: Senator Thompson.

SENATOR THOMPSON: Yes.

MR. LANGSDORF: Assemblyman DiMaio.

ASSEMBLYMAN DiMAIO: Yes.

MR. LANGSDORF: Ms. Catherine Brennan.

MS. BRENNAN: Yes.

MR. LANGSDORF: Mr. Zeveloff.

MR. ZEVELOFF: Yes.

MR. LANGSDORF: Mr. Braz.

MR. BRAZ: Yes.

MR. LANGSDORF: Mr. Lepore.

MR. LEPORE: Yes.

MR. LANGSDORF: Mr. Rutala.

MR. RUTALA: Yes.

MR. LANGSDORF: The motion moves.

MR. RUTALA: Thank you.

Next, we have the Executive Director's report.

MR. LANGSDORF: Thank you.

For Fiscal Year 2020, the Commission recommended \$14.609 million of discretionary projects, all of which have been funded. Additionally, the Commission recommended \$1.645 billion for debt service and other capital appropriations.

The Fiscal Year 2020 Appropriations Act included \$1.652 billion for these items.

Do we have any questions? (no response)

If not, we can move on to Fiscal Year 2021 capital requests.

Again, as I mentioned earlier, for those of you who are representing your agencies or others, please state your name before making your comments. This meeting is being transcribed, and we would like your name to accompany your statements.

Thanks.

Okay, we'll begin with the Department of Agriculture.

Are there any questions?

MS. BRENNAN: Is there any opportunity to move this laboratory to one of the higher ed facilities, or to have them assume any of the responsibilities?

**JOSEPH ZOLTOWSKI:** So the building is sound; we have looked at it in the past with OMB and Treasury. We have looked at other laboratory facilities, but it's not your standard-issue laboratory facility. I would liken it to an animal shelter for insects more than a laboratory facility, even though it has *laboratory* in its name.

Does that make sense?

MS. BRENNAN: Yes, it makes sense; but there's no potential to contract for those services that are needed for the insects, or the testing?

MR. ZOLTOWSKI: That is correct; right. There is nothing. So we are in (indiscernible) mostly on Federal contracts; environmentally important, but non-economically viable insects. So we're not in competition with other insectaries -- that we are beneficials for greenhouse use or that kind of stuff. We're doing mostly beneficial insects that protect the environment against the gypsy moth, or emerald ash borers, spotted



lanternfly -- those kinds of things that are low value for the commercial insectary world.

Does that help?

MS. BRENNAN: It helps; and there would be no interest from the higher ed research community in taking on any of the responsibility?

MR. ZOLTOWSKI: So, pretty much, we're one of the larger facilities; we're one of the-- There are very few of them in the country; on the East Coast we're one of the larger facilities. There are a couple small rearing colonies, but they don't produce as much insects as we do. Down in Maryland, there's like a room or two where they rear a few hundred insects; we're raising thousands and millions. And we do it under these cooperative agreements -- that we produce a lot and we ship out through the Federal cooperators, who are also involved in these particular beneficial insect programs under a cooperative agreements.

So we're kind of standing in a place where we could, potentially, for the Northeast, provide insects if this building was back to a functional level, which it is not.

M A R Y T O V A R: I believe a year or two ago we did look into the feasibility of partnering, or -- to see if Rutgers was interested. And I believe the answer was "no."

MS. BRENNAN: Okay.

MR. LEPORE: I just have a quick question or two.

I am curious when the last significant capital investment in this facility took place. And also, I'm looking for just a little more detail on the requested project.

MR. ZOLTOWSKI: Okay, so OMB and Treasury have been replacing certain functions. We did get new cooling towers put in. So structurally, the building is sound; it's all the infrastructure on the inside -- machinery and all that stuff -- that has been going downhill. It's 30 years, 35 years now; so we need new things.

But they have replaced the cooling towers, the chillers, the boilers; they did replace the roof of the facility. But not all the rooms are functional, because we still need environmental controls: temperature, humidity -- that kind of stuff -- new pipes, new motors, new mechanical room air handlers, new duct work. So all that--

MR. LEPORE: So those recent investments, like the cooling towers -- I'm sorry to interrupt -- how much has the State invested in those components?

MR. ZOLTOWSKI: I do not know what they cost; I could not give an answer for that. They're not cheap though, but I do not know. I don't have an answer for you right now.

MS. TOVAR: We can find that out and submit it.

MR. ZOLTOWSKI: Yes, correct.

MR. LEPORE: Thank you.

SENATOR THOMPSON: The Health Department Laboratories -- moving out of there to the new facility some years ago -- I thought I heard plans about doing away with the whole building there. Where is that at in the department (indiscernible)?

MR. ZOLTOWSKI: All right; so you're thinking about the old laboratory downtown, Market and Warren streets.

SENATOR THOMPSON: (Indiscernible).

MR. ZOLTOWSKI: That is not being used; that is-- I guess that's slated for destruction, removal at some time. That's not the same facility as what we're talking about -- the new lab over in West Trenton on the State Police compound with DEP, Health, and Ag. We have a small agricultural lab there, but it is not the Beneficial Insect Lab; that's a different location, a different lab.

ASSEMBLYMAN DiMAIO: I have a quick question.

Earlier in the discussion it was said that we have one of the largest facilities in the country, and we could export to the Federal government. I believe I heard that.

If we do that, do we get any kind of reimbursement for the cost of doing that from the Feds, or any other agency, out of our state, that we could send to?

MR. ZOLTOWSKI: Yes, and so what it is, is every year -- annually we apply to rear federally approved beneficial insects. We work under those -- we receive money to do that work to cover salaries and that kind of stuff. It doesn't cover infrastructure; they don't replace buildings, they don't rebuild buildings. But they do pass on cooperative agreements, annual cooperative agreements for colony rearing and shipping to other cooperating states that have similar projects for emerald ash borers, or spotted lanterns, and different parasites; some agricultural pests that destroy invasive weeds, for example -- we ship stuff out for that.

ASSEMBLYMAN DiMAIO: Can you give us an idea of how much revenue that generates in an average year?

MR. ZOLTOWSKI: On the average, I want to say, probably -- oh, hold on second; I can throw it in my head -- I don't know; \$80,000 at best. They don't pay us a lot, but it covers salaries and the cost of shipping.

ASSEMBLYMAN DiMAIO: Well, I understand that, and I hear that we have one of the biggest in the region, and that we also have the biggest tax bills.

MR. ZOLTOWSKI: Yes, we're one of three -- one of the three biggest. I think the biggest on the East Coast is Florida. Like I said, there's a small facility in North Carolina. Cornell is talking about building a facility; I don't even know how big that's going to be. But right now, we're one of the biggest; at least in this region, we are the biggest.

ASSEMBLYMAN DiMAIO: What is the cost, per year, of your operating costs?

MR. ZOLTOWSKI: Just different salaries, that kind of stuff? Because I don't know the cost of running the building; that would be a Treasury inquiry. We would have to reach out and find what that cost is. Salary-wise -- it's a pretty small staff and so, I don't know, maybe \$100,000 in salaries. And then we kind of almost get that with our cooperative agreements that we get in-house with the USDA and government.

ASSEMBLYMAN DiMAIO: A 21,000 square foot facility with \$100,000 on the payroll to run it?

MR. ZOLTOWSKI: Well, that's just covering salaries of people doing the work. And so, you know, rearing insects -- like I likened it before to like an animal shelter. It's all labor-intensive; we rear-- Because you don't just rear the insects that you're releasing; you have to rear-- Because they're beneficial insects, so they need to-- You have to rear the host plants, the *bad*

*insects* -- for lack of a better way of phrasing it -- and then the good insects on top of that. So it's a multi-phase system to finally get to those beneficial insects that you're shipping out.

And you have to clean them every day, and feed them every day. Like I said, it's labor-intensive, to say the least.

ASSEMBLYMAN DiMAIO: Thank you.

MR. LANGSDORF: Okay; are there any other questions?

MS. BRENNAN: I guess-- What are the implications if we don't fund this?

MR. ZOLTOWSKI: If we don't fund it -- and we've had this before. We've had colony failures because, in the summer, it gets too hot and colonies die; in the wintertime, it gets too cold, the colonies die. So there are times that we could not meet our Federal requirements on our cooperative agreements. And it's not an immediate increase in colonies; you can't, like -- you could have 100,000 insects drop dead on you, and you're not going to get them quickly. It's going to take months to recover.

There's also -- without doing that kind of infrastructure repair of the piping, and motors, and that kind of stuff in the mechanical room, it's also often a severe fire hazard, because a lot of that equipment could overheat and catch fire. And so we have some safety concerns with that, too.

MS. BRENNAN: What do other states do in this regard? Do other states have facilities, or-- I mean, I'm assuming, based on what you said, not all states do.

MR. ZOLTOWSKI: That is correct. Not all states do, and usually they reach out either to the Federal government -- the Forest Service, USDA, APHIS, PPQ, for example -- that have agreements for some

environmental insects that we have, bio controls; that we're building up the colonies. They reach out to them for us; they get into a cooperative agreement with the Federal government, and that's what our cooperative agreements are for -- that we overproduce these insects to ship to those interested states that cannot or do not have these facilities.

MS. BRENNAN: Okay.

MR. LANGSDORF: Okay, we can move on.

And Chairman, if you'd like to proceed through these different Departments, you may. I spoke over you earlier.

MR. RUTALA: Not a problem.

The Department of Children and Families -- any questions or comments? (no response)

Okay; the Department of Corrections. (no response)

I have a couple of questions.

In here is funding for emergency generators. Has any effort been made to have that paid for by FEMA or through the New Jersey Office of Emergency Management?

**GARY T. ALPERT:** No.

MR. RUTALA: Is that a possibility?

MR. ALPERT: We can look into it.

MR. RUTALA: Okay, thank you.

And then, also, there's a number of energy improvements as well. I was wondering if you considered an energy savings plan for these projects, as opposed to bonding for those costs?

**JOE FUCA:** We currently have an ESIP project going on in our Edna Mahan Women's Correctional Facility.

MR. RUTALA: Okay. But could a larger project or a different project affect some of these other energy or HVAC improvements?

MR. ALPERT: Is there a specific project that you're referring to?

MR. RUTALA: Well, I'm looking at heating replacements, priority No. 12.

MR. ALPERT: We can look into it with the Division of Property Management and Construction.

MR. RUTALA: Okay.

Also, Gary, No. 15, HVAC repairs -- the same thing.

Are there any other questions?

MS. BRENNAN: Gary -- and this, what you put forward, is up-to-date and consistent with any long-term planning Corrections is doing regarding overall facilities and any potential future consolidation, etc.?

MR. ALPERT: Yes.

MS. BRENNAN: Okay.

MR. RUTALA: Okay, we'll move on to the Department of Education.

MS. BRENNAN: I'm sorry; can we go back to Children and Families a minute?

The Brisbane property, which is priority No. 2 -- aren't there discussions going on with the Brisbane family regarding the property?

**R O B E R T   B U T C A V A G E:** I think there were in the past; I don't think there are anymore.

MS. BRENNAN: No, there are; there are conversations going on with the family. So we need to circle back on that to understand what the current -- where that conversation stands before any work is undertaken.

MR. BUTCAVAGE: Okay.

MR. RUTALA: Okay, thank you.

Moving on to the Department of Education.

Are there any questions? (no response)

Hearing none, on to Law and Public Safety. (no response)

Juvenile Justice--

SENATOR THOMPSON: The only thing I would say there was, on priority No. 1 -- snow removal from the roof is going to cost \$200,000? Of course, this will rectify the maintenance. But, wow; I mean, we don't get that much snow.

MR. RUTALA: Does someone want to comment on that?

SENATOR THOMPSON: That was just a comment; it doesn't really require a response.

MR. LANGSDORF: Concerning the snow removal question -- this building is somewhat unique. The way it's built -- there's an opportunity for snow to build up and for it to actually fall from the building. And there are some -- I guess some safety issues there.

So the snow removal process is something that's necessary, and I'm certain Law and Public Safety can get into the process a little bit more.

But it's--

SENATOR THOMPSON: No, I didn't need any. I just made a comment, that's all.

MR. LANGSDORF: Okay.

SENATOR THOMPSON: I didn't need anything further.

MR. LEPORE: I have a question on priority No. 1.

SENATOR THOMPSON: Yes.



MR. LEPORE: Just flagging that there was legislation recently introduced regarding the sale of the land, and improvements related to the regional day school-- And I am just wondering if this is considered surplus property that will be conveyed, would this still remain the top priority for the Department?

MS. BRENNAN: Along those lines, Gene, you know, we have ongoing asset studies going on that were directed in the budget. And so whatever is in the overall report, or the (indiscernible) entirety of the capital plan, has to be checked against -- you know, we have to get updates regarding the status of certain properties before anything in this report is pursued.

MR. LEPORE: Very good; thank you, Cathy.

MR. RUTALA: Okay.

Any other comments on Juvenile Justice Commission? (no response)

Any questions on the Department of Military and Veterans Affairs? (no response)

Questions on Judiciary?

MS. BRENNAN: Wait; on Military and Veterans Affairs -- this is for the OMB staff -- so when we have these fire code violations, presumably some of these things may result in fines, or interagency fines even. Are any of these things -- any of the items in the report that are incurring fines, are they being -- can they be addressed in the current budget through the life, health, safety appropriation? Or is that already spoken for?

MR. PATELLA: It's something that we do consider, along with all the other life/safety needs. And yes, we can consider it, if the fines are excessive. So, yes, we can consider that.

MS. BRENNAN: Okay; so conceivably some of these items could be pulled forward into 2020?

MR. PATELLA: It is possible, yes, if it's deemed a higher priority than all the other life/safety needs.

MS. BRENNAN: Okay, thank you.

MR. RUTALA: Any questions on Judiciary? (no response)

MR. LANGSDORF: Okay, Chair, unless there are any other questions, or comments, or any other new business to discuss, can we, or someone, put forward a motion to adjourn?

MR. RUTALA: So our next meeting is December 13?

MR. PATELLA: That is correct.

MR. RUTALA: Okay.

Motion to adjourn?

MS. BRENNAN: Motion.

MR. RUTALA: Second?

ASSEMBLYMAN DiMAIO: Second.

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

Thank you; thank you very much

**(MEETING CONCLUDED)**