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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:** February 12, 2020  
10:00 a.m.

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

Eugene Lepore, Vice Chair  
Senator Paul A. Sarlo  
Senator Samuel D. Thompson  
Assemblyman Harold 'Hal' Wirths  
Shaylynn Bivens (for Assemblywoman Shavonda E. Sumter)  
Justin Braz  
Catherine Z. Brennan  
Jo-Ann Povia  
Dennis Zeveloff



### **ALSO PRESENT:**

James Langsdorf  
*Executive Director*

David F. Patella  
*Assistant Executive Director*

Daniel Nason  
*Budget Specialist*

Luke Wolff  
*Senate Majority Office  
Commission Aide*

Aaron Binder  
*Assembly Majority Office  
Commission Aide*

*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 February 12, 2020 at 10:00 a.m. Members of the Commission present via teleconference were Eugene Lepore, Senator Paul A. Sarlo, Senator Samuel D. Thompson, Assemblyman Harold 'Hal' Wirths, Justin Braz, Catherine Z. Brennan, Jo-Ann Povia, and Dennis Zeveloff)**

EUGENE LEPORE (Vice Chair): We will call the meeting to order with our OPMA notice here.

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 by fax to the Trenton *Times* and the *Star-Ledger*, and filed with the Secretary of State.

We can now take a roll call.

MR. LANGSDORF: Senator Sarlo. (no response)  
Senator Thompson.

SENATOR THOMPSON: Here.

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

ASSEMBLYMAN WIRTHS: Here.

MR. LANGSDORF: Ms. Catherine Brennan.

MS. BRENNAN: Here.

MR. LANGSDORF: Ms. Jo-Ann Povia.

MS. POVIA: Here.

MR. LANGSDORF: Mr. Zeveloff.

MR. ZEVELOFF: Here.

MR. LANGSDORF: Mr. Braz.

MR. BRAZ: Here.

MR. LANGSDORF: Mr. Lepore.

MR. LEPORE: Here.

MR. LANGSDORF: Mr. Rutala. (no response)

Okay, we have a quorum.

MR. LEPORE: Okay; can we get a motion to approve the minutes of the prior meeting?

SENATOR THOMPSON: So moved.

MS. BRENNAN: Second.

MR. LANGSDORF: My apologies.

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 names to accompany your statements.

Thank you very much.

On the motion to approve the minutes for December 13, 2009, Senator Sarlo. (no response)

Senator Thompson.

SENATOR THOMPSON: Yes.

MR. LANGSDORF: Assemblywoman Sumter. (no response)

Assemblyman Wirths.

ASSEMBLYMAN WIRTHS: I'll just abstain, because this is my first meeting.

MR. LANGSDORF: Okay.

Ms. Catherine Brennan.

MS. BRENNAN: Yes.

MR. LANGSDORF: Ms. Jo-Ann Povia.

MS. POVIA: 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. (no response)

Vice Chair, the motion moves.

MR. LEPORE: Okay; we approved the minutes.

Before we move on to the recommendations, I just want to make a statement, take a point of personal privilege.

I just wanted to let everybody on the Commission know that I have accepted a position with the Association of State Colleges and Universities. And as such, I have filed a notice with the Department of Treasury, with the Commission, of a potential conflict regarding any issues before the Commission pertaining to higher education.

So I have recused myself, and the Commission and Commission staff is not sending me anything pertaining to higher education capital requests. I will be recused.

MR. LANGSDORF: Okay, thank you.

MR. LEPORE: Okay, moving along.

We'll go through the Fiscal Year 2021 capital recommendations. If anybody has any questions or statements, please feel free to chime in.

Otherwise, I will go through each agency and note the request and what the recommendation is of the staff.

SENATOR THOMPSON: I do have a statement related to the whole thing.

Thus reviewing what is recommended here, and so on, among discretionary and non-discretionary, of the total requests there was close to \$1.2 billion in discretionary funds requested, and \$25 million is all that is set aside.

And there are a lot of discretionary projects that look like, maybe, they need to be done. So is the \$25 million figure being recommended based on, perhaps, the Governor's recommendation of how much money should be available for capital projects; or why were so many worthwhile projects not being funded in the discretionary area? That covers everything we're doing here, not just any department.

MR. PATELLA (Assistant Executive Director): Senator Thompson, if I could just clarify.

So the reason why the non-discretionary amount is so large is that it includes the debt service payment--

SENATOR THOMPSON: No, my--

MR. PATELLA: --for the Transportation Trust Fund, and that's \$1.4 billion. And it also includes debt service for--

SENATOR THOMPSON: My question was not about the non-discretionary.

MR. PATELLA: Right.

SENATOR THOMPSON: I realize that that money is coming from the Transportation Trust Fund--

MR. PATELLA: Okay.

SENATOR THOMPSON: --(indiscernible).

My question is for the discretionary funds that -- again, discretionary -- there's only \$25 million there, while \$1.2 billion is requested; and many of the projects that are not being recommended are projects that -- it kind of looks like they need to be done.

So I'm asking, what is the genesis of the \$25 million figure? It kind of looks like you started out with a cap on how much you're going to recommend, rather than what was really needed. That's where my question comes from.

MR. PATELLA: Yes, and I think we would all agree that--

SENATOR THOMPSON: Is that accurate -- that you were given some kind of number? "Hey, hold down our discretionary spending to not be above a certain value."

MR. PATELLA: Yes, I mean, that number is based on the funding that we have available to allocate for this budget year.

SENATOR THOMPSON: Okay; that is the answer I was looking for.

MR. PATELLA: Yes.

SENATOR THOMPSON: You were told this \$25 million figure, now figure out where you are going to put it.

MR. PATELLA: Exactly, yes.

MS. BRENNAN: And Senator Thompson, you know the Legislature can also play a role during the budget process if it believes that there are priority needs that should be funded.

SENATOR THOMPSON: Oh, I recognize that; I recognize that. This number, I assume, comes from Treasury, or the Governor's Office, or somebody; and this is what we're looking for to be in capital expenditures, as far as discretionary projects go. The determinations were based on, "Okay, that's where we have to go. When we hit that, that's all we can do."

Okay.

MS. POVIA: I just have one question.

That's no different than the previous years, correct? There's no difference this year than last year, and the year before, and the year before? Correct?

MR. PATELLA: That's correct.

MS. POVIA: Okay.

MR. PATELLA: It's flat funding.

SENATOR THOMPSON: I didn't notice in previous years, because I don't think you (indiscernible) quite like this one. I like it when it's put out there, where everything was summarized in one place.

MS. POVIA: Okay, thank you. I just wanted to make sure it wasn't anything different.

MR. LEPORE: Yes, as I recall, this is a very similar presentation to what we had in previous years -- a similar divide between requested and funded, as far as the discretionary is concerned.

MS. BRENNAN: Your point, though, Senator Thompson, is well taken.

SENATOR THOMPSON: What's that?

MS. BRENNAN: We completely understand your point.

SENATOR THOMPSON: It seems that rather than how critical a project (indiscernible), we can't exceed the \$25 million.

But, go ahead.

MR. LEPORE: Okay; and if somebody would like the Executive Director or Treasury to, at any point, discuss the scoring system as they go through the requests and priorities, and offer recommendations, know that's something I'm sure they'd be willing to discuss.

Moving on now through the recommendations.

The Department of Agriculture made a \$4.21 million request, and nothing has been recommended.

The Department of Children and Families has a Fiscal Year 2021 request of \$758,000. The recommendation is \$708,000 for replacing roofs at Essex and Bergen campuses.

The Department of Corrections has a Fiscal Year 2021 request of \$433.8 million. For Fiscal Year 2021, there is recommended \$6.3 million, which is \$5 million for feeder line replacements -- electric feeder line at New Jersey State Prison; and locking system replacement, \$1.33 million, at Northern State Prison.

The Department of Education -- a Fiscal Year 2021 request of \$7.15 million; there are no recommended projects for Fiscal Year 2021.

MS. BIVENS: I'm sorry -- and that was for -- the \$7.1 million?

MR. LEPORE: That was the request of the Department of Education.

The Department of--

SENATOR SARLO: I'm sorry, Gene.

The \$7.5 million for Department of Ed -- you said there are no projects listed with that, or--

MR. LEPORE: No, the request was approximately \$7.2 million for five projects--

SENATOR SARLO: Okay.

MR. LEPORE: --including a roof, HVAC, window replacements, and so on. But none of those projects have been recommended.

SENATOR SARLO: Understood; thank you.

MR. LEPORE: And Senator Sarlo, did you want to leave your vote in the affirmative for the approval of last meeting's minutes?

SENATOR SARLO: I was not on for last meeting, so I'll abstain.

MR. LEPORE: Okay.

MS. BIVENS: Hi, just for the record -- Shaylynn Bivens for Assemblywoman Sumter. She'll be joining the call a little later; she's in a meeting.

MR. LANGSDORF: Okay.

MS. BIVENS: You're welcome.

MR. LEPORE: Okay; and the Fiscal Year 2021 request for DEP -- \$559.8 million. There is \$68 million recommended for Fiscal Year 2021 projects; \$10.8 million for hazardous substance discharge cleanups; \$15.1 million for Brownfield remediation; \$10.8 million for funding low-interest loans and grants for the closure, replacement, and remediation of underground storage tanks; \$25 million from the Realty Transfer Fee for shore protection; and \$6.5 million for flood control projects -- six flood control projects, also leveraging money from the Federal government.

Jamie, are these, largely, dedicated funds?

MR. LANGSDORF: Yes.

MR. PATELLA: Yes.

MR. LEPORE: Okay.

The Department of Health Fiscal Year 2021 requests -- \$45.1 million. The recommended is \$2.3 million for fire protection upgrades at Trenton Psych.

The Department of Human Services made a request of \$53.8 million for 21 projects. There is a total Fiscal Year 2021 recommendation of \$3.623 million: \$292,000 for fire protection upgrades at the Woodbine Developmental Center; \$750,000 for fire protection upgrades at the New Lisbon Developmental Center; \$917,000 for fire escape upgrades at New Lisbon; and \$1.66 million for fire escape upgrades at Woodbine Developmental Center.

The Department of Law and Public Safety: A Fiscal Year 2021 request of \$9.1 million for three projects; a total Fiscal Year 2021 recommendation of \$890,000, and that is for roof repairs at The Troop C Headquarters Hamilton Substation.

JJC made a Fiscal Year 2021 request of \$19 million for 25 capital projects. There's a total Fiscal Year 2021 recommendation of \$676,000 for one project, suicide resistance improvements in the bathroom and shower at the Ocean Residential complex.

The Department of Military and Veterans Affairs made a Fiscal Year 2021 request of \$12.6 million in State funding for 26 projects. The Fiscal Year 2021 recommendation is zero.

The Department of Transportation Fiscal Year 2021 request, \$1.438 billion; the recommendation is \$1.436 billion. This is dedicated funding, obviously; the Transportation Trust Fund.

Public Broadcasting Authority: Fiscal Year 2021 request of \$750,000 for a transmitter replacement. There's nothing recommended for Fiscal Year 2021.

Interdepartmental accounts: A capital request in Fiscal Year 2021 of \$182.2 million for capital projects, including Open Space preservation; and an additional \$20.5 million request for Building Authority debt service. The Fiscal Year 2021 recommendation is a grand total of \$129.16 million. That includes the \$20.5 million in Building Authority debt service, as well as \$97.7 million for Open Space preservation, and \$11 million for life, safety, and emergency improvements.

The State Capitol JMC made a Fiscal Year 2021 request of \$9.5 million for six projects for the State House Annex. There is nothing recommended for Fiscal Year 2021.

The Judiciary made a request for Fiscal Year 2021 of \$24.7 million for six capital projects. There's nothing recommended for Fiscal Year 2021.

That concludes our summary of the recommendations for Fiscal Year 2021.

Do we have a motion to vote on the approval of the recommendations?

ASSEMBLYMAN WIRTHS: I'll move the motion.

MR. LANGSDORF: Do we have a second also?

MR. ZEVELOFF: Second.

MR. LANGSDORF: Okay.

On the motion to approve Fiscal Year 2021 capital recommendations;

Senator Sarlo.

SENATOR SARLO: That's a yes.

MR. LANGSDORF: Senator Thompson. (no response)

Assemblywoman Sumter. (no response)

Assemblyman Wirths.

ASSEMBLYMAN WIRTHS: Yes.

MR. LANGSDORF: Ms. Catherine Brennan.

MS. BRENNAN: Yes.

MR. LANGSDORF: Ms. Jo-Ann Povia.

MS. POVIA: Yes.

MR. LANGSDORF: Mr. Zeveloff.

MR. ZEVELOFF: Yes.

MR. LANGSDORF: Mr. Braz.

UNIDENTIFIED STAFF: Mr. Braz had to jump off the call, but he left his vote with me as a "yes."

MR. LANGSDORF: Thank you.

SENATOR THOMPSON: You may have called my name; I stepped away for a moment.

Yes.

MR. LANGSDORF: Okay; thank you, Senator.

Mr. Lepore.

MR. LEPORE: Yes.

MR. LANGSDORF: Okay; and Mr. Rutala is not here.

All votes are in?

MR. PATELLA: Yes.

MR. LANGSDORF: Vice Chair, the motion moves.

MR. LEPORE: Okay; is there any other business?

MR. LANGSDORF: Not that I'm aware of.

MR. LEPORE: Okay, seeing that there's no other business, I move to adjourn the meeting.

MR. LANGSDORF: Okay, just one thing.

I believe we're going to be scheduling our next meeting sometime in March to present the Debt Report.

OMB will be reaching out with the date of that meeting, and everyone will be advised.

MR. LEPORE: Okay, thank you.

MR. LANGSDORF: Okay, thank you very much.

MR. LEPORE: Thank you; have a good day, everyone.

**(MEETING CONCLUDED)**