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PUBLIC HEARING

before

ASSEMBLY TRANSPORTATION AUTHORITIES,
TELECOMMUNICATIONS AND TECHNOLOGY

"To receive testimony on the operations of the Burlington
County Bridge Commission"

September 27, 1990
Keegan Recreation Center
Burlington City, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman George A. Spadaro, Chairman
Assemblyman Bernard F. Kenny, Jr., Vice Chairman
Assemblyman D. Bennett Mazur
Assemblyman Jack Collins
Assemblyman C. Richard Kamin

ALSO PRESENT:

New Jersey State Library

Amy E. Melick
Office of Legislative Services
Aide, Assembly Transportation Authorities,
Telecommunications and Technology

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ASSEMBLYMAN GEORGE A. SPADORO (Chairman): Good morning, ladies and gentlemen. Is this loud enough? Can everybody hear me? Let me see if I can do this without having to lean.

My name is George Spadoro, Chairman of the Assembly Transportation Authorities, Telecommunications and Technology Committee. We're here today to conduct a public hearing. And I want to first introduce the members of the Committee who are present: Beginning to my right, Assemblyman Ben Mazur from Fort Lee, Hudson County -- Bergen County; to his left, Assemblyman Bernard Kenny from Hoboken; David Smith from staff; Amy Melick, staff; Assemblyman Richard Kamin. I don't know the county you're from?

ASSEMBLYMAN KAMIN: Morris County.

ASSEMBLYMAN SPADORO: And his Aide--

MS. MELICK (Committee Aide): Rose Persichilli.

ASSEMBLYMAN KAMIN: Rose Persichilli.

MS. PERSICHILLI (Staff): Rose Persichilli

ASSEMBLYMAN SPADORO: Rose Persichilli.

We're here today-- First of all, I want to thank members of the public -- witnesses that have come today to attend this public hearing. We're here charged with the responsibility of looking into the alleged unethical activities of the Burlington County Bridge Commission, a Commission which has been fraught with questionable business practices during its many years of existence.

Pursuant to Assembly Resolution No. 69 which was sponsored by Assemblywoman Kalik and Assemblyman Foy, this Committee has been directed by the Assembly to investigate the alleged unethical practice of the Burlington County Bridge Commission and is to issue a report of its findings and recommendations to the General Assembly. The Committee has scheduled witnesses to testify on a number of subjects. We will be focusing in on travel abuses by the Commissioners and

staff, an alleged purchasing scam involving the Bridge Commission employees. We will be looking into the Bridge's procedures for awarding contracts. We will be determining and reviewing the internal management structure or the absence of the internal management of the structure of the Bridge Commission. We will be considering the issue of the provision of lifetime health benefits to part-time employees. We'll be looking into toll increases and, of course, considering replacement of the Bridge itself.

For the record, this hearing is being transcribed and a transcript will be prepared of the testimony. We intend on hearing from current Bridge Commissioners, past Bridge Commissioners, current and former Bridge employees and vendors who have done business with the Bridge Commission. And, hopefully, if we succeed in getting through the witnesses that we have scheduled for today, we're going to open the floor for public comment this afternoon.

And now I want to begin the hearing by asking--

ASSEMBLYMAN KAMIN: I have one word, Mr. Chairman. May I have the -- a copy of the opening statement--

ASSEMBLYMAN SPADORO: Of course.

ASSEMBLYMAN KAMIN: --prior to proceeding?

ASSEMBLYMAN SPADORO: We will have to have one made up for you.

ASSEMBLYMAN KAMIN: Thank you, Mr. Chairman.

ASSEMBLYMAN SPADORO: It's a very short statement.

At this point I want to turn the microphone over to Assemblywoman Kalik and ask her to briefly give the background of the resolution that brought us here today.

ASSEMBLYWOMAN BARBARA F. KALIK: Thank you, Mr. Chairman.

Members of the Assembly Transportation Authorities, Telecommunications and Technology Committee, I want to thank you for holding this hearing on a situation that has warranted

an investigation for many months. Finally, the residents of Burlington County will be able to express their views and be heard.

The Burlington Bridge Commission is a creation of the Legislature and I sponsored Assembly Resolution No. 69 which directs this Committee to investigate the Burlington County Bridge Commission, because I believe the taxpayers of Burlington County, the tollpayers of the Burlington-Bristol Bridge, and the citizens I represent are being used and abused by an authority whose primary mission is to manage and operate the two Delaware River bridge crossings. Unfortunately, that Commission is not living up to that responsibility in an efficient and effective manner.

This hearing will give the public a rare opportunity to raise questions and air concerns and complaints regarding the Commission's role and obligations. I am particularly pleased the Chairman made the decision to hold this hearing almost in sight of the Burlington-Bristol Bridge so those most directly affected by the Commission's decisions could conveniently testify and be heard.

Since its creation four decades ago this Commission has had the freedom to establish and carry out its own agenda with virtually complete independence from governmental and public scrutiny, and unfortunately, the Commissioners have systematically misused their powers over an extended period of time.

The Commission has scandalously spent money on invalid travel expenses for themselves and their families and increased their salaries and benefits at a public hearing held the Friday afternoon of the New Year's Eve weekend.

When the aforementioned outrageous actions became public knowledge, the Commission spent \$21,000 on an outside audit to uncover \$45,000 in overexpenditures.

The Commissioners, acting in concert with the Burlington County Board of Freeholders authorized \$2 million for engineering costs, public relations consulting fees, and legal fees on a replacement bridge, without discussion with officials whose permission would be necessary in Pennsylvania; without preliminary work on the viability of that project versus alternatives that are currently being considered; and without investigating any Federal and State permits that might be required and necessary.

In addition, the Commission doubled the tolls virtually overnight with an announcement, public hearing, and actual increase all occurring within one week -- Christmas week of last year. This hearing might also bring to light the facts regarding five Commission employees, including the Executive Director who were indicted for a purchasing kickback scam. The Commissioners should also be questioned why County taxpayers are being requested to back a \$9.5 million capital bond without public referendum when an independent audit shows there's \$30 million in accumulated reserves that will be available by the year 1994 to pay for those announced and even those unannounced repairs and maintenance. The question of using that money for acquisition of what and when is also worthy of questioning, as well as the current ongoing process of obtaining appraisals on properties in Burlington City, which might be affected by the proposed new span.

This hearing would be an invaluable fact-finding session in which the public will finally be able to question the Commission's actions in an open forum.

Thank you so very much from the constituents of the 7th Assembly District, and I thank you.

ASSEMBLYMAN SPADORO: Thank you. Assemblyman Foy?

A S S E M B L Y M A N T H O M A S P. F O Y: Mr. Chairman and members of the Committee: At the outset let me thank you for conducting this hearing today and subscribing to the

associate Assembly -- to Assemblywoman Kalik's remarks and as well as the ones I will deliver. Particularly, I'd like to thank Assemblyman Kamin who is not normally a regular member of this Committee but took time out of his busy schedule to substitute for Assemblywoman Crecco who is a member of the Committee, and who came all the way down from Morris County. I appreciate you coming down, approved in part by the nature of this Committee in this investigation.

Mr. Chairman and members of the Committee, first I personally welcome you to Burlington County and to the 7th Legislative District. I take every opportunity to encourage people to visit this historic and proud region of our State. Nowhere else can you find a more unique blend of New Jersey's rich agricultural, and industrial and historic heritage than in the City of Burlington. I only wish this Committee could be here under much different circumstances. Instead of enjoying a breathtaking view of nature from the banks of the Delaware River, you have the unenviable task of reviewing the questionable activities of an entity that has given Burlington County and its citizens a black eye.

After reflecting upon the long list of abuses, and you have heard the litany of them in Assemblywoman Kalik's testimony, but I think it's important to reinforce exactly what they are: The indictments that have come down regarding activities, the uncontrolled spending, the patronage abuses, The political finance feeding through that has become -- the entire record of shame that has developed in the past several years with respect to the activities of the Bridge Commission. It seems to me it is something that is a disgrace. It is a record and pattern of mismanagement, it is, at best, gross negligence with respect to the public trust itself; it is at worst, the willful and wanton betrayal of that public trust. After being personally victimized as a Burlington resident by the Commission's questionable behavior and balanced arrogance,

I ponder long and hard, how do I begin my remarks to this Committee today and how do I express in words the feelings that I have experienced, and I'm sure others in this room have experienced, as the Burlington County Bridge Commission broke systematically every rule of public accountability, decency, and fairness. Then I decided it would be appropriate to start by quoting from one of the fathers of our country, Thomas Jefferson, who unfortunately does not seem to influence the Burlington County Bridge Commission. When asked how leaders of a new democracy of the U.S. should behave, Thomas Jefferson was quoted as saying, "Whenever you are to do a thing, though it can never be known but to yourself, ask yourself how you would act were all the world looking at you, and act accordingly."

If Thomas Jefferson was still alive today it's a safe bet that he would personally lead the revolutionary charge against a governmental entity such as the Burlington County Bridge Commission. Of course, the Burlington County Bridge Commission did many things that for some time, they kept unto themselves. They acted out of the sunlight of public scrutiny, and did things in accordance with their own wishes and for their own interests. They decided to proceed with plans to build a multimillion dollar new bridge without first receiving the approval that they needed from New Jersey, from Pennsylvania, or from Federal officials. The Commission, acting as virtually the adjunct to the masterful fund-raising machine that is the County Republican organization incurred more than \$2 million in engineering and legal fees for this wild bridge chase, of which at least \$135,000 was used to make contributions back to the Burlington County Republican Party.

When the people of Burlington County were celebrating the holidays last December and January, the Bridge Commission said "Happy New Year" by approving a toll increase on the Tacony-Palmyra and Burlington-Bristol bridges. This was a carefully orchestrated sneak attack that to this day is

devastating the wallets and pocketbooks of hard working Burlington County people. In the absence of any written policies regulating the accounting for travel expenses, the Commission permitted more than \$45,000 in invalid travel expenses to be mounted up by Commissioners and employees and their spouses and children.

Under everyone's nose, the Bridge Commissioners sent themselves on worldwide junkets. Borrowing a slogan from a leading airline, "the Commissioners love to fly, and it shows." The Commission is now requesting that the County property taxpayers back \$9.5 million in capital bonds to pay Bridge repair expenses when an independent audit shows they will have \$30 million in accumulated reserves in 1994 to pay for these repairs outright.

A long time ago when we had our first hearing, I told them they'd never sell those bonds unless they were backed by the County, and they denied it. And it's on the record. And the truth of the matter is they need the County's backing and they need the taxpayers to support their episodes. It took the Commissioners \$21,000 to conduct an audit themselves which uncovered \$45,000 in overexpenditures.

When I, along with Assemblywoman Kalik, sponsored legislation directing the Assembly Transportation Authorities, Telecommunications and Technology Committee to investigate these abuses we got a predictable reaction from the Bridge Commission: arrogance. In fact, the Commission assembled a very fancy, expensive, glossy brochure, to give to Burlington County residents this summer in an effort to sell the new bridge to the people. They couldn't resist the temptation of using more taxpayer and tollpayer dollars for political purposes. Here's the brochure. It's beautiful. It's an excellent job from the printer and the public relation agency in terms of how it looks. But in terms of what it says: "Legislators are playing politics with your bridges --

some legislators." Well, here we are. We're the ones that they are accusing of playing politics, the brochure explains. The brochure illustrates that the authority has gone well beyond its statutory authority, by using public moneys, to wage a public relations war against members of the State Legislature. Listen to what they say: "what's the holdup about the new bridge? Some legislators are playing politics with your bridge. They're holding up more than plans for a new bridge; they're holding up traffic, holding up progress, and wasting your time and money."

Okay, let me tell you about people in glass houses, or glass bridges: They shouldn't throw stones about wasting, money, considering the \$2 million they've wasted already of the tollpayers' money. The money is already spent.

But, I now ask this Committee, as well as the Attorney General, to thoroughly investigate the Burlington County Bridge Commission for potential violations of standards prohibiting the use of public money for overtly political purposes. This is a document that in my view is overtly political, which goes well beyond the normal public education and public information programs and activities that are allowable by such public bodies. The fact that Bridge Commission members so foolishly placed themselves and the Commission in jeopardy by doing something like this shows that the Bridge Commission is truly the Disney World of political playgrounds. The Bridge Commission does not belong in a fantasy world in which all Commissioners' wishes come true. The money it spends does not grow on trees. The money comes out of the pockets of the proud, hard-working, people of Burlington County. It comes out of the paychecks of people who want their government to be responsible with money they entrusted to the County: from people who want safe and affordable transportation safe; and affordable transportation services and passage to Pennsylvania and New Jersey borders. Today, this Committee will hear the

voices of those who have been violated and victimized by a Bridge Commission that has operated far beyond the limits of fairness, responsibility, and accountability.

You heard about some of the concerns that I have. Let me offer you some thoughts about the things that I am against and the things I am for in the context of this hearing and this Bridge Commission.

At the outset, let me tell you that I am against the construction of the bridge they proposed on the alignment that they have for Burlington City for which they wish to proceed. I am against the takeover of the Burlington County Bridges by either the Delaware River Port Authority or the Delaware River Joint Toll Bridge Commission. There's no need to throw the baby out with the bath water because the water has been soiled by questionable past practices.

I am against abolition of the Burlington County Bridge Commission, because for many years, until these recent nefarious activities this Bridge Commission has been a force for positive good in Burlington County in terms of employment, in terms of low cost transportation across that river for people in this County. We have enjoyed tremendous advantages; we can again. But I am against the continued practices that fly in the face of decency and morality and accountability. I'm for controls being put in place to have this Commission accountable to the people through mechanisms that exist with respect to other authorities. The minutes of the Bridge Commission here should come under the veto power of the Governor of this State just as the minutes of the Port Authority, of some of the largest bridges in the world do in New York, and New Jersey. I am for the Bridge Commission being obliged to submit in advance its budgets to the Division of Local Government Services just as counties and municipalities must do, so there can be some fiscal controls. I am for some implementation of civil service controls for tenure and things

like that, that would enable employees to serve without fear with respect to their jobs and not be subject to political patronage abuses. Today you can begin the process of restoring faith, trust, and responsiveness to Burlington County government. I wish you well with your endeavors. Thank you.

ASSEMBLYMAN SPADORO: Thank you very much. Does any member of the Committee have any questions of either of our colleagues who have testified? If not then--

ASSEMBLYMAN KAMIN: I do, Mr. Chairman.

ASSEMBLYMAN SPADORO: Fine, Assemblyman.

ASSEMBLYMAN KAMIN: Thank you, Mr. Chairman. First of all, it's a pleasure to be here in this atmosphere with a part of State government where I do not have to use my gag, and where we can speak in an open and free forum. My question, I guess, is of, through you, Mr. Chairman, Mr. Foy. You indicated you asked the prosecutor and the Attorney General--

ASSEMBLYMAN FOY: Not the prosecutor, the Attorney General.

ASSEMBLYMAN KAMIN: The Attorney General's office, to investigate the use of public funds for political purposes.

ASSEMBLYMAN FOY: Much the same way he's doing it with respect to the Legislature; if it's wrong there, it's wrong here.

ASSEMBLYMAN KAMIN: I understand that; it certainly is. My question is, what time frame-- When did you ask that, and what's the time frame of the investigation? Do you have any of that information?

ASSEMBLYMAN FOY: When I received this brochure and became sufficiently exercised if not outraged by the reference to the Legislature, I mailed a copy of the brochure along with a letter requesting the Attorney General to review this to determine if any State statutes were in violation with respect to their mention of the legislators and our positions regarding this. I think it's an inappropriate use of tollpayers' money. I've asked the Attorney General to look into the matter. I

have not gotten a response back, and that's been about two to three weeks.

ASSEMBLYMAN KAMIN: So, your request was made in July?

ASSEMBLYMAN FOY: No, not July. I think August -- sometime in August.

ASSEMBLYMAN KAMIN: Sometime in August. You have not heard anything back from the Attorney General's Office at this point?

ASSEMBLYMAN FOY: No, other than the fact they reported they were investigating the matter. I don't know what the extent of the investigation is.

ASSEMBLYMAN KAMIN: Through you, Mr. Chairman. There were very strong remarks by both members, Assemblywoman Kalik and Assemblyman Foy, and certainly they merit investigation and you have done so by so requesting of the Attorney General. My question is then maybe to you, Mr. Chairman: Why are we here? In the event that these serious allegations, when the proper branch for the allegations that have been brought forward today and in recent months, is in fact the Attorney General in the Department of Law and Public Safety, and they have the expertise, I think, to answer the questions that have been placed before us by the two members of -- I believe, by members of this Committee. My question of you, Mr. Chairman, is: Why are we here, especially now knowing that Assemblyman Foy has requested the Attorney General's involvement?

ASSEMBLYMAN FOY: I only requested they investigate the impropriety with the mentioning of local legislators in this brochure. These other items all seem to me to be legislative matters; we need to pass a bill to direct the Governor to have the authority to veto the minutes; we need to pass a bill to require the Bridge Commission to submit their budgets to the Division of Local Government Services. Anything that arrives out of this Committee to deal with these abuses, the application of the civil service to the Bridge Commission,

the requirement for DCA to audit the budgets, the authority of the Governor to veto the minutes. Everyone of them requires legislation. I'm not alleging criminal wrongdoing regarding the outcome of each of those. That rather, is directed towards legislative actions required. And that is the intent of the resolution. And the principal sponsor can address that.

ASSEMBLYMAN SPADORO: Just so we're clear, the reason this Committee is here is because, first of all, we are charged with the responsibility of overseeing this transportation authority. Second of all, this Committee has been directed by the Assembly in vote of our colleagues, to conduct this investigation, and most importantly, the issues that have been raised -- the serious issues that have been raised with respect to this Commission are of concern not only to the residents of Burlington County, but of concern to the residents of the State of New Jersey because we live in an era where our citizens want to be sure that they are getting the most efficient form of government and effective form of government; a government free of criminality and fraud, conflicts of interest, etc.

And this Commission is a creature of the State Legislature. It can live with the cooperation of the State Legislature and it can be extinguished if it's the will of the State Legislature. And so, we are the appropriate forum, this Committee, and the State Legislature is the appropriate forum for the issues to be raised because ultimately it's within our power to mete out the appropriate remedies, notwithstanding the possibility that some of the action that may have occurred involved criminality or other breaches of the public trust.

ASSEMBLYWOMAN KALIK: Mr. Chairman, I sponsored the resolution for two reasons: One, as you very clearly stated, because this Commission was a creature of the Legislature and in fact the Legislature therefore is responsible for its doing what it's supposed to do. Also, I I happen to represent the people of this District -- 187,000 of the people in this

district, who use that Bridge every single day and who need to have viable transportation at a viable cost and who need to have a Commission who is running that Bridge that is aboveboard, honest, and true, and doing the job that they're supposed to be doing. And I have to put up with the phone calls and outrageous actions of the three people who have taken onto themselves to do things against the constituents in this district, I felt I had to act and that's why we are here.

ASSEMBLYMAN SPADORO: At this point, if there are no further questions, I'd like to thank my colleagues for testifying today. And for the record, I want to note Assemblyman Jack Collins has joined us.

ASSEMBLYMAN COLLINS: Thank you, Mr. Chairman. I'm sorry I'm late.

ASSEMBLYMAN SPADORO: Also sitting by designation of the Speaker as a temporary member of the Committee today.

ASSEMBLYMAN FOY: Welcome, Assemblyman Collins.

ASSEMBLYMAN COLLINS: Thank you, Assemblyman Foy.

ASSEMBLYMAN SPADORO: At this time I would like to invite Nando Avila, who is the aide to Senator Costa, to step forward and provide us with the Senator's comments.

N A N D O A V I L A: First of all, let me again, thank you, Mr. Chairman, for conducting this hearing and for the members of the Committee who traveled from all parts of our State to get here. On behalf of Senator Costa I am very pleased to have the opportunity to appear before the Committee and say a few remarks on this very important matter. Again, thank you for coming to Burlington City. This community is a beautiful part of Burlington County with a heritage and history as rich and diverse as the people who live here.

The City has much to be proud of with beautifully restored main street areas and its many year-round festivals and riverfront concerts. This is truly one of the most beautiful towns not only in Burlington County, but in the State

of New Jersey. I wish that there were time for this Committee to tour the City of Burlington so that you could see firsthand the wonderful people that Senator Costa has had the honor and privilege of serving for almost 20 years. I wish you could hear the people of this community so that you could hear the frustration that homeowners and small business owners have because they stand to lose their homes and their livelihoods.

In short, Mr. Chairman, the people of this City are aching with frustration because they feel the Burlington County Bridge Commissioners have not only been unresponsive to their needs, but they have also turned a deaf ear to their concerns.

The Committee, as has been said, is here to examine the policies and practices of the Burlington County Bridge Commission. We have been charged with the duty to seek the truth, to uncover the facts, and to act responsibly with an agency that has a too controversial a past; and for too long, the Bridge Commission operated without even the most basic and fundamental form of oversight or accountability. For years now this appointed body has conducted its business of publicly running two bridges without regard to the public good and possibly at the expense of public trust.

The Bridge Commissioners, with the help of the Freeholders who appointed them, have conducted the business of running the Bridges under a cloak of secrecy. They have proposed a so-called reform only after a fire storm of criticism. They don't react to the-- They react only to the heat of public dissatisfaction, and haven't formulated policy in the light of cooperation and communication. There have been misuses of funds and abuses of public trust and confidence. Perhaps one of the most disturbing elements of this situation is the Bridge Commission's assertion that they have the authority to build an interstate bridge unilaterally. As a matter of fact, until very recently, the Bridge Commission has not sought, welcomed or even listened to the questions and

concerns from the Commonwealth of Pennsylvania. They have effectively ignored the State of New Jersey and the pleas of an active and growing group of citizens who are opposed to the careless and reckless way the Bridge Commission tried to replace this bridge to nowhere.

The past few years we have seen the Bridge Commission award millions in no-bid contracts to a rather small circle of supporters, who just happened to make political contributions. Commission employees have been indicted by the County Prosecutor's Office. They have overcharged, they have spent thousands on lavish trips for them and their spouses, and this is certainly worthy of further examination. But even this pales in comparison to the kind of example the Commissioners themselves have set for their own employees.

In January of this year one of the Commissioners granted an interview to discuss some of the practices of the Burlington County Bridge Commission. When asked to justify why spouses were allowed to accompany members on trips all over the world at tollpayers' expense, this Commissioner responded, and I quote, "Hey, when everybody around you steals, join the party." Other high ranking officials have described the practice as a perk of the job. Even a local newspaper column started with a quip about the weather in comparison to the Bridge Commissioners, saying: "It was so cold the Burlington County Bridge Commissioners had their hands in their own pockets."

In December 1989, the Bridge Commission met just before the New Year. It was then that the Commission announced they were going to double tolls from 25 to 50 cents. The rationale to doubling tolls, we were told, was to have adequate funds available for repairs and for general upkeep of the Bridge.

In addition, earlier this year, the Department of Community Affairs considered approval for \$8.3 million dollars

in bonds. When the Department voted 7 to 0 against the Bridge Commission, the Commissioners then sought approval from the County Freeholders to back the bonds. Not surprisingly, the Freeholders agreed. Now, once the Freeholders made this agreement they raised the stakes tremendously for the taxpayers of Burlington County. Until then, the Bridge Commission rightly argued that this should only affect the tollpayers. It was, in fact, a user fee. Once the Freeholders agreed to back these bonds, they put the wallets of 360,000 taxpayers in jeopardy. Should the Freeholders have to back those bonds due to insufficient toll revenue of the two Bridges, then the taxpayers of Mt. Laurel, Evesham and Pemberton on the other side of Burlington County are going to have to foot this bill along with those who live closer to the Bridge.

Today the daily traffic on the Bridge is about 24,000 vehicles. According to the 1987 report by the Delaware Valley Regional Planning Commission, the Burlington-Bristol Bridge is under-, and not overutilized.

Finally, Mr. Chairman, the issue is one of fairness. Much has been said and much will be said today of the lavish trips, fancy flyers in support of a new bridge; the indictments, the lack of oversight of the Bridge Commission. Their practice has not been an open-door policy, but rather a closed-mouth and an open-wallet policy. I hope this hearing brings about some understanding, some cooperation, and some reasonable degree of accountability with the people of Burlington County who want to avoid the open assault upon a city, as well as another attempt to violate the public good and public trust.

Again, I want to thank you for the opportunity to address the Committee.

ASSEMBLYMAN SPADORO: Thank you, Mr. Avila. Please extend my thanks to Senator Costa for the excellent remarks.

MR. AVILA: I appreciate that.

ASSEMBLYMAN COLLINS: Mr. Chairman, procedurally are we allowed to come to -- no longer ask questions?

ASSEMBLYMAN SPADORO: I had to for the last witness. We did that because of a witness.

ASSEMBLYMAN COLLINS: Thank you.

ASSEMBLYMAN SPADORO: Let's try to establish some procedures. Because of the magnitude of our agenda today, I'm going to try not to elicit comments after each and every witness. What I would suggest at this point, if we could wait, there is going to be a series of witnesses headed up by Mayor Costello. We're going to take a break. Before that break, I will then ask for any comments. And of course, if there are any questions after the testimony, at that point I will certainly entertain the questions.

ASSEMBLYMAN COLLINS: Questions at that time, not comments?

ASSEMBLYMAN SPADORO: But not comments. Let's reserve those until after the series of witnesses right before the break. If anyone has any special comment to make, we will do it. By the way, just for myself because I have a tendency to speak a little fast; and also for the members of the Committee because we don't have a tape recorder. The court reporter runs by our voice, so Madam Reporter, if we're going too fast just let us know and we will slow down.

Well, at this point, I would like to call Mayor Herman Costello to testify. Come forward. For the record, Mayor, would you provide the spelling of your last name and your address?

M A Y O R H E R M A N C O S T E L L O: It's C-O-S-T-E-L-L-O, 338 East Union Street.

Before I get into the text of my comments, I'd just like to share with you some of the transactions -- happenings in regard to this Bridge, and the study, what have you, are extremely disturbing and misleading. Assemblyman Foy mentioned

the brochure. Look at the brochure. Look at the cover. The whole program of three years has been one of deception and deliberate misrepresentation of fact. If you look at the cover of that brochure, sir, that you are looking at Mr. Kamin, they would have you believe, yes, that's the Burlington-Bristol Bridge. And inside there's another picture showing the congestion, I believe, and what have you. That's not the Burlington-Bristol Bridge. If you look at the license plates, you will see they're from another state altogether.

They make mention that the Burlington-Bristol Bridge is overutilized and has gone beyond its capacity. Nando made reference to the fact that there's been a study completed by the Delaware River -- Delaware Valley Regional Planning Commission, the same Commission the Bridge Commission uses throughout their studies. In this study that was released in September of 1987, they make it clear that the Burlington-Bristol bridge is underutilized by its designed capacity. They deliberately neglected to mention that the alternate that they picked, selected-- When they mentioned the other two alternates have been rejected because they go over a hazardous waste site, they deliberately neglected to mention the alternate number one that they have selected does, in fact, go over a hazardous and through a hazardous waste site. That was acknowledged by Rohm & Haas. Rather than pursue that any further, I'd like to get to the statement. I'm sorry, I will be redundant, but it's difficult to discuss this matter without being repetitious.

Mr. Chairman, members of the Committee, welcome to the City of Burlington. I thank you for this opportunity. It is my understanding that this hearing is being held today to investigate the activities of the Burlington County Bridge Commission, with the purpose being to make recommendations to the Assembly concerning effective oversight. This investigation presents the Committee with a unique opportunity

to rectify an evil that has existed in the political arena since its inception in 1948, that the Burlington County Bridge Commission remains solely answerable to the patronage needs of the dominant political party in Burlington County, and has failed to fulfill its public purpose. The history of the creation of the Burlington County Bridge Commission is set forth in the opinion authored by Chief Justice Vanderbilt of the Supreme Court of New Jersey, which opinion is captioned Driscoll v. Burlington-Bristol Bridge Commission, reported at 8 N.J. 433 (1952)--

In this opinion, the Supreme Court found that the secret sale of the Burlington-Bristol and the Tacony-Palmyra Bridges to the Burlington County Bridge Commission on the date the Commission was created, in accordance with a transaction previously planned to the smallest detail by the sellers who realized a substantial profit, was contrary to public policy, and void.

The key figure in this transaction was General Clifford Powell, an attorney who, according to the Court, was the "Lone and dominating political figure in Burlington County." The similarities between the events which occurred in 1948 and those which are occurring today exemplify the need for oversight of this public agency which has been rendered incompetent by years of political patronage. To further emphasize the analogy between the events of 1948 and those taking place today, I wish to quote from Chief Justice Vanderbilt's opinion, wherein he wrote: "The facts, which it is necessary to recount in some detail, present the disillusioning picture of public officials surrendering their independence and abdicating their obligation of public trust under the influence of prominent persons seeking to further their private interest."

In my opinion, the political control exercised by General Clifford Powell, today is matched by Garfield DeMarco.

My purpose here is not to suggest that Mr. DeMarco has personally profited by any of the actions which have resulted in your scrutiny, but to emphasize that the control of a political apparatus by one individual has resulted in the lack of serious consideration of the actual need to replace the Burlington-Bristol Bridge, by those in power. With reference to General Powell, Chief Justice Vanderbilt wrote: "More conclusive as to his political control and influence in the County, however, is the manner in which the members of the Board of Chosen Freeholders and of the Bridge Commission responded without hesitation to his every request in effectuating the transaction here under scrutiny."

Mr. DeMarco currently serves as Chairman of the Burlington County Bridge Commission and has served, until recently, as Chairman of the Burlington County Republican Party. The strength of his influence is seen in the Freeholder adoption of the plan to replace the Burlington-Bristol Bridge.

In December 1988, the Burlington County Bridge Commission's engineering firm, Steinman, Boynton, Grongquist & Birdsall issued a report which is hereafter referred to as the "Feasibility Study" and which is entitled "Report to the Burlington County Bridge Commission on the Feasibility of Replacing the Burlington-Bristol Bridge Over the Delaware River." The Burlington County Board of Chosen Freeholders adopted the recommendation of the Feasibility Study in January of 1989 without adequately responding to numerous public questions. In effect, at the behest of one individual, the Freeholders abnegated their responsibility and authorized the largest public works project in Burlington County history without an independent investigation.

The Feasibility Study was the only item before the Freeholders when they acted in January of 1989 and authorized the replacement of the Burlington-Bristol Bridge. Thus, as in 1948, the masterminds of the replacement project sought to lull

to sleep the one group which, were it not for strong political ties might have raised independent questions. The Feasibility Study does not provide any true alternative to the replacement of the Burlington-Bristol Bridge. Those of us in opposition to the project, suspect that this results from a lack of jurisdiction which the Burlington County Bridge Commission possesses. True consideration of alternatives, such as improvements to the Turnpike Bridge in Florence, New Jersey, which would result in direct connections to major arteries, were not considered.

Perhaps it is naive to suggest that consideration of alternatives could have been given in these circumstances as the Bridge Commission has authorized its own engineering firm to conduct the Feasibility Study. The recommendations of a replacement bridge can only serve to benefit that firm. Through vouchers approved as of March 20, 1990, the engineering firm of Steinman, Boynton, Grongquist & Birdsall have been paid \$2,152,415.70. Perhaps the Bridge Commission could enlighten us today as to the total sum paid to Steinman, Boynton, Grongquist & Birdsall and as to the anticipated sums to be paid prior to the application being made for permits to construct the Bridge? The unholy alliance between this firm and the coffers of the Burlington County Republican Party demands control and oversight so that the public interest is served and furthered and not the interest of those in political control in the County.

Rather than debating the merits of a replacement bridge with you today, I only wish to direct you to the fact that neither political party should have absolute control over the Burlington County Bridge Commission so that a true determination is clouded by what is commonly referred to as "honest graft." Without consideration of alternatives, and the failure to ask probing questions due to the relationships between those in power in County government, the Freeholders

have been lulled to sleep. As in the Vanderbilt, the Freeholders have abnegated their responsibility.

It is important to focus on the Feasibility Study, for it demonstrates that the Freeholders have chosen to adopt without question the revenue studies of the Burlington County Bridge Commission. The Freeholders also have chosen to adopt without question the authority of the Burlington County Bridge Commission to replace the existing Bridge without first having been assured that any prior discussions have taken place with either representatives of the State of New Jersey or the Commonwealth of Pennsylvania. To the knowledge of the City of Burlington, despite the vast expenditures of public funds, no permits have been applied for to date. If the true purpose is to replace the Burlington-Bristol Bridge, then it begs credibility to suggest that authorization could have been given the Burlington County Bridge Commissioners -- by the Burlington County Bridge Commission to their engineers to conduct the study without first having examined the desires of the sovereign states of Pennsylvania and New Jersey as to replacement of the Burlington-Bristol Bridge. If nothing else, these facts demonstrate the need for oversight of this runaway agency which is squandering public funds.

The Bridge today is being sold to an unquestioning public with the promise that it will not result in any increased taxes. This is misleading in many ways, but mostly in the concept that increased tolls are paid by someone other than the taxpayers. Like Governor Driscoll, whose comments as to the surprise and disappointment over the acquisition of the Burlington-Bristol Bridge and the Tacony-Palmyra Bridge by the Burlington County Bridge Commission was considered "political", your actions today will face such criticism. This criticism is unfounded. The operation of the Burlington County Bridge Commission begs for reform. The concept of a Bridge Commission governed only by rules of patronage defies the purpose of sound

regional planning to face future transportation needs. The creation of the Burlington County Bridge Commission in 1948 and the special legislation which was passed to make this unholy transaction possible, constitutes an aberration of principles of sound regional planning to the detriment of all citizens, not just the residents of the City of Burlington.

In my opinion, there's a corrupting influence before you. That influence is substantial political donations made by those benefiting from the operation of the Burlington County Bridge Commission. This influence and control of both the apparatus of the Burlington County Bridge Commission and the Burlington County Republican Party, by one individual, deprives the residents of the County of Burlington of independent thought by their elected officials.

The potential for evil is beyond comprehension. During Mr. DeMarco's tenure, there have been numerous scandals resulting in criminal investigations. On each occasion a suitable scapegoat has been found to draw attention from the operation of the Burlington County Bridge Commission. Despite the known scandals and improper activities which have occurred during his tenure as a Commissioner, rather than reforming the Commission from within, Mr. DeMarco has been elevated to the position of Chairman. It is my belief that without intervention by the Legislature, business will continue as usual, including the ill-founded project to replace the Burlington-Bristol Bridge, a project which I believe is designed both to create havoc within the City of Burlington by weakening its resources, while at the same time increasing the ever-burgeoning coffers of the dominant party in County politics.

The Bridge Commission has operated in violation of the Vanderbilt opinion. The Supreme Court held the Commission was not designed to provide a profit for the enrichment of Burlington County. If you examine the operation of the

Burlington County Bridge Commission, it has historically violated this trust. Improvements have been made within the County that were not related to the operation of the Bridge, but which were made to further political purposes.

This unholy alliance between the Bridge Commission and Freeholders must be destroyed by independent oversight which will effectively provide control over both the finances and the expenditures of the Bridge Commission. In Driscoll, the Bridge Commission was directed to operate its bridges so that they either become toll free or tolls shall be charged to provide a fund not to exceed the amount necessary for the proper care, repair, maintenance and operation of the bridges and their approaches. This directive has not been honored.

Focus should be placed on the waste of public funds through unnecessary expenditures by an agency operating without fiscal restraints. In addition to the sum of \$2,152,000 paid to the engineering firm through vouchers approved as of March 20, 1990, legal fees have been paid to the law firm of Pepper, Hamilton & Sheetz October 31, 1989 in the amount of \$180,000; to the law firm of Parker, McCay & Criscuolo through vouchers approved March 20, 1990 in the amount of \$53,000; advertising and public relations expenditures have been paid to the Tierney Group through vouchers approved as of January 16, 1990 in the amount of \$132,932. The funds paid for public relations through vouchers approved as of July 1, 1989 to the firm of Lewis, Lewis, Gilman & Kynett in the amount of \$196,193.

In addition, appraisal firms have been paid the following sums based upon vouchers approved as of February 20, 1990: John A. Borden, \$7200; Todd and Black, \$27,000; T.B. Harski, \$9000; and Harry Renwick, \$53,000. Thus, through March 20, 1990, total fees paid for the replacement of the Burlington-Bristol Bridge totaled \$2,867,706.40. I would request that you demand that the Bridge Commission inform you as to the amount of money which has been paid to date

pertaining to the proposed replacement of the Burlington-Bristol Bridge. You might also wish to question why the Bridge Commission has been conducting appraisals for approximately two years, when, in fact, it has publicly stated that construction of the replacement bridge would either commence in 1994 or 1998.

Likewise, you might wish to inquire as to the source of the funds to acquire these properties. To conduct appraisals today when funds are not available to acquire properties, exemplifies the waste of public moneys. With reference to these appraisals, there is real concern which we share with our citizens. While there may be a regional need to be considered, the Bridge Commission has acted thoughtlessly and without purpose to cause property values in the City of Burlington to decrease dramatically. By letters dated July 27, 1989 and September 12, 1989, our residents were threatened with the prospect of condemnation. This caused actual fear and trepidation among citizens who are not counseled in the intricacies of eminent domain.

The Freeholders did meet with an assembly of approximately 600 residents on January 11, 1989. At that time, certain questions were received from the public, but the Freeholders chose not to respond to the questions that evening. Subsequently, by a letter dated January 1989, then Burlington County Clerk/Administrator, Charles T. Juliana, issued responses -- responses to the following questions which were directed to the Burlington County Bridge Commission. However, no further responses have been received to my knowledge. I might add here, the Bridge Commission has repeatedly promised to meet with the citizens of Burlington and to this date, three years later, they have never met with us. Never once set foot in Burlington County and sat across a table from the Counsel and before the citizens, not once. When they did it, they threw it through the Freeholders. Therefore,

I'm requesting that these questions that were placed and the Bridge Commission never responded to, be requested of the Bridge Commission:

Does the Bridge Commission believe it has legal authority to condemn and acquire property in another sovereign state?

Has the alternative of improving the Turnpike Bridge in Florence ever been considered and studied by the Bridge Commission?

What is the fiscal impact on the City of Burlington following the acquisition of properties for purposes of replacement of the Burlington-Bristol Bridge?

Is there anything structurally wrong with the Burlington-Bristol Bridge? And I might say that as recent as last week when I met with the delegation from Pennsylvania, in their transcript they made it absolutely and abundantly clear that the Bridge is structurally sound and safe.

Will the funds of Burlington County be utilized to fund or guarantee any improvements to the Burlington-Bristol Bridge?

With reference to the last question, I would like to know the proposed impact of any guarantee on the County finance. I would also like you to question what the projected tolls will be for the replacement bridge and to request a copy of the documentation used to support the projected tolls.

In May 1989, the Feasibility Study was followed by a final report prepared by Steinman, Boynton, et. al., and at page three of the "Introduction," a reason given for the new bridge is the possibility that such a bridge would accommodate "larger trucks that to pay for higher tolls."

There is no mention in the report as to the devastating impact such trucks would have on the local communities in the City of Burlington, the Township of Burlington, or Bristol Borough or Bristol Township. From a

revenues standpoint, perhaps trucks can be justified, but from a need to sustain a viable community, such impact cannot be disregarded. The report also fails to discuss the impact of partial takings on both the City, and to the effect of these partial takings on the projected cost for replacement of the Burlington-Bristol Bridge.

In its letter of September 12, 1989, the Bridge Commission advised that it was making progress in Pennsylvania and anticipated negotiations with Pennsylvania property owners shortly. It might be advisable to question the Bridge Commission as to the status of these negotiations in Pennsylvania. This is true particularly in light of the letter dated October 11, 1989, which was sent to the Commissioners by Harold Yerusalim, Secretary of Transportation of the Commonwealth of Pennsylvania. Secretary Yerusalim prefaced his letter by advising the Commission that he was aware of the substantial resources which had already been spent on the project and wished to forewarn them not to make any additional expenditures. In his letter, Secretary Yerusalim advised that the only entity possessing authority to build a new bridge was the Delaware River Joint Toll Bridge Commission. This letter-- And incidentally, if that were to be the case, we would certainly take issue with the Joint Toll Bridge Commission. The letter concludes as follows:

"In summary, I wish to inform you that the Commonwealth considers any activities of the Commission relating to the extension of a new Burlington-Bristol Bridge in the Commonwealth to be an invasion of the sovereign powers of the Commonwealth with respect to its ownership and control of public highways. In furtherance thereof, I wish to inform you that this Department will not issue the required highway occupancy permit in order to connect the Commission's proposed Bridge to state highways in Pennsylvania. Furthermore, as soon as the Commission engages in any overt act within

Pennsylvania's boundaries in furtherance of this project, this Department will take appropriate legal actions, including and requesting an injunction in Federal court in order to halt such unauthorized activities."

Nevertheless, despite such strong language, the Bridge Commission has continued to expend public funds without purpose. Once again the need for oversight is dramatically demonstrated.

In spite of the numerous scandals at the Bridge Commission which have been brought to the attention of the public, the Bridge Commission resorted to a toll increase without public input. Likewise, despite the numerous failures in their governance of the operation of the Bridge Commission's activities, the Commissioners have felt it necessary to authorize themselves a salary increase.

With reference to the toll increases which went into effect on January 1, 1990, an engineer engaged by the City of Burlington to compare the projection for toll revenues contained in the Feasibility Study with those prepared by Bowman & Company to justify the increase in tolls has advised as follows, and I quote: "Above analyses indicating that, if the recent study prepared by Bowman & Company to justify the toll increase is accepted, then the feasibility study is seriously flawed. On the other hand, if one is to accept the projection of toll revenues, operating expenses, and net revenues included in the Feasibility report, then it is clear that the Bowman figures present a completely inaccurate picture, and the justification of the toll increase is incorrect. The Feasibility report projections issued by the Commission in May of 1989 clearly do not provide the justification for toll increase for the continuing operation of the existing bridges.

Likewise, the Local Finance Board of the State of New Jersey Department of Community Affairs Division of Local

Government Services, in reviewing the recent financing proposal of the Burlington County Bridge Commission found that the financing was unnecessary and imposed an unreasonable and impractical burden on residents of the County. Despite the issuance of this resolution dated April 14, 1990, the Bridge Commission proceeded to issue bonds. Interestingly enough, the Freeholders who initially had refused to guarantee the bonds unless a favorable recommendation was received from the Local Finance Board, chose to disregard its own condition in agreeing to guarantee the bonds.

In closing, I wish to indicate that failure of the current system to guarantee that the Bridge Commission observed the public trust is perhaps best demonstrated by an editorial appearing in The Burlington County Times on January 12, 1990 concerning Mr. DeMarco and the Democratic appointee to the Bridge Commission, Eva Weiss. The editorial states in part:

"But from the time of her appointment, Ms. Weiss has been embarrassing to the Democrats, who had no say in the matter, and an affront to all who have watched her in action over the years. She was picked by County Republican Party Chairman Garfield DeMarco, who also serves on the Bridge Commission.

"That may have been Mr. DeMarco's way of thumbing his nose at County Democrats, but it's no joking matter to the residents of Burlington County, who have been forced to watch the Bridge Commission squander nearly in excess of \$2 million in toll revenue over the past two years, and double the tolls in a matter of days...

"The point, however, is not Ms. Weiss' sense of ethics or her view of the world. It's whether she should continue to serve as the 'fantasy Democrat' -- and an uninformed one at that -- on the Bridge Commission." There has been recent note that she has left and I hope she would not be replaced.

"This answer, of course, is no. Ms. Weiss is the perfect Democrat for all Republican Freeholders on the Board which act on behalf of Mr. DeMarco and take a permanent deaf-and-dumb approach to the Commission's abuses. In Ms. Weiss' words: 'I'm not a member of either party; there's nothing in it for me.'" That is far from truth; there was plenty in it for her.

Thank you for the opportunity to appear before you. I'm sorry it took so long.

ASSEMBLYMAN SPADORO: Thank you, Mr. Mayor.

Do any members of the Committee have any questions?

ASSEMBLYMAN COLLINS: I have a couple of questions of the Mayor. First off, I am very pleased to be in your City and I saw quite a bit of it this morning trying to find this place.

MAYOR COSTELLO: Look for the Bridge.

ASSEMBLYMAN COLLINS: I am really impressed with a number of things I have seen. I do have a few questions with regard to the testimony that you've just given. Early on, you indicated you felt that neither party should control the Commission. How would you go about not having either party control the Commission?

MAYOR COSTELLO: I kind of suspect that would change the structure of the Commission somewhat. I think there's a bill in the Legislature now that would do it, would offer the minority party an opportunity to submit some of its recommendations or feelings and sentiments as to how it should be run, and provide with a second, as it is now -- constituted now-- Minority members can make all the recommendations and suggestions, without a second, it's not going to go anywhere. It isn't likely to happen, right now, if you have one minority member on it.

ASSEMBLYMAN COLLINS: Just one more question: There are three members, right?

MAYOR COSTELLO: Yes.

ASSEMBLYMAN COLLINS: So, if you have a minority member, one-- I guess from your last comments there, you're not a supporter of Ms. Weiss. If it was someone that would satisfy you, sir, who would second your motion if there's still only three members of the Commission?

MAYOR COSTELLO: I doubt very much anyone or the other of the remaining two. What I'm suggesting is, there's a bill in the Legislature that would address that -- would increase the number to five showing the minority being the Democrats and the Republicans too will have an opportunity to second and voice and express their concerns, and bring their concerns out in public.

ASSEMBLYMAN COLLINS: But control would still be with whichever party was there. However, this works out right now through Republicans, and for Democrats in the future. When you say neither party should control, you're just saying there should be a second member of the minority party, and there still would be control of one party over the other.

MAYOR COSTELLO: That's true. But we're also recommending, strongly, that the implementation of checks and balances that control, at the State level, thus making this agency subject to the same rules and regulations that every other agency, commission, authority in this State must comply with, including municipalities, sewer authorities-- Why should they be above this law. Even when they were directed that they had to comply in submitting financial statements to the Division of Local Government, they took issue with that. They're not above that. I strongly believe in checks and balances. I believe that it was Thomas Jefferson who said, That's the reason we have cups and saucers; checks and balances. That's all we're asking for.

ASSEMBLYMAN COLLINS: But what you're saying is right now that doesn't exist. So, therefore, by any denials that the Bridge Commission may have given, they're not in violation of

anything; they're doing what, at least right now they're constituted to do. And you want that to change? Is that what you're saying?

MAYOR COSTELLO: I am not sure I understand you. In violation of anything? You know there are all sorts of violations. I think there are also moral and ethical violations.

ASSEMBLYMAN COLLINS: To morals and onto ethics determined by powers as such. You know, you may have a different interpretation than me.

ASSEMBLYMAN SPADORO: Assemblyman Collins, let's try to have a question and answer, not a back and forth of-- You're getting off the-- It's interesting, but--

ASSEMBLYMAN COLLINS: Well, that's true.

ASSEMBLYMAN SPADORO: Try to get answers to specific questions so we can move along.

ASSEMBLYMAN COLLINS: Okay, thank you, Mr. Chairman. I have another question, Mr. Mayor. You had indicated also in your testimony, that, I think the comment was that regional planning wasn't considered. Through you, Mr. Chairman, with regard to this Bridge, should the City of Burlington have more input into the decisions of the Commission than other communities in the County or the region?

MAYOR COSTELLO: Oh, without question. If I may, Mr. Chairman. You see, I was around when the Federal government proposed an I-95 toll free bridge -- toll free bridge -- and it was defeated, not because the City of Burlington said anything, it was going through the neighboring community, but it was defeated in Pennsylvania when one community, Croydon, was going to lose some homes. We stand to lose 100 and some regardless of what they say. Fifty some homes in Pennsylvania and the fact they were going to lose some going to determine the use-- I remember still today how that idea -- this was in the '70s-- They were going to build a Chinese Wall through Croydon. With

that, the Bridge Commissioners from the County Bridge Commission joined the fight to defeat that toll free bridge, and it was defeated and the Red Corridor was established in running from Pennsylvania to New Jersey. And what they did with the moneys that were allocated by the Federal government to the-- Ninety percent was shared jointly by Pennsylvania and New Jersey. They established the Red Corridor but didn't define in specifics the bounds. Now I am digressing, but let me tell you about the Red Corridor. One town defeated it. The Congressmen representing Bucks County went to Washington and said my people don't want the bridge. One town defeated that. Why shouldn't we have more say when it's our town that's being jeopardized, our town that's being destroyed? You know, this is it. We spent 20 years fight our way out of the pits. We have a \$7 million Federal government investment down here alongside the Bridge that's designed to create 1700 jobs all to be done in, and I don't care what they say.

ASSEMBLYMAN COLLINS: Mr. Chairman?

MAYOR COSTELLO: We have a lot more to say.

ASSEMBLYMAN COLLINS: Specifically, then, you want-- Should the City of Burlington have the veto power over this Bridge?

MAYOR COSTELLO: I am not suggesting veto power.

ASSEMBLYMAN COLLINS: They should have more. Therefore, if Burlington -- the City of Burlington was to say no, but the reason was to say yes -- and I am not asking you to make a specific decision there-- But Burlington should have more to say, is what your point is.

MAYOR COSTELLO: Without a question.

ASSEMBLYMAN COLLINS: Another question, Mr. Chairman. You indicated that there was at least no report that indicated the Bridge was unsafe. Is there any reason to build a new Bridge other than the fact that it might be unsafe? Could you conceive-- And I'm not saying this particular Bridge, but you

made a big to-do that this Bridge is safe. Are there other reasons that a Bridge should be made other than just safety?

MAYOR COSTELLO: Is there any other reason?

ASSEMBLYMAN COLLINS: You made a big point, and I jotted it down, that this is a safe Bridge. In your whole argument that there shouldn't be a Bridge. But is safety just not one of the factors that should be considered when a new Bridge is being built?

MAYOR COSTELLO: If I may answer. Using the arguments they put forth on the need to have a new bridge-- Congestion; this Bridge is over a live bay. There are backups when they have a Bridge opening they neglect to tell you about. I have it here from the Coast Guard that in the year of 1989, that there were 250-and-something openings of the Burlington-Bristol Bridge, 26 of them attributed to the Coast Guard and the remaining attributed to the Fairless Steel operation. I Also-- That's 200-and-some Fairless Steel, I have them here. And let me finish-- Their argument for the Bridge -- that the Bridge openings, the congestion, the safety factor-- There's nothing in there to support that. The Bridge openings that they're refer to -- the congestion-- Five a week is what they average. And there was an article in the Inquirer just a month ago that Fairless Steel may go down the tubes. We all hope not; a lot of people from Burlington work there. In 1991-- And if that be the case, in 1989 you would have 26 Bridge openings. That's not unreasonable. Bridge openings; they become a major factor?

The other thing, you know, with regard to the safety of the Bridge, they volunteered-- Mr. DeMarco appeared on a Trenton radio station to say that the Bridge was inspected by the State of New Jersey and the Bridge was found to have a rating of 2, two out of 100. That is not exactly true. The State, the Federal government, mandates that every bridge owned by the counties must, once every two years, inspect their own

bridges. That Bridge, as I understand it, was inspected by their engineers, and was given a rating of two, so it wasn't the State of New Jersey. I'm not suggesting anything, but I don't-- I mean, there's a lot that has come out of it.

ASSEMBLYMAN COLLINS: Chairman, I have one final question. I would assume then, Mr. Mayor, there are other reasons than just safety why the Bridge should be built, why it shouldn't be built, by your answer.

ASSEMBLYMAN SPADORO: Wait, wait.

MAYOR COSTELLO: I didn't say that. No way did I mean to imply that.

ASSEMBLYMAN SPADORO: All I want you to ask is-- Could you just ask questions rather than making statements? All they're going to do is lead to a back and forth.

ASSEMBLYMAN COLLINS: My final question, Mr. Chairman: If, Mayor, Pennsylvania in the future would agree to a Bridge being built, would this affect your thinking at all about this particular Bridge?

MAYOR COSTELLO: If they would agree.

ASSEMBLYMAN COLLINS: Would this affect your personal position?

MAYOR COSTELLO: Inasmuch as if they suggested it, would we support it? Certainly we would take the issue on that.

ASSEMBLYMAN COLLINS: Thank you very much.

ASSEMBLYMAN KAMIN: I have a question, Mr. Chairman, through you. My question is, certainly if we are concerned about cost, if we are concerned about fairness, we are concerned about greater oversight by some agency, why in fact aren't you, as Mayor representing the community, recommending either the Joint Toll Bridge Authority or the Delaware River Port Authority being the entity under which this Commission should become a part of?

MAYOR COSTELLO: I am not going to suggest that. I believe there's-- I like the Bridge Commission regardless of what I have said. I like what it can do for Burlington County, what it's done for the County in the past. I don't want to see them take over the Bridge Commission as it exists now under compact, the Joint Toll Bridge Commission has jurisdiction over this area. I am not suggesting by any stretch of the imagination that they take over. I would object to that, and I would fight that, as Assemblyman Foy said.

ASSEMBLYMAN SPADORO: Thank you very much, Mr. Mayor.

At this point, I'm going to ask Mr. Van Gelder to step forward." Good afternoon. We're running slightly behind, so I'm going to ask you, sir, unless you have a lengthy-- If you have a relatively short statement, read it. If it is too lengthy, I will ask you to paraphrase, if possible, so that we can move along.

F R A N K V A N G E L D E R: I really do not have a lot to say. I will keep it very short and, actually, the area I'm concerned with -- to put it another way, I was concerned with -- the \$9.5 million bond issue of the Burlington County Bridge Commission.

ASSEMBLYMAN SPADORO: Move the mike over a little so everybody can hear.

MR. VAN GELDER: I would like to just make my remarks about the \$9.5 million bond issue, which actually now is history. We all know the bond's been sold. This is just to give you a little history of what preceded the selling of the bonds. I did write two letters in connection with the sale of those bonds. I think if I could just go down the first letter here, it would give you some idea as to what the objections of the City were prior to the issuance of those bonds.

ASSEMBLYMAN SPADORO: Fine.

MR. VAN GELDER: A review of my report in conjunction to other records previously disclosed the following: I had

visited the Burlington-Bristol Bridge Commission and reviewed their records on three or four different occasions. Those are the records I'm referring to here. One, the Commission will immediately begin to accumulate enormous sums of cash as a result of that rate increase which became effective on January 1, 1990. My report indicates that by the end of Fiscal Year 1994, the Commission will have accumulated cash reserve totaling \$29,860,228. Should the Commission proceed with the proposed bond sale, the amount should be increased by \$9.5 million -- to the sum of \$39,360,228. Subsequent to the preparation of this report and a review of the rate study performed for the Bridge Commission, the report begins with a balance in the reserve fund of \$3.8 million. I'd like to point out that figure is incorrect to the tune of about \$1.7 million. And I will take you over it for just a second.

The report starts with a reserve of \$3.8 million on page 8, if you will notice down below, the Burlington-Bristol Bridge Commission as part of the justification for the rate increase, shows a debt replacement and resurfacing of the Burlington-Bristol Bridge, and shows a total cost of \$4.5 million. About \$1.7 million had already been expended and reduced from the reserve. What you're doing is reducing the reserve, then showing the same project at full cost. So, the reserve is understated by \$1.7 million, so you can now add another \$1.7 million. Two, the rate increase of January 1990 was predicated on providing adequate funding for future capital projects. The Tacony-Palmyra Bridge redecking was listed on the rate study reports in the rate of \$17 million and represents 60% of the total future capital projects listed. So the justification for the rate increase was basically to replace the Tacony-Palmyra Bridge, which was not scheduled until sometime after 1995. The accumulation of cash reserve will continue at an ever increasing rate until the Commission contracts to replace the decking of the Tacony-Palmyra Bridge

sometime after Fiscal Year 1995. I have not commented on the wisdom or judgment exercised in approving the rate increase of January 1990, except as it relates to the proposed \$9.5 million bond sale. I would, however, like to make the following observations:

One, the Commission is proposing \$9.5 million bond sale, to fund major projects already completed or in progress. It's apparent that by their utilizing actual cash reserves on hand, and funds currently being released through the January 1990 rate increase, that no further funding is required. The fact that contractors have been paid for services rendered to date further attests to my conclusions.

Two, the Commission seems anxious to sell bonds for capital projects representing 86% of the total 1990 capital programs which are already completed or are in progress; the balance of the bond sale proceeds will be utilized for capital projects scheduled for completion in 1991 and 1992 Fiscal Years. There seems to be a contradiction in my mind at this particular point. That Bridge Commission wants to go out and sell \$9.5 million worth of bonds when it already has sufficient cash to complete the project in their capital budget, yet, they double the rate increase in January to provide cash to projects that weren't scheduled until sometime after their 1995 Fiscal Year. To me, there's a big contradiction in this particular approach. The major capital project to be included, in the proposed bond issue are the redecking of the Burlington-Bristol, and the resurfacing of both bridges total \$5.2 million. Again, remember these projects have been substantially completed. The Commission plans to sell bonds for the above listed capital projects while they elected to double toll rates effective January 1, 1990, to provide \$17 million for the redecking of the Tacony-Palmyra Bridge not scheduled for completion until sometime after Fiscal Year 1995.

These are the reasons which I requested the Bridge Commission not to proceed with the bond sale. I also wrote a letter to the Freeholders, requesting they not approve the issuance of the bonds. And, indeed, the DCA also reviewed the information from the Commission, and I believe have arrived at the same conclusions as I did.

If you have any questions, I will be happy to try to answer them.

ASSEMBLYMAN SPADORO: First of all, for the record, sir, can I have your full name and address?

MR. VAN GELDER: Frank Van Gelder. I live at 16 White Pine Road, Columbus, New Jersey.

ASSEMBLYMAN SPADORO: Are you a--

MR. VAN GELDER: A registered municipal accountant, yes.

ASSEMBLYMAN SPADORO: Any questions by members of the Committee? Go ahead.

ASSEMBLYMAN KAMIN: Thank you. Mr. Van Gelder, welcome. I have brief questions. I think, there are two that are being asked by you today. One, whether or not the bond was necessary to begin with. Also, another question asked as to whether or not it was proper for the Freeholder Board to back the bond. My question of you, as a former auditor -- I guess you were associated with the Commission in previous years. Would you, as an auditor, recommend that a Commission, if they're issuing bonds, have them backed by the Freeholder Board because of the difference of rates of-- I am asking what is the rate of the Freeholder Board have of Burlington County, what is the rate of the bonds for the Commission, and what's the difference there?

MR. VAN GELDER: I think you're going one step ahead. Obviously, the answer is I would agree that some type of service agreement should be entered into if they are going to sell the bonds.

ASSEMBLYMAN KAMIN: So it's your recommendation that in the event bonds are justified to be issued?

MR. VAN GELDER: Justified to be issued?

ASSEMBLYMAN KAMIN: The best way to do it is by the backing of the Freeholder Board.

MR. VAN GELDER: Would be a suggestion and recommendation, yes. The point that I'm making is those bonds needed to be issued, period. So, there's a difference, but I would agree with your conclusion.

ASSEMBLYMAN KAMIN: May I ask if you know the bond rating for Burlington County and what the bond rating is for the Commission?

MR. VAN GELDER: No, I do not.

ASSEMBLYMAN KAMIN: Mr. Chairman, for you, that's interesting data for both cases.

ASSEMBLYMAN SPADORO: We will make a note of that.

Any other questions? (no response) Thank you very much, sir.

Stanley Chmielewski? If he's not here I will move on. Are you Stanley Chmielewski?

S T A N L E Y C H M I E L E W S K I: That's right.

ASSEMBLYMAN SPADORO: Sir, welcome. Would you, for the record, state your name and spell your last name?

MR. CHMIELEWSKI: C-H-M-I-E-L-E-W-S-K-I.

ASSEMBLYMAN SPADORO: How do you say it?

MR. CHMIELEWSKI: Chmielewski.

ASSEMBLYMAN SPADORO: Your address?

MR. CHMIELEWSKI: Rt. 130, Burlington, New Jersey. That's all. .

ASSEMBLYMAN SPADORO: You have the microphone, sir.

MR. CHMIELEWSKI: I have no questions.

ASSEMBLYMAN SPADORO: Apparently you asked to testify before the Committee today. I take it you're a resident of Burlington City?

MR. CHMIELEWSKI: That's right, I am supposed to be taken by the Bridge.

ASSEMBLYMAN SPADORO: You live there or do you have a place of business there?

MR. CHMIELEWSKI: I have a business.

ASSEMBLYMAN SPADORO: Are you affected at all by the risk that your property may be taken? Has that affected your business at all?

MR. CHMIELEWSKI: A little bit. In our business where you have a banquet and people order the banquet a year ahead of time. People were talking about how the Bridge was going to be built, a lot of people don't book their parties because they're afraid it's going to go for the Bridge. That's the only reason I can see.

ASSEMBLYMAN SPADORO: How long have you been a business vendor at that location?

MR. CHMIELEWSKI: Thirty-seven years.

ASSEMBLYMAN SPADORO: Thirty-seven years. Do you have anything else to say?

MR. CHMIELEWSKI: Nothing else.

ASSEMBLYMAN SPADORO: Do any Committee members have questions of Mr. Chmielewski?

ASSEMBLYMAN MAZUR: Your facility-- You own the building itself?

MR. CHMIELEWSKI: I own the building.

ASSEMBLYMAN MAZUR: Can anything compare if you were going to buy to relocate around -- around your company by the building itself?

MR. CHMIELEWSKI: That's a question, you can find a piece of ground. You could build a building, but you need a parking lot. You'd need a lot of land for the parking lot. We've got a banquet hall, not just a restaurant. We park up to 200 people for a banquet. That's a lot of cars. You have to find a piece of land where you can park the cars.

ASSEMBLYMAN SPADORO: If there are no further questions, sir. I thank you very much for testifying today.

Mr. Robert Haines. Good afternoon, sir. Sir, please state your full name and address for the record.

R O B E R T H A I N E S: My name is Robert Haines. I live at 419 Cottage Avenue, Edgewater Park. I have a business at 230 High Street in Burlington, New Jersey. I'm a real estate broker in Burlington. I have a statement with regard to the impact on the real estate market. I am here to testify to the impact on the local real estate market by the proposed replacement of the Burlington-Bristol Bridge.

This proposal has been devastating to the real estate market activity in the City of Burlington. Burlington County multiple listings statistics reflect a 48% decrease in sales activities for 1989 as compared to 1988 in Burlington City. No other county/municipality was within 20% of this decrease.

I'm convinced that year-end figures will document that this trend has continued into this year. What has caused this dramatic decrease in real estate activity? As a broker or seller, just try to explain what it would be like to live near or on one of the approaches to this monster Bridge.

Forest Village and Sunset Village two of our better neighborhoods which have always commanded a strong buyer interest, are severely and adversely impacted. Resale activity in these neighborhoods is just about on hold, pending resolution of this issue. The inventory of unsold homes in the entire town has been building since the Bridge Commission announced plans to proceed with the replacement of the high-level bridge. New properties go on the market, adding to the existing higher-than-average homes for sale.

As the Colonial capital of west New Jersey, Burlington is a municipality with national historic importance. In the past 25 years, millions of dollars of public moneys have been expended to improve our community. If the Bridge Commission is

allowed to proceed with their poorly conceived and economically unsound plan, the bulk of the money will have been wasted.

Thank you.

ASSEMBLYMAN SPADORO: Thank you very much, sir. Any questions by members of the Committee? Yes?

ASSEMBLYMAN COLLINS: One question, Mr. Chairman, through you. Mr. Haines, do you feel that -- and you make your point very clearly, and you have the statistics that there's been a decline in real estate action in the City of Burlington-- Would, in your opinion, any change in this Bridge affect real estate in the rest of the County, making the County more accessible to people from Pennsylvania or wherever else? Is that a possibility?

MR. HAINES: I feel very strongly there are alternatives to this Bridge. There's been testimony today that a proper Turnpike access for Interchange Route 130 allowing access to the Turnpike Bridge would be an alternative solution.

I feel that Interchange, if constructed, would take the pressure off -- the traffic pressure off -- this area into the next century and beyond. I haven't heard all the testimony today, but I wonder why we would tear down a two-lane bridge and build a four-lane bridge at the cost of \$150 million or \$200 million. For two extra lanes. We have two lanes now. Build a four-lane bridge someplace else if we have to.

I really feel that the Feasibility Study that the County Bridge Commission produced did not address the alternative of a full interchange allowing access to the Turnpike Bridge, which would, as I say, solve whatever congestion problem there is.

ASSEMBLYMAN COLLINS: Mr. Chairman, if I may-- I can appreciate your feelings about that, but my question is, would a four-lane bridge-- Do you feel it would have any positive impact with the rest of Burlington County, with regard to the realty market? Just an opinion, yes or no?

MR. HAINES: Well, you're right, yes, it would.

ASSEMBLYMAN COLLINS: Thank you.

ASSEMBLYMAN SPADORO: Any other questions? (no response) If not, thank you, sir, for testifying today.

Robert Ghaul? Did I say it right?

R O B E R T G H A U L: Yes, that's correct. My name is Robert Ghaul. I live at 39 Sycamore Drive, Burlington Township. I am Executive Director of the Joint Burlington Economic Development Corporation. Our offices are in Commerce Square in Burlington City.

Mr. Chairman, thank you for the opportunity to appear today. The purpose of my testimony is to comment on the economic impact of the new or proposed Burlington-Bristol Bridge on specifically Burlington Commerce Square which is at the base of that bridge.

For the record, the JBEDC -- that is, the Joint Burlington Economic Development Corporation -- is a nonprofit corporation representing the City and Township in the area of economic development, founded in 1978. Our Board of Trustees is comprised of various businesspeople who serve on a voluntary basis.

For the City of Burlington we are the agent and manager to the Burlington Commerce Square. In this context, the mission of our organization is very straightforward, specifically the JBEDC, is dedicated and obligated to create jobs and ratables on the site of the former Burlington Army Ammunition Plant. As of this writing, Burlington Commerce Square has attracted 190,00 square feet of new construction and has created over 400 jobs.

In 1987 we reached agreement with the developer to construct 50,000 square feet of office space on a 3.4 acre parcel located directly on Keim Boulevard. This is the access road from the Burlington-Bristol Bridge. This parcel would be the one that was most directly impacted by any new bridge construction. This project was marketed for approximately two

years by the developer, a national real estate firm, and the JBEDC.

When efforts to attract tenants failed, the project was reduced in scope to a series of smaller buildings totaling 30,000 square feet. Though market factors have had an effect on the marketability of this project, the location of the proposed bridge route has been a major hindrance.

ASSEMBLYMAN SPADORO: Mr. Ghaul, I am sorry. I apologize for interrupting. Do you have a number of pages of testimony there?

MR. GHAIL: I have copies, and I have three.

ASSEMBLYMAN SPADORO: Three pages?

MR. GHAIL: Three. I believe the rest are exhibits, I will provide to the Committee.

ASSEMBLYMAN SPADORO: If it's lengthy testimony, please paraphrase only. If it's only three pages, proceed.

MR. GHAIL: I could paraphrase.

ASSEMBLYMAN SPADORO: And leave copies, too, of the testimony. I should, for the record, note for any further witnesses bringing testimony, I'd appreciate if you would leave it with the Committee. I apologize. Proceed. Paraphrase, if you can.

MR. GHAIL: Let me go on then and simply state that -- finish with that particular paragraph and then simply state some other problems that we have. And as I said, though market factors have had an effect on the marketability of this particular project, the location of the proposed bridge has been a major hindrance. At the present time, we are in negotiations with this particular developer to afford him greater protection, should condemnation occur.

We have -- and I've attached as examples -- letters to the Bridge Commission during the period of the Feasibility Study raising some objections, and we did meet with the Bridge Commission and hearing from -- I think on two separate

occasions. After the feasibility report was released, we still have some specific objections, and they are that the most obvious impact would be the loss of a yet to be determined amount of land from the City's only remaining piece of industrial ground. Additionally, we would lose our location and would no longer be located at the base of the Burlington-Bristol Bridge, we would no longer front on a major access road, namely, Keim Boulevard, and we would be denied suitable access to U.S. Route 130.

At the time the Burlington Commerce Square has come into its own and after infusion of millions of Federal and local dollars, we feel the economic impact would be devastating. Over half of our new and proposed construction is office use, and it is our considered opinion that the construction of the proposed bridge would have an adverse impact on the value and marketability of these buildings.

Burlington Commerce Square is now half developed. It's always been our plan to develop it from Keim Boulevard and Broad Street to the river to get greater value. A new bridge would throw this plan into a cocked hat.

A ride over any of the major Delaware River bridges show that there's no higher or better development under bridges; distribution parks do not develop without access to major arteries. Other than the land leases already in negotiation at the time of the announcement of the Feasibility Study by the Bridge Commission, no other land has been taken down in Commerce Square since that date.

I will say in conclusion, we have very serious concerns regarding the impact of any new bridge construction on the last and only remaining economic development area in Burlington City. Since Burlington Commerce Square was redeveloped with the assistance of millions of dollars of Federal funds, we feel that the proposal by the Burlington County Bridge Commission raises serious conflicts regarding the

intended use of those funds and may potentially thwart their purpose.

ASSEMBLYMAN SPADORO: Thank you, sir. Ant questions by members of the Committee? (no response) If not, I'll thank you very much for your testimony. You can leave that with us.

Mr. Henry Maderich? Mr. Yu? Okay, then we going to take a short recess.

(RECESS)

(AFTER RECESS)

ASSEMBLYMAN SPADORO: Ladies and gentlemen? This mike is on? Great.

Okay, Mr. Tierney, for the record, would you please state your name and address?

B R I A N T I E R N E Y: Yes, Mr. Chairman. My name is Brian Tierney, B-R-I-A-N T-I-E-R-N-E-Y, President of the Tierney Group, located at 260 South Broad Street in Philadelphia, Pa. 19102.

ASSEMBLYMAN SPADORO: Before we proceed, Assemblywoman Kalik, if you would desire to join us, pursuant to our rules, as one of the prime sponsors of the resolution which has led to this investigation, I would be pleased to have you sit with us for the rest of the hearing today.

ASSEMBLYWOMAN KALIK: I am most pleased to do that. Thank you, Mr. Chairman.

ASSEMBLYMAN SPADORO: I don't see Assemblyman Foy, but if he is here, I extend the same invitation to him.

Mr. Tierney, before we proceed with the questioning, I would ask you whether you have any statements or comments you would like to make to the Committee?

MR. TIERNEY: No, I do not, Mr. Chairman.

ASSEMBLYMAN SPADORO: Mr. Tierney, what's the name of your firm, again?

MR. TIERNEY: The Tierney Group.

ASSEMBLYMAN SPADORO: In what capacity does your firm serve the Commission?

MR. TIERNEY: We are the communications firm for the replacement project of the Burlington-Bristol Bridge. We're in charge of advertising, of public relations, public affairs, communicating to all the various audiences that are important to fulfilling this project.

ASSEMBLYMAN SPADORO: When did you commence your relationship with the Commission?

MR. TIERNEY: The Tierney Group commenced its relationship in April of 1989. Prior to that, I was President of a company called Lewis, Gilman and Kynett, which was a division of Foote, Cone, and Belding, which is an international public relations/advertising firm based in Chicago. Lewis, Gilman and Kynett was originally awarded the contract. When I started my own firm, the Bridge Commission went with me, with the new firm.

ASSEMBLYMAN SPADORO: Was the contract that you were awarded handled by way of a competitive bidding process?

MR. TIERNEY: Yes, it was.

ASSEMBLYMAN SPADORO: And the submission by your firm, were you the low bidder?

MR. TIERNEY: It was not bid on a cost basis. We were contacted by a Philadelphia law firm, Pepper, Hamilton and Sheetz, that there was to be a competition for the hiring of a public relations/communications firm. We said we were interested. We met with them and we presented, and in the finals it was us, Lewis, Gilman and Kynett versus Burston-Marsteller, which is another international public relations firm based in New York City.

ASSEMBLYMAN SPADORO: You were approached by a Philadelphia law firm?

MR. TIERNEY: Pepper, Hamilton and Sheetz.

ASSEMBLYMAN SPADORO: Who from that law firm?

MR. TIERNEY: Peter Hearn.

ASSEMBLYMAN SPADORO: Peter-- Can you spell the name?

MR. TIERNEY: H-E-A-R-N.

ASSEMBLYMAN SPADORO: What relationship, if any, does he have to the Bridge Commission?

MR. TIERNEY: His law firm is Counsel to the Bridge Commission on some of the issues related to the replacement of the Bridge.

ASSEMBLYMAN SPADORO: Do you know what those issues are?

MR. TIERNEY: I'm not privy because of attorney-client privilege to the details of his relationship with the Bridge Commission. I know he's involved in the statutory issues and Pennsylvania issues as well.

ASSEMBLYMAN SPADORO: I was wondering why they had Philadelphia counsel? In a capsule, describe what the scope of your service -- your firm's services, and why does the Burlington Bridge Commission need a public relations firm?

MR. TIERNEY: It's broader than just public relations. It's not uncommon for many communications firms to be working with public authorities, the DRPA, New Jersey-New York Port Authority. I read recently where SEPTA awarded a \$2.5 million contract for three years for communications. So, many public agencies as well as many corporations are now turning to professional counsel. The replacement project for the bridge was first proposed 30 years ago. Fifteen years ago, Governor Byrne signed authorization to replace the Bridge, yet nothing has happened. I think the Commission felt that professional public relations/advertising communications support would help them get their message across. It's a

crowded and confused marketplace out there of ideas. The public is deluged everyday with thousands of messages, and to try to get through that and communicate the benefits of something like this, requires professional counseling.

ASSEMBLYMAN SPADORO: Is it your testimony then that your firm was hired only to advise the Commission regarding how best to present the new bridge project?

MR. TIERNEY: Our firm was retained by the Bridge Commission to assist them in communicating to various publics the benefits of and the needs for the new bridge, yes.

ASSEMBLYMAN SPADORO: Other than the benefits and needs for the new bridge, has your firm provided any public relations advice to either the Commission or the individual members of the Commission?

MR. TIERNEY: There were a few hours of time spent when the freighter (sic) ran into-- The tug ran into the Tacony-Palmyra and it was shut down for a period of time. During that crisis, minimal amount of time, perhaps 10, 15 hours of counsel was provided.

ASSEMBLYMAN SPADORO: Have you rendered any advice with respect to handling any of the difficulties that have occurred, for example, with travel expense reimbursement?

MR. TIERNEY: Only to the extent that they relate to the replacement of the Bridge. Certainly, the information about the Bridge Commission and making sure that people understand how aggressive the Bridge Commission has been in uncovering problems, and when problems have been uncovered in terms of finding solutions. Those are important to the overall effort to replace the Bridge. But, no, not to any great detail, Mr. Chairman.

ASSEMBLYMAN SPADORO: You're suggesting that public relation advice with respect to the travel overexpenditures is related to presenting to the public the merits of this new bridge?

MR. TIERNEY: No, not advice on public relations as they relate to the travel situation, but to the extent that decisions about the new bridge are made in the context of overall effectiveness of the Commission, to the extent that it was important to get out the people the fact that the Bridge Commission had uncovered the problems and then had conducted a thorough audit. Those things, as they relate in a minimal way are important to the overall effort to replace the Bridge.

ASSEMBLYMAN SPADORO: Have you advised the Commission regarding how to handle the criticism with respect to the fact that the State of Pennsylvania apparently is resisting, publicly, the Commission's plans to build the bridge.

MR. TIERNEY: As they relate to the replacement of the new bridge, yes.

ASSEMBLYMAN SPADORO: How did you-- What did you tell the Commission they should tell the residents of Burlington County when it became public that the State of Pennsylvania has publicly stated that they are going to go to court and sue the Burlington Bridge Commission if the Burlington Bridge Commission proceeds with the bridge?

MR. TIERNEY: Could you restate that question, Mr. Chairman?

ASSEMBLYMAN SPADORO: What did you advise the Commission to tell the people of Burlington County regarding the threat by the State of Pennsylvania to sue the Burlington Bridge Commission if they proceed to build the bridge?

MR. TIERNEY: We didn't provide specific advice on that particular issue, to the extent of that it-- I think to say that the State of Pennsylvania has said is a slight mischaracterization of the communication that's been received from the State of Pennsylvania. We are receiving mixed signals in many ways from elected officials on the Pennsylvania side. The Transportation Commissioner has issued a letter saying that he is opposed to it. Certain individuals, though, who are

elected officials and have good relationships with the governor say that they are interested in and they understand that there is a need for a new bridge.

So, to the extent that it's necessary, we advise them in all these areas. And, the important thing is to get across for the Bridge Commission, the overall fact is that by a margin of two to one, according to independent surveys done for us by Chilton, which is a division of Capital Cities, people support the new bridge. And that message sometimes gets confused.

And then overwhelmingly, I think you can see by the rather low turnout here today, people understand the need for a new bridge.

ASSEMBLYMAN SPADORO: Did that survey disclose to the people that were being surveyed that the Secretary of the Department of Transportation in the State of Pennsylvania has publicly written and threatened legal action to halt construction of the bridge, when they asked them whether they approved of the idea building the bridge?

MR. TIERNEY: No. We asked them, do you -- I don't have the exact question -- "Do you support the need for a new bridge? Do you think the present bridge is adequate?" We asked questions such as that. And we did not ask them specifically what they thought of the letter from the Secretary of Transportation.

ASSEMBLYMAN SPADORO: Did you advise the Commission that they should explain away the letter from the Secretary of the Department of Transportation by saying just as you said that other people that are close to the Governor might be favorable to the bridge?

MR. TIERNEY: I can't recall exactly what I would have recommended to the Bridge Commission when we received that letter. That was, I think, about a year ago. But if I was to offer counsel today, that would -- I would touch on those areas, yes. And that the many people who are elected officials

and opinion leaders of Pennsylvania have told us publicly and privately that the Bridge is antiquated. The Chairman of the Bucks County Commission, Andy Warren, in a meeting just a few weeks ago said the Bridge is antiquated and it needs to be replaced. He said that publicly. The only question there is how to go about replacing it. There's two levels of discussion here. One is, should there be a new bridge? And the overwhelming majority of people know there needs to be a new bridge. Most of the witnesses this morning have been of the school of thought which is really the minority of our surveys that we don't need a new bridge.

ASSEMBLYMAN SPADORO: Well I think that the Secretary of Transportation in the State of Pennsylvania is in that minority.

MR. TIERNEY: At this point he is, yes sir.

ASSEMBLYMAN SPADORO: To date, what has your firm billed and been paid by the Burlington Bridge Commission?

MR. TIERNEY: To date we've billed approximately \$300,000.

ASSEMBLYMAN SPADORO: And, have you been paid?

MR. TIERNEY: There are a few outstanding invoices. Yes. Of which our firm has received approximately half of them. The other half went to other vendors, and anything from design firms and other consultants that are part of our team.

ASSEMBLYMAN SPADORO: I take it the printer--

MR. TIERNEY: The printer would be one of them.

ASSEMBLYMAN SPADORO: --who printed this glossy piece?

MR. TIERNEY: Yes.

ASSEMBLYMAN SPADORO: This piece makes reference to, "Some legislators are playing politics with your bridge."

MR. TIERNEY: Yes it does.

ASSEMBLYMAN SPADORO: Did you propose that language?

MR. TIERNEY: I did not write the actual words. I did propose the overall theme, and I stand behind it.

ASSEMBLYMAN SPADORO: Who are the legislators that this piece suggests are playing politics?

MR. TIERNEY: Well, I would rather prefer not to name names. There have been situations where, you know, when you have a situation where a bridge is first proposed 30 years ago, 15 years ago Governor Byrne signs legislation, two to one people support it, and yet we don't have one, even though every day we know there are delays and things like that, politics I believe is being played. And I stand by that.

ASSEMBLYMAN SPADORO: You said you billed 300,000 approximately--

MR. TIERNEY: Approximately.

ASSEMBLYMAN SPADORO: --since when? What's the period of time?

MR. TIERNEY: Over 20, 21 months approximately.

ASSEMBLYMAN SPADORO: What do you project that your billings are going to be to the completion of the bridge?

MR. TIERNEY: It would be impossible for me to project that.

ASSEMBLYMAN SPADORO: Are you being paid by the Commission as you sit here today?

MR. TIERNEY: No, I'm not.

ASSEMBLYMAN SPADORO: So you're contributing the time you're spending here today.

MR. TIERNEY: Yes, I am.

ASSEMBLYMAN SPADORO: Has the Commission asked you for any estimate regarding what your future services will be in connection with the ultimate completion of the bridge.

MR. TIERNEY: We have a \$150,000 authorization going from April of 1990 to April of 1991. And, as after that we're not sure exactly how it goes. Hopefully, if we're successful, and we don't have to continue battling small minority groups, when you get down to it as for the need for a new bridge, I think everybody can be saved a lot of money.

ASSEMBLYMAN SPADORO: Do you have any plans for round two of the pieces of literature such as this?

MR. TIERNEY: No specific plans to date, but I do think it's important that we continue to communicate. The Bridge Commissioners have a duty to provide for the safe transit of that River. And as part of that, that Bridge, which was designed for 900 cars and now takes 27,000 a day, aches for the need of a new bridge. So they consider it their sacred duty to build a new bridge, and we as professional communicators consider ourselves advocates for clients' position, so to the extent that they want us to continue helping them, we'll continue to help them get their message across.

ASSEMBLYMAN SPADORO: I know you're not an engineer, but Mayor Costello quoted from a report when his testimony was concluded that the Bridge was, in fact, as of 1987, was not in excess of capacity. I take it you disagree with that conclusion in that engineering report?

MR. TIERNEY: Right. I do.

ASSEMBLYMAN SPADORO: What is the source of your conclusion?

MR. TIERNEY: Original design estimates as shared with me by the engineering firm.

ASSEMBLYMAN SPADORO: Which engineering firm?

MR. TIERNEY: The firm of Steinman, Boynton, which you'll be, I guess, speaking to later today. Where the original design numbers are well known, 900 is what the design was -- 950, somewhere around there, and we know what the traffic count is today. I heard no one other than Mayor Costello offer those numbers.

ASSEMBLYMAN SPADORO: Do you believe that the State Legislature is a possible threat to the construction of this bridge?

MR. TIERNEY: That would be very difficult for me to speculate. I really think that given the fact that the original authorization passed in 1975, passed 65 to 0 in support of a new bridge, I think that as time goes forward and as perhaps things -- some of the heat goes down and the light comes up, I think that the Assembly and the State Senate will be supportive of a new bridge.

ASSEMBLYMAN SPADORO: Any other members of the Committee have questions.

ASSEMBLYWOMAN KALIK: Yes.

ASSEMBLYMAN SPADORO: Assemblywoman Kalik?

ASSEMBLYWOMAN KALIK: If I may, I think I heard the gentleman say that he has been paid -- has billings for \$300,000.

MR. TIERNEY: The Tierney Group has received billings of about \$300,000.

ASSEMBLYWOMAN KALIK: In the past 20 months.

MR. TIERNEY: In the past 20-- Since April of 1990 -- 89.

ASSEMBLYWOMAN KALIK: If, as you state, it is such a small minority of people opposing this bridge, that seems like an awful lot of money to try to convince such a small minority of people to change their minds, and why would that money need to be spent if, in fact, the Bridge Commission has the authority or the (inaudible word) has the authority to build it.

MR. TIERNEY: I don't think you'll ever convince that small minority that there's need for a new bridge, because I think it really has become more of an emotional issue for those people, and I understand--

ASSEMBLYWOMAN KALIK: It's a total waste of money.

MR. TIERNEY: No, what we need to do is to work on the 66% of the people and help get their voice heard, so that people in the Assembly and other elected officials will feel

the ability to do what I think in their heart most elected officials know needs to be done.

ASSEMBLYWOMAN KALIK: Excuse me, are you being paid to convince the 66% who you say want the bridge, or the 33% who you said don't want the bridge?

MR. TIERNEY: We're not aiming at the 33% who don't want the bridge; I think that would be a waste of resources. We're trying to work though to accomplish a new bridge. And part of that is working to communicate with elected officials, such as yourself, with the media, other opinion leaders, and with average people. When you're opposed to something, it's people -- now you're much more vocal than those who support it. But let's face it, a landslide election is 60 - 40, and this bridge is supported by 66% of the people.

ASSEMBLYWOMAN KALIK: I don't think you've acquired the \$300,000 to communicate with me, and you have never communicated with me, so-- Thank you, Mr. Chairman.

ASSEMBLYMAN SPADORO: Any other questions?

ASSEMBLYMAN COLLINS: Mr. Chairman?

ASSEMBLYMAN SPADORO: Assemblyman Collins?

ASSEMBLYMAN COLLINS: Mr. Tierney, you mentioned in your comments that there was a gentleman named Warren who supported the replacement of the bridge. I didn't get his name or--

MR. TIERNEY: His name is Andrew Warren. He's a Chairman of the Bucks County Commissioners. And at a public meeting about two or three weeks ago, at the Royce Hotel in Bucks County, he stated publicly that the Bridge was antiquated -- that was his word -- it needs to be replaced. He said we need to get cooperation of both Governors to do that as well, and that that is an important part of that process. And that he generally saw the need for that new bridge.

So, you can see it's -- you've got this group that knows we need a new bridge, we just have to try to continue to work to get it done.

ASSEMBLYMAN COLLINS: And the second question, I guess tied to the job you're doing, and the money being spent or whatever, we had testimony this morning from Mr. Haines of Haines and Haines Realty, and a direct question I asked him with regards to did he feel that a four lane bridge would help in the realty market in the rest of the County, he answered, "Yes."

Did you, in your promotion, deal with that degree of increased real estate values in the rest of the County?

MR. TIERNEY: We have touched on that issue in some of our materials. I think it's an important issue. We have been dealing, perhaps too much, with the small brushfires and the small very vocal but very very strategically tiny groups. But things like that are a benefit. Things like the fact that the Route 13 and 413 in Pennsylvania, which is the worst intersection in the State of Pennsylvania according to PENDOT, and which delayed me 20 minutes to get over here today because of an accident, that that will be cleaned up. And that we will take cars that choke the roads now and pollute the roads off the roads. All these benefits. It will be safer. The Bridge right now that we have, if it was to be built now would never be built. It would be illegal to build a bridge like the Burlington-Bristol Bridge; it's too narrow. And it asks for head on collisions such as the one that was on the Tacony-Palmyra recently that killed somebody. Nobody in their right mind who goes over that bridge doesn't know in their heart we need a new bridge. And that's why I'm very proud to represent the Burlington County Commissioners in this effort.

ASSEMBLYMAN COLLINS: Thank you.

MR. TIERNEY: Thank you, sir.

ASSEMBLYMAN SPADORO: Assemblyman Kamin?

ASSEMBLYMAN KAMIN: Thank you, Mr. Chairman. The brief question I have, through you. Mr. Tierney, have you or any of your associates with your firm been asked by the Florio

Administration to work with the Administration or any of the departments in the State of New Jersey -- have you ever been asked in an official capacity to do work for the Administration?

MR. TIERNEY: No, we have not.

ASSEMBLYMAN KAMIN: How about for the Casey Administration?

MR. TIERNEY: No, we have not. Although I have a good relationship with Governor Casey's people.

ASSEMBLYMAN KAMIN: My second question is, has there been any unofficial capacity in which you functioned for either the Florio Administration or the Casey Administration, you or your associates with your firm?

MR. TIERNEY: No.

ASSEMBLYMAN KAMIN: How about in your time with Foote, Cone and Belding?

MR. TIERNEY: Foote, Cone and Belding -- the advertising side of Foote, Cone and Belding has the very successful Lottery contract with the State of Pennsylvania. The public relations division, which I was President of, had nothing to do with that.

ASSEMBLYMAN KAMIN: Okay. Thank you, Mr. Chairman.

ASSEMBLYMAN SPADORO: Mr. Tierney, has your firm ever made contributions to the Burlington County Republican Committee?

MR. TIERNEY: Yes, I have. I personally have, not the firm.

ASSEMBLYMAN SPADORO: You personally have.

MR. TIERNEY: I personally have. Yes.

ASSEMBLYMAN SPADORO: Looking at this--

MR. TIERNEY: I'm very active politically. I was on George Bush's National Finance Committee, I was on Ron Castille's Finance Committee for District Attorney in Pennsylvania, Philadelphia, and I have a long history of political involvement. I think it's important to give back to the communities that were so important for--

ASSEMBLYMAN SPADORO: Sir, I'm looking at your flyer, and I noticed that it had a return card envelope. How many of these flyers were mailed?

MR. TIERNEY: They weren't mailed, sir, they were handed out. Approximately 15,000 were delivered, and approximately 1500 have been returned, overwhelmingly supportive of the new bridge.

ASSEMBLYMAN SPADORO: Would you be kind enough, without the issuance of a subpoena, to provide the Committee with the (word inaudible) that you referred to?

MR. TIERNEY: I'd be delighted to provide you both with the Chilton Survey that was done by Capital Cities, as well as the information received on the cards; yes, sir. With the concurrence of my client, I should say, sir.

ASSEMBLYMAN SPADORO: The Chilton Survey is the one you referred to before, where there was support--

MR. TIERNEY: Right.

(At this point, short portion of testimony inaudible)

ASSEMBLYMAN MAZUR: Or was it the other way around?

MR. TIERNEY: It's rather mixed, and I would not be-- I could get that information for you, but off the top of my head sir, I haven't looked at those numbers recently.

ASSEMBLYMAN MAZUR: Well, you mentioned the traffic improvement to be made in Pennsylvania. This is a by the funding of the Burlington County Bridge Commission, that's going to be making highway improvements in Pennsylvania.

MR. TIERNEY: I think it would be best for the engineering firm to talk about the actual specifics of the construction project, but I can tell you that there will be significant improvements as well on the New Jersey side. And I

think New Jersey, when you look at the whole, you'll find New Jersey actually comes out a lot better off with these situations. But I'm not an expert with the construction project.

ASSEMBLYMAN SPADORO: Assemblyman Kenny?

ASSEMBLYMAN KENNY: Mr. Tierney?

MR. TIERNEY: Yes, Mr. Kamin.

ASSEMBLYMAN KENNY: You're counsel -- you referred to as your counsel to the Bridge Commission. That counsel you've described in the context of being as to the public's perception of the replacement bridge. In your brochure, you refer to legislators obstructing the replacement of the bridge, you also described your counsel as having to do with the political environment of the bridge replacement. Is that correct?

MR. TIERNEY: That's what I described today, but that's only a part of what we do.

ASSEMBLYMAN KENNY: And so, what you refer to as counsel is very often political advice, is it not?

MR. TIERNEY: Only to the extent that a project like this where a public authority is in a political environment. But I would say political advice is a very small part of what my firm does. We are a firm that represents only nonpolitical clients. We represent six Fortune 100 Corporations, Marriott Hotels on a nationwide basis, Proctor and Gamble, Meridian Bank Corp., Cigna Companies -- their Special Benefits Division. The Bridge Commission is one of our smaller accounts, and it is the only public account we have.

ASSEMBLYMAN KENNY: However, you do give counsel to this Bridge Commission that evolves around what you describe as being a political issue.

MR. TIERNEY: To the extent that it is a public agency in a political environment, yes. But in many ways, to the extent that public officials are going to have to approve it in

the end, it is. But I might probably prefer to call it a public issue rather than a political issue, because political sometimes sounds negative.

ASSEMBLYMAN KENNY: In your professional, capacity do you render political advice to political candidates?

MR. TIERNEY: No I do not.

ASSEMBLYMAN KENNY: Your firm?

MR. TIERNEY: Nope, we've never represented a political candidate, and don't. No I don't.

ASSEMBLYMAN KENNY: You do, however, participate in Republican Committee politics in Burlington County?

MR. TIERNEY: Not Republican Committee politics. I'm a resident of Pennsylvania. I have contributed in several states, as well as on a national level, and one of the areas that I have contributed has been to the Burlington County Republican Committee. Yes. A one-time contribution.

ASSEMBLYMAN KENNY: And how much was that?

MR. TIERNEY: That was \$3000.

ASSEMBLYMAN KENNY: Is that a personal contribution?

MR. TIERNEY: Personal contribution from Brian Tierney this past summer, yes.

ASSEMBLYMAN KENNY: And what about your firm?

MR. TIERNEY: My firm makes no political contributions.

ASSEMBLYMAN KENNY: Now, your \$300,000 invoices, regarding this issue, the taxpayers are paying that invoice, are they not?

MR. TIERNEY: No, the toll payers are paying that, sir.

ASSEMBLYMAN KENNY: The toll payers?

MR. TIERNEY: Right. Since the Bridge Commission receives its funds from toll payers, some of whom are New Jersey residents, some of whom are Pennsylvania residents, I guess some are New York and Delaware residents as well, but in the end the money comes from toll payers.

ASSEMBLYMAN KENNY: But it's a public funded money.

MR. TIERNEY: Right. But it's not tax money. To the extent that we're all taxpayers, I guess you could say the taxpayers pay it. But it really is toll money. Because we could say that, you know--

ASSEMBLYMAN KENNY: It's different than private money, is it not, Mr. Tierney?

MR. TIERNEY: Oh, yes it is, sir.

ASSEMBLYMAN KENNY: It's public money. You're being paid by public moneys.

MR. TIERNEY: Right, by the toll payers.

ASSEMBLYMAN KENNY: And so you are being paid public moneys to render political advice?

MR. TIERNEY: No, that would be a twisting of what I've been saying and describing to you, and I would reject that characterization. I am getting paid toll money to give communications advice. Part of that is in a public environment, and to that extent that is usually called public affairs advice. But I would reject the characterization of that being political advice.

ASSEMBLYMAN KENNY: Are you familiar with other firms such as your firm which is providing counsel, as you describe it, to other political bodies in Burlington County? Autonomous or otherwise?

MR. TIERNEY: I don't know that. No, I can't say that I do. I know that the Delaware River Port Authority has communications help. They're lobbying now to get the authorization for a unified port. I consider that very similar. The New York-New Jersey Port Authority has just awarded I believe a multi-million dollar contract for support. I guess you could say that's -- it kind of falls in that category.

ASSEMBLYMAN KENNY: I have no other questions.

ASSEMBLYMAN SPADORO: Assemblyman Collins.

ASSEMBLYMAN COLLINS: Mr. Tierney, in your testimony earlier, I believe you made a statement that, away from your professional responsibility you have been involved in political support. I believe you said District Attorney Castille and someone else that you had indicated--

MR. TIERNEY: George Bush, President George Bush.

ASSEMBLYMAN COLLINS: I've heard of him. (laughter) Both of those are Republican, and I think, aren't you also a TV personality of some description?

MR. TIERNEY: You're going back far. I'm part of a public affairs show, called "Inside Story" on Channel 6, which is WPVI in Philadelphia. I'm on there with three journalists, and I represent on that position more of the business view of Philadelphia.

ASSEMBLYMAN COLLINS: Right. But also aren't you even introduced there as an active -- and involved person in the Republican Party?

MR. TIERNEY: No, I'm introduced as a political analyst.

ASSEMBLYMAN COLLINS: But there is no question that those of us -- and I watch you some days, and I like you much more without the beard than with the beard--

MR. TIERNEY: Thank you, my mother does as well. Thank you.

ASSEMBLYMAN COLLINS: That you are, and please don't be humble, a public figure in the sense that you have been involved in political situations, you're on television, I mean, you're not hiding anywhere with your particular philosophical position.

MR. TIERNEY: No, and I won't accept the term public official, just in case I get involved in The New York Times definition as it relates to slander at some point, and I don't want to become a public official. But, I am a private citizen, and I am on that show, and I am considered, basically, I think

a business/conservative leaning to Republican person. And I'm very proud about it. I worked 12 to 13 years ago for the Republican National Committee, under Bill Brock, and I've always been involved. In fact, I worked a little bit of time in New Jersey back in 1979 as well, for Dick Zimmer, for the RNC.

ASSEMBLYMAN COLLINS: But, just on a personal basis, and I give up the floor, you usually are most correct in your positions. But that's a personal position.

MR. TIERNEY: Thank you.

ASSEMBLYMAN COLLINS: Thank you, Mr. Chairman.

ASSEMBLYMAN SPADORO: I gave you wide latitude on this.

One initial problem point, essentially, from my perspective, probably the most troubling -- there are a number of troubling things about this piece of literature (referring to brochure) -- but the most troubling part of it is what appears to be an effort for one public entity, the Bridge Commission, to, in effect, do a distribution of literature which the natural effect of it would be to impugn the reputation of individuals that are holding public office in the area. And you suggested sir that you didn't want to mention names, but I think it's pretty clear the individuals you were referring to, they testified earlier today. And what's troubling to me is at what point do you draw the line? That is, would you consider advising the Bridge Commission, assuming that there was further resistance or public debate on this issue, in the next piece of literature that they should make specific reference, that Assemblyman Foy and Assemblywoman Kalik are playing politics?

MR. TIERNEY: I wouldn't want to--

ASSEMBLYMAN SPADORO: And then distribute that? I mean, at what point are you in effect using public moneys to, play partisan politics?

MR. TIERNEY: I can understand the concern that you can conceptionally have with this, perhaps, Mr. Chairman, especially as it would relate to some position which I doubt the Bridge Commission would take going down the road in some specifically naming individuals. But I'd like to relate a story, and that led to my characterization of it as being in part, politics. Now there was a town meeting after the Burlington County Freeholders -- in front of them, about a year and a half ago. And afterwards I went to a place -- I think it was called Charley Browns -- and I was sitting with a group of supporters of the bridge, and some opponents of the bridge were at another table, and one person -- one elected official came up to the table, and said to me, "You know, in the end, I like the jobs with this thing. And in the end, I know we need a new bridge. But, I'm wearing a lot of hats in here, so I'm going to have to beat you up a little bit." I think that's playing politics. And I think that's one of the reasons I'm here today. And to that extent, I have to be honest, and I will always be honest and my firm will always be honest, but as we go forward, we're going to call them, I think, as we see them. And not making it a personal campaign, but there is a need for a new bridge, and the Bridge Commission considers it their sacred duty, and we are proud to represent them in helping that happen.

ASSEMBLYMAN SPADORO: I will just, and I would-- Well, I guess my point is that, I appreciate as a professional you've got to do your job, but we as legislators have a responsibility to the public, and individuals who are elected are given the authority by that election to, "play politics." However, the Bridge Commission are appointed individuals, they are a public trust in terms of funds, and I'm not sure that they have that "authority." And one of the things this Committee is looking into is the issue of how far does a transportation authority -- can it go, in terms of utilizing

public relations advice? I mean, I think you made the appropriate point. And by the way, no one is attacking you personally, or your firm.

MR. TIERNEY: I appreciate that. No, I appreciate that.

ASSEMBLYMAN SPADORO: But, the reality is that this is not the only authority or commission in the State that has made liberal use of public relations advice to the tune of hundreds of thousands of dollars. And there comes a point where that issue has to be squarely addressed. And that's why I was particularly troubled by those -- that language.

If there are no further questions-- I'm sorry.

ASSEMBLYMAN KENNY: I just want to make one follow-up to the Chairman's statement. In fact, summarizing my line of questioning. Your firm is not alone in the type of business that you're in; it's all over the State. But, I think there's something questionable when a partisan, political analyst, which you are by your own description, is retained by a public body that is funded with public funds to advance the interests of that body on what you described as being a political issue. And I think there's something wrong with that, very fundamentally wrong. And, the avenue that should be used under those circumstances is for the people to go into their own pockets, not the public funds, and to hire their own advertising agency, or something.

But, I think in the field of public relations and communications, many of these firms have heavy heavy political alliances to both parties, and they're being paid here, in this instance, by public moneys to advance a political agenda. And that's-- I mean, again, I'm not singling your firm out, but that's what has happened here, and I think it's something this Committee should be making recommendations about.

MR. TIERNEY: Assuming-- I'm sorry, can I just comment briefly on that?

ASSEMBLYMAN SPADORO: Yes. Assemblywoman Kalik has a question, and then one additional question. We can probably go all day on this one subject.

MR. TIERNEY: Okay. Just briefly. We represented-- This political analyst hat that I wear, as representing conservative business, perhaps Republican views, that's the last year and a half. I've been in this business representing corporations. We do the public relations for Pepto-Bismal and Metamusal on a nationwide basis. So, I was working with consumer products long before I was considered a political analyst. We get you coming and going.

ASSEMBLYMAN SPADORO: Just for the record sir, will you provide again without the necessity of a subpoena, to the Committee copies of any statement you have rendered in the past 20 months with the respect to the \$300,000 in billings that you've already rendered?

MR. TIERNEY: Sure.

ASSEMBLYMAN SPADORO: Okay, thank you. Assemblywoman Kalik?

ASSEMBLYWOMAN KALIK: I specifically have a question. You were associated with another firm before you took the business.

MR. TIERNEY: Yes, I was.

ASSEMBLYWOMAN KALIK: And they were billed over and above the \$300,000 on this particular account.

MR. TIERNEY: Right.

ASSEMBLYWOMAN KALIK: And how much was that?

MR. TIERNEY: I'm not positive of that number. It was approximately--

ASSEMBLYWOMAN KALIK: Does \$180,000 sound familiar to you?

MR. TIERNEY: It could be. You're probably within \$15,000-\$20,000.

ASSEMBLYWOMAN KALIK: So now we're talking about close to \$500,000 for public relations for the building of this bridge that supposedly 66% -- 2/3 -- of the people want.

MR. TIERNEY: Right.

ASSEMBLYWOMAN KALIK: My question was not that, that's just a piece of fact. I have got to register -- voice my sincere objection to the fact that somebody allegedly said something to you that you do not particularly care for, and therefore put into a brochure the fact that you have got to work against legislators who don't think that this bridge ought to be built. I must register a complaint. It's outrageous.

ASSEMBLYMAN SPADORO: Let's-- We have one final question of this witness from Assemblyman Kamin.

ASSEMBLYMAN KAMIN: Thank you, Mr. Chairman. My question is, the recurring statements by some members of this Committee that there's public moneys being used to advance political agenda, I'd like to remind members of this Committee, and you may not be aware of this, Mr. Tierney, but the authorizing vote for a resolution that was passed on April 23, 1990, the vote was 42 to 35 in the Assembly to set up this Committee to do what we're supposed to be doing today. That's roughly the same margin of victory in a very partisan sense that brought the \$2.8 billion in new taxes and a 26% tax hike.

ASSEMBLYMAN SPADORO: Mr. Kamin. When you showed up today with that button on, I said well, it's a free country provided you stay within bounds. This is a very serious hearing we're having today. I know there are a lot of issues on the minds of the residents of the State, but the people here today are here for one reason, and one reason only, to discuss this bridge and this Commission. So I would caution you, and any member of this Committee, to stay within the confines of the subject matter.

ASSEMBLYMAN KAMIN: Mr. Chairman, if I might, the point I made was a point of history.

ASSEMBLYMAN SPADORO: I appreciate that.

ASSEMBLYMAN KAMIN: The vote was 42 to 35 along party lines.

ASSEMBLYMAN SPADORO: At that point you were fine, but you went one step further, sir, which I believe was out of bounds.

ASSEMBLYMAN KAMIN: Mr. Chairman, my right to wear this button that says "Where's the audit"--

ASSEMBLYMAN SPADORO: I didn't say a word about that.

ASSEMBLYMAN KAMIN: And my right to bring my gag which I usually have to wear in Trenton because we're not allowed to speak in some of our meetings-- This is a rare opportunity for me to participate--

ASSEMBLYMAN SPADORO: We appreciate that.

ASSEMBLYMAN KAMIN: Thank you for your time.

ASSEMBLYMAN SPADORO: Mr. Tierney, thank you very much.

MR. TIERNEY: Thank you very much for this opportunity.

ASSEMBLYMAN SPADORO: I appreciate you coming, and look forward to reviewing those documents.

MR. TIERNEY: Thanks. I'll follow up with staff, as to exactly what they are.

ASSEMBLYMAN SPADORO: You'll be getting a letter and we'll be in touch.

Commissioner John Heimmer.

S T A C Y L. M O O R E, JR., ESQ.: Mr. Chairman, members of the Committee, my name is Stacy Moore. I'm the Associate Solicitor for the Bridge Commission. Mr. Barry Parker who is the Solicitor couldn't be here today. I am here to represent the Commissioners and the employees in their official capacity.

ASSEMBLYMAN SPADORO: That's fine. Mr. Heimmer, did you receive a subpoena from the Committee (word inaudible) with your appearance here today.

J O H N H E I M M E R: Yes sir, I did.

ASSEMBLYMAN SPADORO: Attached to that subpoena was a copy of the Code of Fair Procedure. The Code of Fair Procedure gives you certain rights as a witness testifying here today before this Committee. For example, you do have the right to be accompanied by an attorney, and you have elected to take advantage of that right. And he, of course, may advise you of any rights that you have anytime during the testimony, and if necessary, confer with you privately. Your attorney has already identified himself, so I will not go through the exercise of asking you to do that.

Under the Code of Fair Procedure you also have the right at the conclusion of this testimony to provide a sworn statement, and you are advised that we are transcribing this testimony and you are entitled to receive a copy of it at your own expense.

How long have you been a Commissioner of the Burlington County Bridge Commission?

MR. HEIMMER: I was appointed December 13, 1989, so that makes it about 10 months.

ASSEMBLYMAN SPADORO: Do you receive compensation?

MR. HEIMMER: Yes, sir.

ASSEMBLYMAN SPADORO: What is that compensation?

MR. HEIMMER: About \$9000 a year, maybe a little more. I'm not quite sure. Might I say something about your opening comments?

ASSEMBLYMAN SPADORO: I'm sorry sir, go right ahead.

MR. HEIMMER: Okay. What I wanted to say is, was I subpoenaed? I might be the only one in the room that was subpoenaed. And Amy Melick knows the reason why. Just before I went on vacation, Amy and I had talked, and I said that I was going to be at a business meeting in Dallas on the 27th, was there any room for movement of this meeting to another point in time? And she said she didn't think so, but she could check with you, sir, I think. And I said, would there be a need for

a subpoena in this case? And she said, "Well, I don't know. I'll have to check." I told her I was going on vacation, and nobody would be able to contact me because I'd be sailing down the Chesapeake; my one and only week away from my job and everything else up here. And my understanding was someone tried to serve me at my place of business while I was on vacation, and I just found that to be a little bit strange, especially when I came home from vacation and read in the paper it looked like I was trying to avoid coming to this meeting.

I am very happy and pleased to be here. In fact, it's probably the first -- well it's the first time for me to be here in Burlington City in front of this entire crowd and this august group of legislators. And I'm here to cooperate. I'm here to answer your questions. I don't have a prepared statement. I didn't do a great deal of homework to be here. I'm John Heimmer, okay. I have the utmost in integrity. I've spent a lot of time in political life and in public life as a councilman and a mayor. I serve on the County College Board of Trustees, and I have the privilege of being a County Commissioner. And I just wanted to let you know that I'm open for whatever questions you have. And so we set the record, and kind of like ease up, and loosen our ties and talk.

ASSEMBLYMAN SPADORO: Well, sir, I appreciate that candor, and we're pleased to have you here.

You just stated that you're compensated at the rate of \$9000 a year?

MR. HEIMMER: Yes, sir.

ASSEMBLYMAN SPADORO: How are you paid? Is that monthly, biweekly?

MR. HEIMMER: We get a check once every two weeks.

ASSEMBLYMAN SPADORO: In addition to that compensation, is there any other form of remuneration benefits, that go along with this job?

MR. HEIMMER: I'm a member of the contributory portion of the State Public Employees Retirement Plan, and so I would guess that as I put money in, someone else is putting money in, and it's a very small amount, we're talking about \$9000 a year, versus somebody who might be making \$24,000 in another kind of part-time job. I have health benefits which come along with employees of the Bridge Commission. I don't know what the amount of those benefits are, and I don't even use them, because I'm employed by a major employer in the area, and I have my own benefits.

ASSEMBLYMAN SPADORO: Approximately how many hours a week do you devote in fulfilling your responsibilities as a Bridge Commissioner?

MR. HEIMMER: Well, it varies, sir, from time to time, but I would say on the average, since I've been employed, with all the issues that seem to be burning at the time, and all the public scrutiny of the Commission, I say I'm probably putting in at least 20 or 30 hours a week on behalf of the Commission. That's evenings, weekends-- Thinking time is something I can't even evaluate. You know yourself, if you're not physically in the office, or in a particular meeting, but you're on the road -- you know, I spend more time in airplanes than you do in your cars. Okay? On the road, you do a lot of thinking about things that are going on. You try and figure out how I might be able to do it better. How I might be a better contributor and a team player in the operation of the bridge? And, so I can't even qualify how much time it is. But, I'm certain it's very valuable time.

ASSEMBLYMAN SPADORO: What are your responsibilities as a Commissioner, just generally?

MR. HEIMMER: In general, I think, in one line I can tell you that my responsibility is to provide safe and efficient bridge crossings for the public of both New Jersey and Pennsylvania. I think that-- I have no-- I shouldn't say

Pennsylvania meaning that I'm doing something for Pennsylvania. Anybody who rides across the Bridge, and goes between two States, I consider to be the riding public. And I have to maintain the safe crossings for those individuals.

ASSEMBLYMAN SPADORO: Sir, you were a member of the Commission when it voted to increase tolls on the Bridges, were you not?

MR. HEIMMER: Yes, sir.

ASSEMBLYMAN SPADORO: Do you believe that there was adequate notice and adequate opportunity for public debate on that issue before the toll increase was approved?

MR. HEIMMER: As a brand new Commissioner, I think you probably have in your records, I can give you a scenario of the dates. I think that's important. And, maybe if you give me a little bit of latitude, I'll kind of explain the situation and maybe answer some of your questions before you ask them.

But, on December 13, when I was appointed by the Board of Freeholders, the first meeting I think we had was December 22, and then I think there was a hearing on December 29 where the toll increase was voted on and passed. During that particular period of time, one of my first assignments when I got on board was, number one to find out what were the burning issues? What are the things that are-- How can I contribute most to the Bridge Commission in the shortest period of time? My background is, I'm a physicist, not an engineer, but a physicist. I travel all over the world; I'm in the defense business. Right now is a particularly difficult time for us all, and I am very much involved in some of the things -- issues at least, that are going on in the Middle East. I consider myself an analyst. Some people say that maybe I do too much analyzing, but I picked up the study report that was done by the Bridge Commission engineers on the new bridge, and in that study report they talked about what the toll increases would be based on projections of the maintenance problems, or whatever kinds of problems the Bridge might have over the year--

ASSEMBLYMAN SPADORO: I'm sorry. I don't mean to interrupt, but maybe you misunderstood the question. I didn't ask whether you were satisfied that there was sufficient basis as a Commissioner to vote for the increase. My question was, were you satisfied that the public was given adequate notice of the Bridge's intention to proceed, and an opportunity to debate the issue, and present their views to the Commission. And in pursuit of the question, you might be totally satisfied it was the right thing to, you got all the details, etc. I want to know, do you feel the public had their opportunity to be heard on this, or was this something that maybe moved a little too quickly?

MR. HEIMMER: There were two things. Number one, based on the advice that we had received from our attorney, there was no requirement for a public hearing to be held for a toll increase, and I don't believe it had happened in the past.

ASSEMBLYMAN SPADORO: You're saying the attorneys advised the Commission that the Commission has no legal obligation?

MR. HEIMMER: That's correct. Number two, we felt that we should have a public hearing to give the public an opportunity to make presentations. And, quite frankly, we all know that when we start talking about things like toll increases or tax increases, it's a bitter pill to swallow. The more public input you get, the more you're driven to the position where, well, maybe I shouldn't do this. But, let me tell you this, it is my opinion based on everything that I had read and been told, and based on analyses that had been presented to me, and my own analysis, that a toll increase of the proportions of from 25 cents to 50 cents was totally in order, and the public had a perfect opportunity to speak out, and I listened to all that they had to say.

ASSEMBLYMAN SPADORO: When was that?

MR. HEIMMER: On the 29th of December.

ASSEMBLYMAN SPADORO: That's the last day of the year -- not the last day of the year, it was the Friday before New Year's Eve?

MR. HEIMMER: Yes, sir.

ASSEMBLYMAN SPADORO: When was that held, during the day? I assume during the day.

MR. HEIMMER: I think it was like two or three o'clock; I could be wrong. It was during the day; it wasn't the evening.

ASSEMBLYMAN SPADORO: Sir, are you troubled at all by the fact that the Commission has proceeded as aggressively with respect to the construction of this bridge, in light of the statements by me earlier referring to the letter by the Secretary of Transportation of the State of Pennsylvania? Are you troubled by that?

MR. HEIMMER: No, sir. Because, I think first of all, we have to put things in perspective. The first thing is that it's probably 20 or 30 years now that have gone by that the new bridge had been needed. I think the events of today are nothing more than a "here we go again" kind of thing, based on what happened back in the mid-'70s. My feeling is, I've said as a private citizen living in Burlington County for the last 12 years, that this particular Bridge that's here is a monstrosity, and it should be replaced. So, my point was that what I view as important is to take care of the safety and increase the performance of bridges, and the economy in the particular area where I have responsibility. And, so I don't think we're moving too quickly. I think we're moving too slowly.

ASSEMBLYMAN SPADORO: Well, let me ask you, sir, how much money do you propose to spend before you find out whether or not you can build the bridge?

MR. HEIMMER: May I ask you what you mean by -- what do you mean by whether or not we should build the bridge?

ASSEMBLYMAN SPADORO: Well, sir, the Secretary of the Department of Transportation of the sovereign State of Pennsylvania where this bridge is apparently going to end up, has stated publicly that he's going to take you to court.

MR. HEIMMER: Okay, what's the date of that, sir?

ASSEMBLYMAN SPADORO: 1989. October 11, 1989. I'd rather not quote the whole paragraph, but the point is, is that-- You said you want to be here in all candor, it's important and let's loosen our ties-- Well, let's loosen our ties.

MR. HEIMMER: Okay.

ASSEMBLYMAN SPADORO: You spent almost 3 million bucks to date -- you have a lawyer, a colleague, spending more money as you sit here, in fact -- on this issue. How much money do you spend before you say let's see if we can get a final answer to the question of whether legally we can proceed? That is, is there something that we can do now, legally -- and I don't want to get into legal strategy, you have a lawyer for that--

MR. HEIMMER: You'd be way over my head.

ASSEMBLYMAN SPADORO: Okay. But the point is, how much money do you propose spending before you find out whether the Secretary of Transportation in Pennsylvania is right? That is are you willing to gamble millions of dollars of toll revenues on the chance that this bridge -- let's assume for a minute it's the best bridge that's ever going to be built, it's the best idea that ever could be created for the people of this County, and for the area -- but how much money are you going to spend before you find out, definitively, that you can proceed? That's my question.

MR. HEIMMER: It's a good question. I'll answer it this way by saying, as far as I am concerned, whatever money has been spent to build this bridge has been money well spent, because of the nature of the beast of building a new bridge. It's not something that you just wake up one morning and say,

"I'm going to build a new bridge." You have to prepare for that. There are-- You have to do planning, you have to do analysis, you have to look at the finances. You've got to do all of these things. And by the way, sir, I might add that once we do build a new bridge, all of that work that we have done will be absolutely applicable to the new bridge. I mean, it's not money that's being wasted and flowing down the river. It is money that has been well spent in order to educate the public, number one, of the need. There is a, I think Mr. tierney had pointed out to you before, and I believe it. Everybody that I know says -- and I don't know very many people in Burlington City, because this is the one place where you won't find supporters of the bridge. We all understand that this is the shadow of the new bridge. But as you move away from this area there isn't anybody I've talked to in my community, and I'm a former mayor and a councilman, and I've been involved, and I know a lot of people of this community, and County, there isn't anybody that's opposed, outside of this area, to the new bridge.

My point is this--

ASSEMBLYMAN SPADORO: I'm trying to get a series of questions. I appreciate your opinion. I think we can assume, from your testimony, that you believe strongly that this bridge is the right thing to do.

MR. HEIMMER: Absolutely.

ASSEMBLYMAN SPADORO: My concern is, at what point do we stop spending money and be certain that we're going to be able to proceed? I think you've already explained-- You said, as far as you're concerned, you're doing the right thing. I beg to differ, but let's go on, if we can.

MR. HEIMMER: Okay. Let me get to the Mr. Yerusalim letter. You used that as, he's saying that--

ASSEMBLYMAN SPADORO: He's threatened a law suit.

MR. HEIMMER: Right. I participated on September 10 in that meeting that Mr. Tierney mentioned, with the Bucks County officials and other legislators over there at the Royce Hotel. And, I can tell you that it was a good meeting. It was the first time I had met anyone from across the River. And I was there when statements were made that the bridge was antiquated, it should be replaced, and what are we going to do with the infrastructure, the road system over here, the choking of traffic? Sure, there are things that have to be ironed out between us and them. I mean, absolutely, you just can't go in and violate another person's ground by saying I'm going to drop a bridge down on your piece of property, and I'm not going to take any input.

We proposed to them that they set up a committee that we can deal with and start a dialogue for the next 18 months and try and reach an agreement. Each of which will have a veto power. That is very important, because if Pennsylvania really doesn't want to have a new bridge, they can tell us they don't want to have a new bridge, and sir, we will not land a new bridge over there. We will take this bridge and it will be there for the next few years.

ASSEMBLYMAN SPADORO: I guess it is a question of procedure, and maybe one of the things we're considering is how should authorities operate. It would just seem that the first thing you do is, before you started spending millions, would be to go to Pennsylvania and say, "Let's sit down and see whether we can enter into some agreement." As opposed to spending millions, waiting until you get threatened with litigation, and then in response to that saying, "My God, they might actually stop this thing. We've already got \$2 million into it; we're spending money every day. We better talk about it."

So, I'm just asking a matter of procedure. You're suggesting that you think you've done it the right way. I

appreciate your right to state your opinion as you believe it to be.

Sir, let's change the subject for a minute, if we could. You've been now on the Commission since -- I'm sorry, what's the date?

MR. HEIMMER: December of '89.

ASSEMBLYMAN SPADORO: You're familiar, I guess, with-- Were you here today for some of the testimony?

MR. HEIMMER: I sat through all of the testimony.

ASSEMBLYMAN SPADORO: Okay. Then you heard the mention of expenditures for travel -- excessive travel?

MR. HEIMMER: Yes.

ASSEMBLYMAN SPADORO: Have you had an opportunity since you've been on the Commission to familiarize yourself with what happened before you got onto the Commission, regarding the travel issue?

MR. HEIMMER: Well, I'm at a disadvantage in that I can only, you know, talk to people who have been there, and try to assimilate what happened. But not being physically on the scene, I'm getting second and third hand data.

ASSEMBLYMAN SPADORO: In other words, you're not really aware of the fact that there have been individuals in fact ordered to repay excessive travel expenses?

MR. HEIMMER: No sir, I didn't say that. What I said was, you asked me if I knew what was going on back then--

ASSEMBLYMAN SPADORO: You said you familiarized yourself with the general subject of this travel.

MR. HEIMMER: I have, yes.

ASSEMBLYMAN SPADORO: Okay, that's all I wanted to know. Are you satisfied now, as a Commissioner, that appropriate steps have been taken so that what has happened in the past is not going to happen again?

MR. HEIMMER: Yes, I am. We've established a travel policy, and that's been adhered to 110%.

ASSEMBLYMAN SPADORO: Have you, since you've been a Commissioner taken any trips? It sounds like you traveled on business, but--

MR. HEIMMER: If I can avoid going in an airplane, I will, sir.

ASSEMBLYMAN SPADORO: So, you haven't taken an trips as a Commissioner as yet?

MR. HEIMMER: No.

ASSEMBLYMAN SPADORO: Do you plan in the future to do so?

MR. HEIMMER: No, sir. I'm not even charging for the mileage to come here.

ASSEMBLYMAN SPADORO: Do you have any plans, as a Commissioner, of further steps to be taken to improve the operation of the Commission?

MR. HEIMMER: I think we're on a strategic path to do that. We've already taken care of one-- One of the things that I'm very proud of is to be associated with Commissioner DeMarco, who has taken the lead and--

ASSEMBLYMAN SPADORO: I'm sorry.

MR. HEIMMER: I'm proud of the fact that Commissioner DeMarco, before I got on the Commission had begun to take the lead and to basically correct the problems that existed at the Bridge Commission, which we're all aware of. And I might say that in some instances, I'm not going to specifically point things out, but I tell you that the situation on the Bridge Commission is not as what you read about in the newspapers. There is a lot of exaggeration or misinformation that gets put out. And my feeling is I think it is a good, solid working environment. We've gone in there, we've established policy, and we're setting up an employee policy; it's taken some time to put that in place. Individuals who have had problems in the past relating to things like the improprieties that we talked about earlier and was testified to have been removed. I think

it's a matter of building the confidence of, not only the people within the Bridge Commission, the employees have to work in an environment that's constantly under fire. I mean, the average guy that's in there working and climbing on the Bridge and fixing and painting, and working on the toll booths and taking tolls and everything, a great deal of stress has been put on those individuals. And we're trying to improve the environment, number one.

And number two, and the most important thing, is that by our efforts we will reestablish public trust in our Commission.

ASSEMBLYMAN SPADORO: Sir, thank you. Do any other members of the Committee have any questions of this witness? Yes, Assemblywoman?

ASSEMBLYWOMAN KALIK: You took over as a Commissioner on December 13.

MR. HEIMMER: I think it was the 13th, that's when I got sworn in, yes ma'am.

ASSEMBLYWOMAN KALIK: And the vote to raise these tolls was taken on December 29.

MR. HEIMMER: That is correct.

ASSEMBLYWOMAN KALIK: And you feel that in 16 days you had sufficient information and would, in fact, qualify yourself to vote on an issue over which you had not really done a long-term evaluation or study rather than abstain, as a new member?

MR. HEIMMER: Is that the question?

ASSEMBLYWOMAN KALIK: That's my question.

MR. HEIMMER: The answer is, yes, I felt that I was qualified to do that, based on the fact that, I am a manager. I am not a detail analyst. I might have been trained to do that, but I rely very heavily upon the advice and the analysis done by my professionals. In this particular case, it was our engineers, it was our auditors, and accountants, and financial

advisers. And when I looked at the report, and I analyzed it, I made a determination that I could support a toll increase. In fact, I thought it was entirely necessary. And-- Okay, does that answer your question?

ASSEMBLYWOMAN KALIK: Yes.

MR. HEIMMER: Good.

ASSEMBLYMAN SPADORO: Sir, I don't think there are any other questions. I want to thank you again for being kind enough to appear today, and provide us with some very interesting and helpful testimony.

MR. HEIMMER: Thank you very much.

ASSEMBLYMAN SPADORO: Thank you.

I want to just note for the record that the next witness was supposed to be Commissioner Eva Weiss, and we received a notification, I believe this morning that Ms. Weiss is ill and is not going to be here today. However, the Committee is continuing these hearings, and we're going to make every effort to continue and have Ms. Weiss attend our next meeting. And for the record, we intend to reconvene on Monday, at 10 a.m. in Trenton. And, sir, if you could notify your client, we'd like to have her here at that time.

MR. MOORE: She indicated she is very willing to attend and give testimony. She was ill this morning, and hopes to be well enough to attend Monday.

ASSEMBLYMAN SPADORO: Fine, thank you.

At this time I will call Timothy Murphy, if he's available.

T I M O T H Y M U R P H Y: My name is Timothy Murphy. I live at 737 Signal Light Road in Moorestown, New Jersey.

Mr. Chairman, before I begin, I would like to take one second to thank your Aide, Amy Selick -- is that her name?

ASSEMBLYMAN SPADORO: No, Melick. She's sitting right next to me.

MR. MURPHY: Oh, Melick. I'm sorry. She was very helpful in answering a lot of questions.

ASSEMBLYMAN SPADORO: Sir, thank you for being here. Sir, what was your position with the Commission?

MR. MURPHY: I had three positions over my tenure at the Bridge Commission. I was originally appointed way back in the mid-'70s as the Secretary Treasurer, I then was moved into a personnel administrative position, and I then left the Commission, and I then came back again as the Secretary Treasurer.

ASSEMBLYMAN SPADORO: How long were you employed by the Commission?

MR. MURPHY: In the overall capacity, I would say since the mid-'70s, with maybe a three year hiatus somewhere in between. In the last capacity as the Secretary Treasurer, I would guess it would be somewhere between 5, 6, 7, 8 years. I'm not certain; I'd have to look that up.

ASSEMBLYMAN SPADORO: Sir, what-- Was this position a full-time job?

MR. MURPHY: No, this was an appointed position, similar to the appointments of the engineers, the solicitors and the auditors. I was appointed on an annual basis by the Commission.

ASSEMBLYMAN SPADORO: And, you were compensated?

MR. MURPHY: Yes, I was.

ASSEMBLYMAN SPADORO: What was your compensation?

MR. MURPHY: In my last year of service to the Commission, I received \$21,000. I also received full benefits as the same as any employee of the Commission.

ASSEMBLYMAN SPADORO: And, this was a part-time job?

MR. MURPHY: Yes, sir.

ASSEMBLYMAN SPADORO: Did you have another job?

MR. MURPHY: Yes.

ASSEMBLYMAN SPADORO: What was the other job?

MR. MURPHY: Well, I had my own business, number one, and I had certain other interests, which--

ASSEMBLYMAN SPADORO: What is your business?

MR. MURPHY: I have a bookkeeping, income tax service, financial type business.

ASSEMBLYMAN SPADORO: Are you a CPA?

MR. MURPHY: No, I am not. I'm a public accountant.

ASSEMBLYMAN SPADORO: Public accountant. As of 1987, you were employed by the Commission?

MR. MURPHY: Yes, sir, I was.

ASSEMBLYMAN SPADORO: Was your compensation \$21,000 at that time?

MR. MURPHY: No, my compensation, I think, it changed. Normally, I think, as time went on the compensation rose to that last level that I just mentioned.

ASSEMBLYMAN SPADORO: What was it in 1987?

MR. MURPHY: I don't recall. I'd have to--

ASSEMBLYMAN SPADORO: So, it was lower than 21,000?

MR. MURPHY: Yes.

ASSEMBLYMAN SPADORO: Did it ever get higher than 21,000?

MR. MURPHY: I never received more, I believe, than \$21,000.

ASSEMBLYMAN SPADORO: You don't recall what your compensation was when you were first hired?

MR. MURPHY: When I was first hired, back in the mid-'70s, I do believe the compensation at that time for the position of Secretary Treasurer was \$3000, \$3500, something in that nature.

ASSEMBLYMAN SPADORO: Sir, I've just been told, the minutes reflected your salary as \$26,000 as of December of '88.

MR. MURPHY: That was-- That's probably true, however, I didn't serve a full year. The \$26,000 is for a full

year's time. My last year of service related to a fiscal year, as opposed to a calendar year.

ASSEMBLYMAN SPADORO: So, the salary had been increased, but you did not receive the full \$26,000.

MR. MURPHY: That's correct.

ASSEMBLYMAN SPADORO: What was the basis for the increase?

MR. MURPHY: The basis for other increases for other Bridge personnel, I think it was for services rendered. Increases as the cost of living increases as time goes on. As I said, I spanned a number of years there with the Bridge Commission.

ASSEMBLYMAN SPADORO: Our records indicate there was a 25% increase. Does that sound to be accurate?

MR. MURPHY: I don't understand your question.

ASSEMBLYMAN SPADORO: Well, our records indicate you received a 25% increase on or about December 1, 1988, from \$21,000 to \$26,000.

MR. MURPHY: Is that-- Are those numbers correct? Is that what you're asking me?

ASSEMBLYMAN SPADORO: Yes, I'm asking whether that sounds--

MR. MURPHY: Yes. That sounds right to me.

ASSEMBLYMAN SPADORO: And your testimony is that that was just a normal increase, cost of living?

MR. MURPHY: No, what I'm saying is over the course of the years, I think that's how it got up to the \$26,000. I think at that time the Commissioner were reviewing all salaries of the employees as well as other outside consultants, in trying to get them to a level that was compatible with today's costs.

ASSEMBLYMAN SPADORO: Sir, did you ever, in your capacity as Secretary Treasurer, have to contact with vendors for the Bridge Commission?

MR. MURPHY: No, I did not.

ASSEMBLYMAN SPADORO: In other words you never met with any vendors of the Bridge Commission?

MR. MURPHY: Once again, I have to--

ASSEMBLYMAN SPADORO: At any time?

MR. MURPHY: When you say vendors, I assume you mean like people that we purchase materials and supplies from.

ASSEMBLYMAN SPADORO: Yes.

MR. MURPHY: No. I had no direct contact with vendors per se. I assume you don't mean vendors such as consultants, as engineers, auditors, lawyers.

ASSEMBLYMAN SPADORO: I take it you met with those.

MR. MURPHY: Yes, certainly.

ASSEMBLYMAN SPADORO: But other than the professional consultants, you're saying you never had any contact with major vendors?

MR. MURPHY: No, I did not.

ASSEMBLYMAN SPADORO: Okay. Are you now or have you ever been affiliated with the Bergen (sic) County Republican Committee?

MR. MURPHY: No.

ASSEMBLYMAN SPADORO: Burlington County. I'm sorry, that's the second time I said that.

MR. MURPHY: Yes.

ASSEMBLYMAN SPADORO: Yes? In what capacity, sir?

MR. MURPHY: I was the Treasurer for the Burlington County Republican Committee for a number of years. I'd like to add to that, if I may?

ASSEMBLYMAN SPADORO: Of course.

MR. MURPHY: And at one time or another, in some cases even currently, I also served as a Treasurer for a New Jersey Legislative candidate. I've hosted cocktail parties in my home for U.S. Congressional candidates. I have served as a Treasurer of the Church. I also serve as a member on a

financial committee of a private school. I'm also on a subcommittee of that school for an asbestos removal project. For over ten years I was an elected member on the Board of Fire Commissioners in my town. I currently and for the last five years have served as administrator for the same Board. I have been active in the Cub Scouts. I have been active in helping getting local School Board members elected. I have been active in a midget soccer league. I have been active in raising money for individuals for town council. And another major thing I also was a former member of a farmland preservation committee in my town. So, I've had and held numerous capacities in those years, in addition to Treasurer of the Burlington County Republican Committee, and in addition to Secretary Treasurer of the Bridge Commission.

ASSEMBLYMAN SPADORO: So, did you as Treasurer of the Republican Party in Burlington get compensated?

MR. MURPHY: No.

ASSEMBLYMAN SPADORO: Did you ever have occasion in your capacity as Treasurer of the Republican Party in Burlington County to solicit contributions from any vendors of the Burlington Bridge Commission?

MR. MURPHY: Yes.

ASSEMBLYMAN SPADORO: Which vendors?

MR. MURPHY: At one time, I talked to a fellow -- two fellows that had a maintenance contract agreement with the Burlington County Bridge Commission. We were having a fund raising, and I ran into them outside of the Bridge, I talked to them about the donations of the fund raiser we were having. Outside of that, that was the only time in all the years that I was there that I ever asked anyone for a contribution, whether employee, or outside vendor.

ASSEMBLYMAN SPADORO: And the individual that you solicited make a contribution?

MR. MURPHY: One did, one didn't.

ASSEMBLYMAN SPADORO: What was the identity of the vendor that, in fact, did?

MR. MURPHY: I forget the fellow's name. Mr. Moore is here; he might remember. It's the fellow that had the maintenance contract on the Bridges for some years. It was a welding concern.

ASSEMBLYMAN SPADORO: Approximately how much was the contribution?

MR. MURPHY: He bought one ticket. I think it was about \$1000.

ASSEMBLYMAN SPADORO: Sir, and while you were the Secretary Treasurer of the Commission, did you ever have occasion to take any business trips?

MR. MURPHY: Yes, I did. I wouldn't classify them as business trips, per se, they were seminars that I attended. You mean through the auspices of the Bridge Commission?

ASSEMBLYMAN SPADORO: Yes.

MR. MURPHY: Oh, okay, that's fine. I'm sorry.

ASSEMBLYMAN SPADORO: Commission business trips.

MR. MURPHY: Yes, sir.

ASSEMBLYMAN SPADORO: Just briefly to just refresh -- advise the Committee what the nature of those trips were and where you went.

MR. MURPHY: Well, the Bridge Commission belongs to an international association that's referred to the IBTTA. I believe that stands for the International Bridge, Toll and Turnpike Association. It is based in Washington, D.C., and as I have mentioned earlier, it's an international group. Our Bridge is an active member of that Association. They sponsor seminars throughout the United States, and I believe overseas, also, on relevant topics concerning the finance, insurance, maintenance, planning for bridges, toll roads, turnpikes, authorities of that nature.

ASSEMBLYMAN SPADORO: Sir, and you took a number of trips, only to that group's meetings?

MR. MURPHY: I don't understand your question.

ASSEMBLYMAN SPADORO: You just described this international group. Was that basically the destination of all the trips you took while you were with the Commission?

MR. MURPHY: In my capacity with the Bridge Commission, that's correct.

ASSEMBLYMAN SPADORO: And, where did you go, if you can recall some of the cities?

MR. MURPHY: The IBTTA sponsored trips, I would assume, as I recall, almost on a monthly basis. They cover various subject matters, once again concerning a multitude of items concerning turnpikes, toll roads and other things of that nature.

The two that I normally would go to is the one concerning finance and administration, and their annual seminar, wherever that would be held. I do recall going to Florida, I do recall going to California, I do recall going to Arizona, and I do recall going to Montreal.

ASSEMBLYMAN SPADORO: Sir, who did you receive permission from to travel to the various destinations on behalf of the Commission?

MR. MURPHY: As I recall sir, initially I was contacted by the Executive Secretary of the Bridge Commission.

ASSEMBLYMAN SPADORO: I'm sorry, sir, I-- Say that again. I asked who you received permission from to take these--

MR. MURPHY: That's okay. I was initially contacted by the Executive Secretary of the Bridge Commission, and she worked for our Executive Director, and she would call me from time to time and ask if that trip that was being sponsored by the IBTTA, would I be interested in going. And I would, sometimes, based on what I just said, sometimes I would go, most times I would not.

ASSEMBLYMAN SPADORO: What was her name, the Executive Secretary?

MR. MURPHY: Louise Felice.

ASSEMBLYMAN SPADORO: And she would call you, basically to say, do you want to go to one of these trips?

MR. MURPHY: She would basically bring to my attention that the IBTTA was sponsoring a seminar on a certain topic, and would I be interested in going.

ASSEMBLYMAN SPADORO: Apparently there was an audit, and as a result of that audit you were directed to reimburse funds to the Commission for travel expenses?

MR. MURPHY: That's correct.

ASSEMBLYMAN SPADORO: Do you know why you were ordered to reimburse funds?

MR. MURPHY: I think the policy of the Bridge Commission changed on how the reimbursement of the trips were to be handled.

ASSEMBLYMAN SPADORO: It changed while you were in the employ of the Bridge Commission?

MR. MURPHY: Right before I left the employ of the Bridge Commission. I think the policy change was effected in either October or November of 1989.

ASSEMBLYMAN SPADORO: So you're suggesting it was applied retroactively? That you took trips that were appropriate, but then after you left you were told they were not appropriate?

MR. MURPHY: No, I don't think anyone told me the trips were inappropriate. I think what they then were suggesting is that we reimburse for if you took your spouse on a trip with you. And if your spouse accompanied you, then they were asking for reimbursement retroactively.

ASSEMBLYMAN SPADORO: What sum were you directed to reimburse?

MR. MURPHY: The last sum that I heard that I was supposed to reimburse was somewhere, approximating, I believe, \$4000, \$4500.

ASSEMBLYMAN SPADORO: Our records indicate \$5011.

MR. MURPHY: I've already paid back a portion of that amount of money.

ASSEMBLYMAN SPADORO: So, you were directed to pay back \$5011, and what is the presently outstanding?

MR. MURPHY: I was not directed to pay back anything.

ASSEMBLYMAN SPADORO: Oh, you were not directed?

MR. MURPHY: I was requested to pay back some of that.

ASSEMBLYMAN SPADORO: So this was basically asked of you as a favor?

MR. MURPHY: No, I wouldn't say that. I would just say it was not-- I don't want to get the impression that it was a direct order to pay it back. I was requested to pay it back based on the policy change.

ASSEMBLYMAN SPADORO: And what was your response?

MR. MURPHY: My response, initially, was that I was going to go ahead and attempt to the best of my ability to pay back the amount of money.

ASSEMBLYMAN SPADORO: And sir, you've paid back to date how much out of the \$5011.91?

MR. MURPHY: \$500.

ASSEMBLYMAN SPADORO: When were you requested to pay that money back?

MR. MURPHY: I was requested-- I had a couple of contacts from the attorney who is handling that matter for the Bridge Commission, I would say over the last year.

ASSEMBLYMAN SPADORO: When was the first time you were asked to pay the money back?

MR. MURPHY: I would say some number of months after I was off the Commission. I would assume it was somewhere in the early part of this year.

ASSEMBLYMAN SPADORO: Was that in writing, or was that oral?

MR. MURPHY: That was in writing based upon an audit that was performed by the Bridge Commission auditor.

ASSEMBLYMAN SPADORO: When do you intend to complete repaying the sum?

MR. MURPHY: Mr. Chairman, I don't want to embarrass myself. I'm not a wealthy man. I was attending the seminars in order to get information which would help in my position as the Secretary Treasurer, and would help therefore, the Commission, and inadvertently the motoring public. I would have to-- I have to rethink my position now that I've been asked on a retroactive basis, I might have rethought my position at the time, whether or not I would have my wife accompany me. It's kind of a situation, to be sure.

ASSEMBLYMAN SPADORO: So, are you suggesting that you are not going to pay the money back?

MR. MURPHY: No, I'm not suggesting that. I was suggesting that I'm thinking over the situation.

ASSEMBLYMAN SPADORO: So, you're not certain whether you're going to pay it back?

MR. MURPHY: I've already a good faith attempt to pay part of it back.

ASSEMBLYMAN SPADORO: Sir, what I'm asking you, as you sit here today, are you certain that you're going to repay whatever is left, and it's over \$4000.

MR. MURPHY: No, I am not certain.

ASSEMBLYMAN SPADORO: Okay. How did you travel? Was this coach?

MR. MURPHY: Anytime that I traveled, normally we traveled by plane, yes, and I would travel coach.

ASSEMBLYMAN SPADORO: So, these trips you took on behalf of the Commission were at coach rates?

MR. MURPHY: As far as I know. That's where I sat, so I certainly hope so.

ASSEMBLYMAN SPADORO: So the sum you're being asked to repay is the portion of the expenses that you incurred with respect to your wife's part of the trip, as you just suggested.

MR. MURPHY: As I understand it. But I also believe there was some item or factor concerning the new policy about expenses of even the members of the Commission that went on limiting them to certain supplemental (word inaudible)--

ASSEMBLYMAN SPADORO: Well, did you express-- Did you complain about this decision when it was made?

MR. MURPHY: No, I rarely complain about any decisions at all.

ASSEMBLYMAN SPADORO: Do you know whether the Commission is going to institute a lawsuit against you to collect the additional sum.

MR. MURPHY: I don't believe that's-- I don't know what the Commission is going to do. You have some certain employees and Commissioners here today, I guess they could tell you. Once again, I don't know if they have a legal right that they could take that action. I was, when I first started going on trips, I posed that question of how do we reimburse for our wives; I had never been on a trip before, and the first seminar that I attended with my wife I had approached Commissioner Ott, who was the Executive Director at that time, and he then said to me, because the IBTTA in sponsoring these seminars also has have other seminars for your spouse. The Commission's policy was that you did not have to reimburse for your spouse, at that time. I not only asked him once, but I do remember asking him on at least two occasions.

ASSEMBLYMAN SPADORO: So it's your contention that you actually were authorized to expend the money for your wife on these trips?

MR. MURPHY: Within reason, certainly. And there were many personal expenses that I incurred during those trips were not authorized by the Commission. As a matter of fact, I would also submit detailed records of my expenses at the seminars, to, from, during the seminars. These expenses would be reviewed by their Chief Executive Officer, as well I was-- I was under the belief that they were also being audited by our auditing firm.

ASSEMBLYMAN SPADORO: Sir, when did you terminate your position with the Commission, or when did you cease to be associated with them?

MR. MURPHY: I ceased being connected with the Commission in October or November of 1989. I'm not certain of the month.

ASSEMBLYMAN SPADORO: And what were the circumstances of that departure?

MR. MURPHY: I didn't actively seek reappointment to the Bridge Commission, Mr. Chairman.

ASSEMBLYMAN SPADORO: So, your term expired then?

MR. MURPHY: Yes.

ASSEMBLYMAN SPADORO: You were appointed, what, for a year?

MR. MURPHY: Yes.

ASSEMBLYMAN SPADORO: And so this was a period of time when your term expired?

MR. MURPHY: Yes.

ASSEMBLYMAN SPADORO: I just want to ask any other members of the Committee if you have any questions? (no response) If not, then I will ask, with your indulgence, to take a five minute recess and we will reconvene at 3:05. Thank you very much.

MR. MURPHY: Do you need me for anything?

ASSEMBLYMAN SPADORO: No.

MR. MURPHY: Thank you.

ASSEMBLYMAN SPADORO: Thank you very much.

(RECESS)

(AFTER RECESS)

ASSEMBLYMAN SPADORO: Ladies and gentleman, please. Mr. Logan, right? (speaking to gentleman who requests to speak) Please, sit down, sir.

MR. MOORE: Just to make it clear for the record, as I mentioned when I introduced myself, I am here representing the Bridge Commissioner and employees, in their official capacity, including the former employees. All the individuals have been advised that they have a right to obtain an attorney of their choosing, as well.

ASSEMBLYMAN SPADORO: Thank you. Mr. Logan -- James Logan, Jr.

J A M E S L O G A N, JR., ESQ.: That's right.

ASSEMBLYMAN SPADORO: First of all, thanks very much for being patient and waiting.

MR. LOGAN: I'm glad to be here.

ASSEMBLYMAN SPADORO: Sir, how long did you serve on the Burlington County Bridge Commission?

MR. LOGAN: About 18 years. But it wasn't continuous; when the Democrats were in, I was out.

ASSEMBLYMAN SPADORO: Sir, in what capacity did you serve as a -- on the Commission?

MR. LOGAN: I was a Commissioner for a number of years during which time, Ed Kane was the Democratic member, John Donovan the Republican member, and he was the Chairman. Later I became the Chairman for five or six years, I guess, up until I left. I was not reappointed in '89.

ASSEMBLYMAN SPADORO: How many years did you actually serve as Chairman?

MR. LOGAN: Boy, I don't know. At least five or six. The last five or six years, at least.

ASSEMBLYMAN SPADORO: Sir, during your tenure on that Commission, approximately how many hours a week did you spend devoting time to Commission business?

MR. LOGAN: I guess there were phone call every day. In my law office I spent -- my secretary and I -- seemed like five or six hours a week at least, average, between returning phone calls, writing letters, and so on and so forth. For which I was never reimbursed, by the way, except for the big salary that we got every year.

ASSEMBLYMAN SPADORO: Sir, I take it that you have another profession?

MR. LOGAN: Yes, sir. I'm a lawyer. I'm also retired from the Marines, 20 years and 6 months.

ASSEMBLYMAN SPADORO: Sir, you were a Marine Aviator?

MR. LOGAN: No, I was a communications officer.

ASSEMBLYMAN SPADORO: Because I saw helicopter.

MR. LOGAN: I was in (airship name inaudible) for awhile, and we decided to wear these, for a year or two to remember that great bird.

ASSEMBLYMAN SPADORO: Sir, what were your responsibilities as the Chairman of the Commission?

MR. LOGAN: Well, I conceived them as being the trustees of the assets that we had for the two bridges and the other bridge that we ran for the County, plus the approach to the bridge, conserve them and operate them as efficiently as possible, and give the public the best traveling conditions that we could provide. And we undertook to do that.

ASSEMBLYMAN SPADORO: Sir, we reviewed the minutes of the Commission, and they indicate that on April 14, 1987, a replacement bridge was first discussed. At that time, Commissioner DeMarco stated that the Commission should consider replacing both Bridges, and the Commission authorized

preliminary reports to be completed on the issue of replacing the Bridges.

Was there any discussion on the necessity for replacing the Bridges prior to that meeting, April 14, 1987?

MR. LOGAN: Really, I think back to the time when Governor Byrne signed the legislation, and even before that we talked about it. When I first went on there, I looked at that Bridge, and saw the condition it was and how old it was, and I thought that we should right away try to put in a new bridge. Even went and talked to Governor Cahill about it when he was the Governor, but we couldn't get him to do much, but Governor Byrne did. There's no question in my mind we had to take steps to try to replace that Bridge. If we didn't do it as trustee of those assets we would be remiss in our job.

ASSEMBLYMAN SPADORO: What were the reasons at that time that the Commission decided to proceed with the feasibility studies.

MR. LOGAN: Well, the Bridge is outmoded, the engineering-- My dad was a civil engineer and built bridges, as a matter of fact, a former State highway engineer for the State of New Jersey. The way you build bridges today is entirely different from the way it was in the '30s when these bridges were built. And I think we have an obligation to do what we could to build a new bridge particularly at the Burlington-Bristol site. That's, as you know, a very narrow part of the River, and it's a good site, because the bridge can be shorter than other places. Although the one that's proposed, as you know, goes over top of the railroad, so that it will eliminate that Chinese Wall effect on the Pennsylvania side.

ASSEMBLYMAN SPADORO: Sir, was there any discussion of some alternative, rather than the new bridge, that is, revamping the existing structure so that you avoid this whole issue of condemnation of property in Pennsylvania?

MR. LOGAN: It comes to my mind, one time there was a thought about one bridge on top of another, but the engineers said it couldn't be done. It couldn't be done. We had a study along, back in the '70s it was made up, detailing the new bridge -- proposed new bridge.

ASSEMBLYMAN SPADORO: You heard-- Did you hear my discussion and questions and answers with Mr. Heimmer.

MR. LOGAN: Yes, I did. Heimmer, Mr. Heimmer. He replaced me, by the way.

ASSEMBLYMAN SPADORO: We were discussing this whole issue of how far do you go before you resolve these unanswered questions?

MR. LOGAN: Yeah. I understand.

ASSEMBLYMAN SPADORO: Sir, you're no longer on the Commission, but you've had many years of experience.

MR. LOGAN: That's right.

ASSEMBLYMAN SPADORO: Are you satisfied that the Commission should continue expending the money with respect to the construction of this new bridge until once and for all the issue with respect to the State of Pennsylvania has been answered definitively?

MR. LOGAN: Yeah, I think that we have to go ahead. If the State of Pennsylvania is serious about their letter, why didn't they do something about it by now? The letter is back in '89, they haven't done anything. I think what they're really trying to do is to get some interest in our bridges. They're using this as a ploy. I think they're using it as a method of trying to some way get a seat on the Board, and try to take over our bridges to some extent. I don't know what's in back of their mind, but I suspect that's there.

ASSEMBLYMAN SPADORO: So you're saying that you have, as a former Commissioner, you would continue expending money--

MR. LOGAN: Yes.

ASSEMBLYMAN SPADORO: --even with the possibility that at some point Pennsylvania would stop you from proceeding.

MR. LOGAN: It has to be done. If we didn't build it we would be remiss in our duties.

ASSEMBLYMAN SPADORO: Would you draw any limit? \$10 million? I mean, at what point do you stop?

MR. LOGAN: Well it-- Well, sir, as you probably know from your experience in the Legislature, in order to undertake a project like the Turnpike Bridge, like the Garden State Parkway and so on, there's all kinds of studies that have to be done, there's a lot of public relations work, and engineering work, and so on. And you have to pursue that. I suppose that the Garden State Parkway was threatened with suit from time to time; I suppose that the Turnpike was. I know the condemnation proceedings were lengthy in both cases. My dad was the highway engineer for the State of New Jersey for the Garden State Parkway construction. And as a lawyer I know that people try to sue all the time. But we have to do what we're doing. There's no question in my mind of that, sir.

ASSEMBLYMAN SPADORO: And you're saying the analogy between the Garden State Parkway condemning property in New Jersey is similar to a New Jersey entity building a bridge in Pennsylvania?

MR. LOGAN: I'm not really saying-- No, not necessarily. What I'm saying is, you have to go ahead with progress. You have to make your facilities as modern as you can make them. We don't want any more openings there; the openings are terrible. The traffic backs up. We want a safer, wider bridge; a modern bridge. And we should have one.

ASSEMBLYMAN SPADORO: Sir, while you were on the Commission, what were the travel policies of the Commission, while you served as a Chairman?

MR. LOGAN: The policy was that, if there was-- First of all, as a Chairman, I always went to all the annual

meetings. There was one annual meeting every year of the IBTTA, the International Bridge, Tunnel and Turnpike Association. And I felt it my duty to go there, because, at those meetings they had workshops, you learned the state of the art toll collecting-- As a matter of fact, our toll revenue system was picked up at one of those meetings. We learned about trells (phonetic spelling) to count vehicles, we learned about all kinds of traffic direction devices, and it was very important to go to all those meetings. And I went to, I think my last year I went to only one, the annual meeting, but many times I went to the workshops as well. And, so you can anticipate it, many times I also took my wife, all of which was paid for by the Bridge Commission. That was the policy.

ASSEMBLYMAN SPADORO: Sir, was that a written policy?

MR. LOGAN: It was a policy that was discussed, I know that. I'm sure it was approved, because the Executive Director always made the arrangement, and sent the checks and paid for the registration. The last trip, however, I paid completely for myself, but I got reimbursed for my own expenses.

ASSEMBLYMAN SPADORO: Sir, just for the record, we reviewed the records for the Bridge Commission, and have not been able to locate any written travel policy on this issue.

MR. LOGAN: Well, I don't know why. It was always my understanding, even from the time before I was the Chairman, it was always the same way. Whether it was Ed Kane, John Donovan, me, they all went on trips and it was all paid for by the Bridge Commission.

ASSEMBLYMAN SPADORO: Did you seek approval from anyone before you embarked on a trip?

MR. LOGAN: Well, the Executive Director always made the arrangements for us. And, we would discuss it at the meeting, there was a trip available, is there any need to go, should someone go? I went on a number of trips, there's no question about it. But I think it was beneficial. And I reimbursed for my wife, too. If you want to know that.

ASSEMBLYMAN SPADORO: I'm sorry, sir?

MR. LOGAN: I reimbursed them for my wife's travel expenses. And registration fees.

ASSEMBLYMAN SPADORO: You were directed at some point to reimburse them for your wife's travel.

MR. LOGAN: They changed the policy. And, Mr. Steve Mushinski was the attorney for the Bridge who handled that, and he wrote me a letter and said that they changed the policy and would you reimburse? And I said, sure, not because I felt it necessary, because I had to do it, but because they changed the policy, and I said fine. No problem.

ASSEMBLYMAN SPADORO: So, it's your testimony, then that you were in effect asked, you were not directed?

MR. LOGAN: I got a letter from him that said they had changed the policy, they had made this audit, and it suggested that you reimburse. And I said, fine.

ASSEMBLYMAN SPADORO: But as far as you know, you were not ordered to do it, or directed to, you were requested?

MR. LOGAN: That's my understanding.

ASSEMBLYMAN SPADORO: And you testified that you have repaid, in fact--

MR. LOGAN: Yes, repaid in full.

ASSEMBLYMAN SPADORO: When did you cease your relationship with the Commission?

MR. LOGAN: In October of '89. I wrote a letter to the Board of Freeholders, and asked them not to reappoint me.

ASSEMBLYMAN SPADORO: And that was at the point at-- Was your term expired?

MR. LOGAN: Yes.

ASSEMBLYMAN SPADORO: Why did you decide at that point to -- not to seek reappointment?

MR. LOGAN: Well, I guess maybe I had been there long enough. There were some other things that I wanted to do, and I thought that I'd just cease working for the Bridge

Commission, that's all. I'm sure they would have reappointed me if I wanted them to.

ASSEMBLYMAN SPADORO: Sir, you have somewhat of an advantage in that you're off the Commission now, and served many years. As you look back on some of the issues that we've discussed today, and have been, I guess, hashed out in the media over the past few years, do you have any thoughts on what things should be done to improve the operation of the Bridge Commission, and improve its reputation?

MR. LOGAN: I think probably the change in the policy about paying for your spouse -- although we were only making 6000, I think we got it up to 9000 -- was probably a good one. But, I never concerned myself about that, because I considered it to be the policy, and I never worried about all the time and money that was used in my office to do Bridge work. And, it was a lot of time. I mean a lot. When I went to workshops, I always learned something, always took notes, and we discussed matters with other commissions; we learned a lot of things from the other commissioners in other areas. And I thought they were completely beneficial. But, on reflection, when they wrote to me and said, reimburse them, I said fine, I'll do it, no problem.

ASSEMBLYMAN SPADORO: Are you satisfied with the use of public relations firms, and-- You sat through Mr. Tierney's testimony this morning?

MR. LOGAN: Yeah. I'm always--

ASSEMBLYMAN SPADORO: Are you satisfied with what he--

MR. LOGAN: As a lawyer, I'm always amazed at how much money the engineers and public relations guys get, doctors too, for that matter. (laughter) So, I think they did a good job. We did have competition on who we should hire, and they did the best job for us by way of examples of how they could promote what we wanted. And that's why they were hired.

ASSEMBLYMAN SPADORO: I guess what I'm suggesting, are you satisfied with the type of services? We got through this whole line of questioning without mentioning the word "legislators" or literature, and really commenting on what was--

MR. LOGAN: Well, I don't know much about that particular profession, or that field of work, so it's hard for me to comment on it. I thought that they seemed to be there all the time, and they seemed to be working awfully hard, and they did surveys and that sort of thing, which I thought were necessary. We even had Smith Associates make a survey about one-way tolls at one time, along with (inaudible) and I think we paid \$30,000 for that and found it wasn't workable.

ASSEMBLYMAN SPADORO: Does any other member of the Committee have any questions of the witness? Yes?

ASSEMBLYMAN KAMIN: Thank you, Mr. Chairman. Just brief questions. We had some discussion this morning about cost-effectiveness, and as a former member of the Commission, what are your thoughts about the potential expansion of the Commission into a five member board instead of three?

MR. LOGAN: Well, I haven't given it any thought, because, as I said, I'm off of it now. That's a matter for the Freeholders, I presume, to-- The Freeholders are our bosses, and they put the Bridges in our hands to take care of, and I felt we were trustee and had to act in that capacity.

ASSEMBLYMAN KAMIN: The reason I asked, in my Legislative District -- through you, Mr. Chairman -- I am in a district of five counties, and the freeholder boards are anywhere from three to five to seven members depending, and there are advantages and disadvantages to all of those forums, and my question is of you, as a former member of the Bridge Commission, with three Commissioners, were there disadvantages, and would--

MR. LOGAN: Well, let me put it to you this way: We were part-time Commissioners in a sense that we only met twice a month or at special meetings. And most of the work was done by the Executive Director and members of the staff. So, as long as you've got a good Executive Director and a good staff, you can run bridges efficiently and very well. I'm not so sure we always had the best people, but we tried to get the best people, and we're still trying to get the best people from the talks that I've had.

ASSEMBLYMAN KAMIN: And, through you Mr. Chairman, if you could comment for us on the relationship between the Commission and other authorities in the region, and how you feel, is there enough interplay and communication between these different authorities to focus on regional transportation needs in a bistate sense?

MR. LOGAN: Well, as you probably know, the Delaware River Port Authority has always coveted our Bridge, also the Joint Toll Bridge has also coveted our Bridge. One wanted the Palmyra one, and one wants the Burlington-Bristol one. Of course, we've resisted that. We feel these Bridges are very important assets to our County. We don't even like the Legislature interfering. We think we did a good job, and we're trying to. I'm not over there now, but I thought we did.

ASSEMBLYMAN KAMIN: In the event that, through you, Mr. Chairman, there was some compensation for the assets to the County, would you recommend to enhance regional cooperation for transportation needs that either of those authorities take over this Commission?

MR. LOGAN: No, sir. I talked that over with Bill Cahill a long time ago, and I'm 100% against that. He wanted DOT to take us over.

ASSEMBLYMAN KAMIN: Okay, Mr. Chairman, thank you.

ASSEMBLYMAN SPADORO: Sir -- if there are no other questions -- thank you very much for being so patient.

MR. LOGAN: Thank you, sir.

ASSEMBLYMAN SPADORO: Mr. Francis Walsh?

ASSEMBLYMAN KENNY: Mr. Walsh, did you receive a subpoena from this Committee, requiring your attendance at this hearing today?

FRANCIS WALSH: Yes, I did.

ASSEMBLYMAN KENNY: How long were you employed by the Commission, Mr. Walsh?

MR. WALSH: Eight years.

ASSEMBLYMAN KENNY: And what were your duties?

MR. WALSH: I was the Chief Financial Officer.

ASSEMBLYMAN KENNY: And when did you start your employment?

MR. WALSH: Around June of 1982.

ASSEMBLYMAN KENNY: And what was your salary during your term?

MR. WALSH: During all---

ASSEMBLYMAN KENNY: Yes, describe your salary history, please.

MR. WALSH: I think I started at around \$30,000, and my final salary was about 55.

ASSEMBLYMAN KENNY: And what are the responsibilities of the Financial Officer?

MR. WALSH: I was responsible for all the financial functions of the Bridge Commission, the security of the revenue. I had responsibility for the budget and expenditures, investments, reports.

ASSEMBLYMAN KENNY: What would be your relationship with Mr. Murphy, who testified earlier, as the Treasurer?

MR. WALSH: Mr. Murphy's position was a part-time position. He wasn't physically at the Commission. He performed his duties away from the Commission generally. I communicated with him with regard to especially investments.

ASSEMBLYMAN KENNY: Did your duties overlap in any way with Mr. Murphy's?

MR. WALSH: Not too much. His duties-- No, no, not really. He had some reporting responsibilities, and he utilized information from our records.

ASSEMBLYMAN KENNY: Did you attend all Commission meetings?

MR. WALSH: Yes.

ASSEMBLYMAN KENNY: Did Mr. Murphy attend all Commission meetings?

MR. WALSH: Yes.

ASSEMBLYMAN KENNY: As part of your duties, did you receive -- excuse me, review vouchers of the Commissioners for payment?

MR. WALSH: Yes.

ASSEMBLYMAN KENNY: And what would be your responsibilities when you reviewed those vouchers?

MR. WALSH: I would, in my review of the voucher, I would determine that all the documentation was included in the voucher, that is the requisition, when applicable, the written copy of the PO -- purchase order -- that includes the receiving signature, the indication as to whether all the goods were received, the authorization for payment. All the -- the invoice, packing slips. All the items that are supposed to accompany a voucher.

ASSEMBLYMAN KENNY: You'll have to speak up into your microphone. Those responsibilities that you've just described, I realize they're very important responsibilities that I would characterize as being administrative. Did you pass opinion on the vouchers and make recommendations of payment?

MR. WALSH: I stamped the voucher - the face of the voucher, and indicated -- and it was my understanding that, my authorization was that all the documentation was included in that voucher -- with that voucher.

ASSEMBLYMAN KENNY: Does that stamp mean then mean that the Commissioners, by your stamp of approval, would not use any judgment as to whether to pay for that voucher?

MR. WALSH: The Commissioners often would review vouchers. I would bring the vouchers into the Commission meetings, and have them available in case there was a question. In some instances, Commissioners would ask to see certain vouchers and review it themselves.

ASSEMBLYMAN KENNY: Did you recommend the payment of vouchers for travel expenses which were later determined to be excessive?

MR. WALSH: Yes.

ASSEMBLYMAN KENNY: And what was the reason for recommending payment of those vouchers?

MR. WALSH: Those vouchers were always in agreement with the policy.

ASSEMBLYMAN KENNY: And what was the policy?

MR. WALSH: As described before by--

ASSEMBLYMAN KENNY: I'm sorry?

MR. WALSH: As described by the gentlemen that went before me, the Commission paid for -- prepaid -- transportation, hotel, and registration and admission, authorized the expense advance--

ASSEMBLYMAN KENNY: What would the expense advance include?

MR. WALSH: \$75 a day.

ASSEMBLYMAN KENNY: And that could be used for any purpose?

MR. WALSH: Yes.

ASSEMBLYMAN KENNY: Is that per person?

MR. WALSH: Per participant.

ASSEMBLYMAN KENNY: So if a wife accompanying, or a spouse accompanied a member, it would be \$150?

MR. WALSH: No. Per participant. It is assumed that the-- Well, I guess I should say, the employee.

ASSEMBLYMAN KENNY: As the financial officer of the Commission, I assume that you had a written policy that allowed you to include these sort of expenses which came out of public moneys?

MR. WALSH: I was not aware of a written policy.

ASSEMBLYMAN KENNY: So then, what did you base your judgment on?

MR. WALSH: I was told it was past practice.

ASSEMBLYMAN KENNY: Who told you?

MR. WALSH: The Executive Director when I arrived on the scene.

ASSEMBLYMAN KENNY: Who was the Executive Director?

MR. WALSH: Francis Ott.

ASSEMBLYMAN KENNY: Isn't it your responsibility, as a professional, to document that instruction from Mr. Ott with some sort of written policy?

MR. WALSH: I didn't document it at the time.

ASSEMBLYMAN KENNY: Okay.

MR. WALSH: As the--

ASSEMBLYMAN KENNY: What is your professional background, sir?

MR. WALSH: Before I arrived at the Commission, I was a practicing CPA.

ASSEMBLYMAN KENNY: You're a certified public accountant?

MR. WALSH: Correct.

ASSEMBLYMAN KENNY: And you made a recommendation on the payment of vouchers based on an oral instruction of an executive director?

MR. WALSH: That, plus the fact that it was past practice.

ASSEMBLYMAN KENNY: Who told you it was past practice?

MR. WALSH: When I reviewed accounting records, I determined it was past practice.

ASSEMBLYMAN KENNY: What records were they?

MR. WALSH: Old vouchers. Vouchers prior to the time I arrived.

ASSEMBLYMAN KENNY: Well tell me, what would you not approve that had been past practice? Were there some practices you would not approve, even though they were past practices?

MR. WALSH: I don't understand the question.

ASSEMBLYMAN KENNY: You based your whole professional judgment on the fact that it was past practice, regardless of whether the past practices were inappropriate?

MR. WALSH: I, at the time that I -- with regard to these vouchers, I didn't think that anything was inappropriate. That practice was (inaudible)---

ASSEMBLYMAN KENNY: Has there been a subsequent change in that practice?

MR. WALSH: Yes.

ASSEMBLYMAN KENNY: Who made that change?

MR. WALSH: The Commission.

ASSEMBLYMAN KENNY: For what reason did they make the change?

MR. WALSH: I don't know the basis for it, but I was, in 1989, asked to revise the policy. And I prepared a draft for a revised policy. However, I don't think that policy was instituted in the form of the draft I prepared. A similar policy was introduced.

ASSEMBLYMAN KENNY: So then the practice became inappropriate in 1989?

MR. WALSH: That's correct.

ASSEMBLYMAN KENNY: Did you also review vouchers for the purchase of kitchen equipment by the Commission?

MR. WALSH: I don't recall. No.

ASSEMBLYMAN KENNY: Was there kitchen equipment purchased by the Commission during your term there?

MR. WALSH: There was a -- in the kitchen -- safety equipment, in the form of exhaust equipment purchased. It was recommended by OSHA when they came in and reviewed the kitchen area.

ASSEMBLYMAN KENNY: Was that the only equipment -- kitchen equipment purchased while you were the financial officer?

MR. WALSH: There was a stove purchased while I was financial officer; that was not purchased by the Commission.

ASSEMBLYMAN KENNY: Was that authorized by the Commission?

MR. WALSH: No.

ASSEMBLYMAN KENNY: Was it accepted by the Commission?

MR. WALSH: No.

ASSEMBLYMAN KENNY: Well, how did it arrive at the Commission?

MR. WALSH: It is my understanding that the employees in the department purchased it.

ASSEMBLYMAN KENNY: The exhaust system you referred to, how was that purchased by the Commission without your passing on it through the voucher system?

MR. WALSH: Excuse me, I said I did pass on the exhaust system.

ASSEMBLYMAN KENNY: You did pass on the exhaust system. I'm sorry, I misunderstood you. The employees purchased kitchen equipment. What equipment did they purchase other than a stove?

MR. WALSH: That's all that I'm aware of.

ASSEMBLYMAN KENNY: And are you in possession, or do you know where the documentation is in connection with that purchase?

MR. WALSH: No.

ASSEMBLYMAN KENNY: When did you become aware of that?

MR. WALSH: Of what?

ASSEMBLYMAN KENNY: The purchase by employees of the Commission of equipment that is on the premises of the Commission?

MR. WALSH: Several years ago.

ASSEMBLYMAN KENNY: Who owns that stove?

MR. WALSH: Right now I don't-- I would assume it's property of the Commission.

ASSEMBLYMAN KENNY: Why would you assume that?

MR. WALSH: I'm not aware of who owns it.

ASSEMBLYMAN KENNY: Are you presently employed by the Commission?

MR. WALSH: No.

ASSEMBLYMAN KENNY: And when did that employment end?

MR. WALSH: April of this year.

ASSEMBLYMAN KENNY: Of 1990?

MR. WALSH: Correct.

ASSEMBLYMAN KENNY: And, could you tell us the circumstances around the termination of your employment?

MR. WALSH: I resigned on April 16, and started my current position (word inaudible).

ASSEMBLYMAN KENNY: As the financial officer, did you have any connection with the payments made to Mr. Tierney's firm, who testified earlier today?

MR. WALSH: Repeat that, please.

ASSEMBLYMAN KENNY: Mr. Tierney's public relations firm, did you sign off on those vouchers?

MR. WALSH: Yes.

ASSEMBLYMAN KENNY: And, were those vouchers subject to your review as to their, both their authenticity and their relationship with Bridge business?

MR. WALSH: They were paid through professional contracts, and, obviously there's not going to be receiving

signature and so forth, some of the documentation is not going to be required. But they were paid according to the contracts.

ASSEMBLYMAN KENNY: And, did you pay for the brochure that-- Where is that brochure? Is that available? (speaking with staff, in order to display brochure)

MR. WALSH: Well, I saw it earlier. That-- I wasn't here but I'm assuming-- Well, not during my time.

ASSEMBLYMAN KENNY: Okay, that was not during your term.

MR. WALSH: Right.

ASSEMBLYMAN KENNY: Mr. Chairman, that concludes the line of questioning. Are there any questions of yourself or any of the members?

ASSEMBLYMAN SPADORO: I have no questions. Does anyone else?

ASSEMBLYMAN KAMIN: Just one question, through you, Mr. Chairman. The contracts you reviewed and then authorized or issued payment for, are most of the contracts from the Commission on a "not to exceed" basis?

MR. WALSH: Yes.

ASSEMBLYMAN KAMIN: Can you think of any exceptions to the guideline? Professional services, or otherwise that the contracts weren't on a "not to exceed" basis.

MR. WALSH: I think that -- and perhaps Stacy can help me with that -- if an invoice were to go over, there were amendments to contracts.

ASSEMBLYMAN KAMIN: So, internally, the way you structured to keep an eye on the dollars that there was as a contract closed on its total expenditure, there was a red flag that came up, and you would notify the Commission in advance that they were about to be at the end of their contract, or that-- Were procedures in place for that?

MR. WALSH: Not formal procedures, no. I'd try to keep an eye on that.

ASSEMBLYMAN KAMIN: During the course of your term working with the Commission, are you aware of any times where the cost exceeded the contract?

MR. WALSH: I seem to recall there was an instance where a contract -- the billing on the contract--

ASSEMBLYMAN KAMIN: The billing on the contract exceeded the "not to exceed" figure, and in order to issue that additional payment there was a full vote of the Commission in that instance?

MR. WALSH: That's my recollection.

ASSEMBLYMAN KAMIN: Thank you. Thank you, Mr. Chairman.

ASSEMBLYMAN SPADORO: Thank you.

MR. WALSH: Okay, thank you.

ASSEMBLYMAN SPADORO: Judith Seiss?

Just for the record, while we're waiting, earlier I indicated that we would be reconvening on Monday, and we will be, but we'll be meeting slightly earlier. We'll be meeting at 9:30 rather than at 10. So that the record's clear. And I believe we indicated earlier that Mr. DeMarco, and Ms. Weiss and also that the representative from the engineer, Mr. Gawdat, will be requested to attend, and also Ms. Borman.

The attorney for Mr. DeMarco. Sir?

M I C H A E L P E R R U C C I, Esq.: My name is Michael Perrucci. I am Mr. DeMarco's personal attorney. I was wondering if it would be possible to convene at 10:30 on Monday as opposed to 9:30? There is a Commission meeting that is scheduled at 8:15. We believe we can be in Trenton by 10:30.

ASSEMBLYMAN SPADORO: What I'd rather do if possible, would be to meet at 9:30, commence with the engineer and then follow through with the other witnesses, commencing at 10:30. Okay, thank you.

Good afternoon. Thanks for being patient. It's Judith Seiss?

J U D I T H S E I S S: That's correct.

ASSEMBLYMAN SPADORO: Ms. Seiss, how long have you worked for the Commission?

MS. SEISS: A little over a year.

ASSEMBLYMAN SPADORO: A little over a year? How long have you held the position of Secretary Treasurer?

MS. SEISS: Since November 14, 1989.

ASSEMBLYMAN SPADORO: Briefly, what are your duties?

MS. SEISS: I take notes at the meetings, we tape the meetings, transcribe notes and type up the minutes, take care of some of the Bridge funds, as the Treasurer, co-sign checks, various financial duties.

ASSEMBLYMAN SPADORO: Do you take notes at Executive Session meetings?

MS. SEISS: No, I do not.

ASSEMBLYMAN SPADORO: Do you prepare minutes of Executive Session meetings?

MS. SEISS: No, only to the extent, when there is a report from counsel as to what was discussed in Executive Session, after an Executive Session in open public session I make record of that as part of the public minutes.

ASSEMBLYMAN SPADORO: So what you're suggesting, then, is it's the Committee's practice not to have a complete minutes or complete record of what transpires, but rather a brief summary of what transpires in Executive Session?

MS. SEISS: That's correct, up to a point, because what's discussed in an Executive Session is general matters of personnel matters.

ASSEMBLYMAN SPADORO: Ma'am, are you a full-time employee of the Commission?

MS. SEISS: Am I presently?

ASSEMBLYMAN SPADORO: Yes.

MS. SEISS: Yes.

ASSEMBLYMAN SPADORO: And what is your compensation?

MS. SEISS: For what position?

ASSEMBLYMAN SPADORO: For what I have on-- You have more than one title, is that what you're suggesting? For each title that you have.

MS. SEISS: I work as a secretary/receptionist, for which I receive \$21,000 a year.

ASSEMBLYMAN SPADORO: And do you have any other positions?

MS. SEISS: Secretary Treasurer, for which I receive no compensation whatsoever.

ASSEMBLYMAN SPADORO: No compensation. The Secretary Treasurer is the function where you sit at the meetings and take the minutes?

MS. SEISS: Well, that's correct. But, under the previous Secretary Treasurer, I also took the minutes, transcribed the minutes, and he signed them. I was the secretary, but unofficially so.

ASSEMBLYMAN SPADORO: Are you responsible for maintaining the Commission's correspondence files?

MS. SEISS: Correspondence? With regard to what?

ASSEMBLYMAN SPADORO: Well, specifically as part of our documents request, we requested any correspondence with the State of Pennsylvania, and in response to that we did not receive certain communications. And as a result of that, we contacted the State of Pennsylvania, and then secured a number of letters between the Commission and the State of Pennsylvania. I was wondering whether you were involved at all in the search for these records?

MS. SEISS: Well, probably somewhat involved. We sent you voluminous documents. We sent you boxes and boxes of documents; file folder after file folder. Hundreds of pieces of paper were photocopied and sent to you. Anything that was in the minutes or attached to the minutes that you asked for. We went over your letter, point by point, and we tried as much

as possible to get the information together to get it to you in a timely manner.

ASSEMBLYMAN SPADORO: So, is your testimony today that you, in fact, provided us with all correspondence in possession of the Commission which relate to the Commission and the State of Pennsylvania?

MS. SEISS: To the best of my knowledge, and to the best of my ability. I'm not saying that there couldn't perhaps possibly have been a piece of paper overlooked. But I doubt it, as we were as careful as we could possibly be.

ASSEMBLYMAN SPADORO: Just going back for one second, you testified earlier that the position of Secretary Treasurer of the Commission, that is you take the minutes, and occasionally co-sign checks-- You received no compensation?

MS. SEISS: That is correct.

ASSEMBLYMAN SPADORO: Were you present earlier when Tim Murphy testified?

MS. SEISS: Yes.

ASSEMBLYMAN SPADORO: To the best of your knowledge, did he hold the same position of Secretary Treasurer that you presently do?

MS. SEISS: I don't follow the question.

ASSEMBLYMAN SPADORO: To the best of your knowledge, did he hold the position of Secretary Treasurer that you presently do?

MS. SEISS: He was the Secretary Treasurer before I was.

ASSEMBLYMAN SPADORO: I believe he testified that he received compensation of \$26,000 a year, for a job that you just testified you are not being compensated for.

MS. SEISS: Right. I heard him say that.

ASSEMBLYMAN SPADORO: Did you ever discuss with anyone the fact that you have a job that you're not getting paid for and your predecessor received \$26,000 a year?

MS. SEISS: No, I didn't discuss it with them.

ASSEMBLYMAN SPADORO: You never asked anyone on the Commission that maybe it would be appropriate that you receive some compensation, in light of the fact that Tim Murphy received \$26,000 a year?

MS. SEISS: No, I thanked the Commissioners for the honor, and I am happy to serve them as long as they need me to serve them, and I'll continue to serve them as long as they'd like me to continue in that capacity.

ASSEMBLYMAN SPADORO: I have no further questions of this witness. Does anyone?

ASSEMBLYMAN KENNY: Ms. Seiss, who is presently the Financial Officer?

MS. SEISS: Carl Smith is the acting Financial Officer.

ASSEMBLYMAN KENNY: He replaced Mr. Walsh?

MS. SEISS: Yes. Recently he was appointed as acting Chief Financial Officer.

ASSEMBLYMAN KENNY: And who was the Financial Officer when, or who was the person signing off on this brochure in August of 1990?

MS. SEISS: Signing off?

ASSEMBLYMAN KENNY: Who was the person who gave the advice that this was an appropriate expenditure of public money in August of 1990

MS. SEISS: Those vouchers are still coming in. They are under -- I don't know what to say -- scrutiny at this time. They have not been paid.

ASSEMBLYMAN KENNY: What vouchers are you referring to?

MS. SEISS: Any vouchers from July and August from the Tierney Group have not been approved for payment at this time.

ASSEMBLYMAN KENNY: And why is that?

MS. SEISS: Because they are under some discussion. They have not been approved. There are several items on the

bill that we have asked for clarification on. Tierney is providing it. And when we are satisfied that they have provided us with the information we have asked for, then they will be put on the bill list, then the Commissioners will approve the payment, then we will pay them. But I might add that we also at one point, I am not sure of the date, put it in the voucher system where we sent out certifications. And that's also a new point in which a vendor or someone who provides a service or a product to the Bridge, certifies that the service for this product was, in fact, provided.

ASSEMBLYMAN KENNY: Do you know what the cost of this brochure is?

MS. SEISS: I don't have the figures at my fingertips. No, I did not bring that information with me.

ASSEMBLYMAN KENNY: You heard Mr. Tierney state that his firm has been paid or has vouchers for approximately \$300,000. Is this item included in that 300,000, or is it in addition to that?

MS. SEISS: I'm not sure what that-- I would think, I'm not positive, that would be included with them. Although part of that expense would probably be, with printing, it would be design -- it's perhaps not all Tierney Group, per se, but for people that have contributed to design--

ASSEMBLYMAN KENNY: I understand. How many brochures like this has the Commission printed or had printed say in the past 5 years?

MS. SEISS: I don't know, I've only been there a year.

ASSEMBLYMAN KENNY: A year. You've only been there for the last year?

MS. SEISS: That's correct.

ASSEMBLYMAN KENNY: In any capacity?

MS. SEISS: That's correct.

ASSEMBLYMAN KENNY: In that year this has been the only brochure I would assume?

MS. SEISS: I'm trying to remember. Not that I can recall.

ASSEMBLYMAN KENNY: Okay. Thank you very much.

ASSEMBLYMAN SPADORO: Any further questions?

ASSEMBLYMAN COLLINS: Ms. Seiss, you indicated that you have done a diligent and professional job in getting materials together, file after file, box after box, sending to this Committee. Do you have any idea how much that cost?

MS. SEISS: I would hate, I would really hate to estimate the cost of that. We also had a college girl in the office who spent hour after hour. I don't believe, if we hadn't had her, I'd probably be done today. I'd probably still be doing it.

ASSEMBLYMAN COLLINS: So you were just doing that.

MS. SEISS: She and I both worked on it. We also had another girl in the office who worked on it. We spent -- I can't approximate. We spent many, many hours.

ASSEMBLYMAN COLLINS: Through you, Mr. Chairman, do you plan to send a bill for that to the Legislature?

MS. SEISS: You're asking me?

ASSEMBLYMAN COLLINS: Yes.

MS. SEISS: That will probably be up to the Commissioners. I don't know if--

ASSEMBLYMAN COLLINS: Okay. One final question, Mr. Chairman. So during this time you and these other, college students and so on were working on this, this was part of your normal duties at least through those days you were doing it?

MS. SEISS: Well, I had to put aside normal duties. Other work that needed to be done had to be put on the back burner.

ASSEMBLYMAN COLLINS: And during this time you were being paid, though, right, as your regular--

MS. SEISS: Oh, yeah.

ASSEMBLYMAN COLLINS: And where does your salary come from, the dollars that are paid to you?

MS. SEISS: Where does it come from?

ASSEMBLYMAN COLLINS: Yes, where does that money come from?

MS. SEISS: The toll money.

ASSEMBLYMAN COLLINS: The toll -- public.

Thank you, Mr. Chairman.

ASSEMBLYMAN SPADORO: Thank you very much.

At this time we've completed the formal testimony today. I did have a number of people that contacted staff prior to today requesting the opportunity -- a couple members of the public. So at this point in time I'm going to open up the floor. I'm going to ask, regrettably -- the meeting was scheduled to be completed at 4 o'clock. I can really only go 10 minutes. So I'm going to ask each member of the public to hold their comments to two minutes, if you don't mind, to express your opinion. And, in fact, if you need additional time, this Committee will meet again on Monday, and at that time you will have the opportunity to speak again, in Trenton.

UNIDENTIFIED MEMBER OF AUDIENCE: Mr. Chairman, where in Trenton?

ASSEMBLYMAN SPADORO: If you will contact Amy Melick tomorrow, we can give you direction and you'll be taken care of.

The first person on my list is Mr. Brady.

ANTHONY J. BRADY: Excuse me, sir. You limited it to two minutes; may I trade it in for Monday?

ASSEMBLYMAN SPADORO: You definitely can. You are Mr. Brady? Monday you can have more time.

MR. BRADY: Yes. Mr. Brady was my father; I'm his son. (laughter)

ASSEMBLYMAN SPADORO: On behalf of that sense of humor, sir, we'll give you four minutes. (laughter)

The next person on my list is John Adler. Mr. Adler, for the record, please state your name and address.

J O H N A D L E R: Mr. Chairman, my name is John Adler. My address is 222 Shenteclear (phonetic spelling), Cherry Hill, New Jersey. And I come before you part as a United States Congressional candidate in this Congressional District.

I am here today to urge greater oversight for the State and Federal governments before making any decision on the construction or non-construction of the Burlington-Bristol Bridge. The Burlington County Bridge Commission is a shameful example of government gone wrong. As has been stated here today, and come to light in press accounts previously on numerous occasions, the Burlington County Bridge Commission is little more than the patronage arm of the Burlington County Republican Party. A walk down the contributors list of the Burlington County Republican Committee finds the names of many of the professionals receiving no bid contracts from the Bridge Commission.

This is particularly the case for the engineering firm commissioned to study the need for the new bridge. Over the past five years, the Burlington County Republican Party has received over \$189,000 in individual and corporate contributions from Steinman, Boynton, Gronquist and Birdsall. According to Bridge Commission invoices as of March of this year, over \$2 million have been paid to Steinman for services. In the old days, this was called a kickback. I do not know a more accurate term to describe it today.

It is common knowledge that this Bridge Commission is the pet project of former Burlington County Republican Chairman Garfield DeMarco. The professionals contribute to the Party, Party coffers ensure Republican victories, and Republicans on the Board of Chosen Freeholders appoint Commissioners to the Bridge Commission to continue to award no bid contracts. This must end.

I wish the Senate and Assembly to pass S-2269, which would make the Burlington County Bridge Commission accountable to someone other than themselves. The issues that have been raised by others today indicate that the Commission sees no reason to be accountable to the public. The public is sick and tired of being ripped off by officials more interested in their own financial and political preservation than the public good.

Each day I speak to individuals too disgusted to vote. People frustrated by the lack of responsiveness of the government. People who feel no one is listening, and that they as individuals are powerless to change things.

The Bridge Commission is the type of entity that perpetuates this perception. They must be made to answer for their actions. I take no position on the new bridge today. Quite frankly, I have no idea if a new bridge is needed. I have seen the reports of both Steinman and the Horner groups. The Horner report indicates there are serious and numerous flaws in the Steinman study. I would favor an independent and impartial study to determine if this project is an actual necessity, or merely a continued effort to fill Republican coffers. Too much is at stake here to allow a power greedy individual or organization to coopt the public trust, and to affect the lives of people who depend on the Bridge for their livelihood. Thank you.

ASSEMBLYMAN COLLINS: Mr. Chairman, can I ask a question?

ASSEMBLYMAN SPADORO: No, this is the public comment portion. We're just going to take comments.

The next person on my list is Mr. Coyle. He prefers to speak on Monday. Mr. Setaro, Mark Setaro? Mr. Hewko? Did I say that correctly. Please spell that, and give your full name and address for the record.

J O H N H E W K O: My name is John Hewko, H-E-W-K-O, 208 Yardley Road, Delran, New Jersey. I am also here as a candidate for the Burlington County Freeholders.

Ladies and gentlemen, members of the Committee, people of Burlington County, it is truly gratifying to see something finally being done to investigate the unconscionable acts of atrocity perpetrated upon the people of Burlington County by the Bridge Commission. It is welcome news to the people to see that State government is taking an active role in uncovering what is the Watergate of Burlington County.

But please do not limit your investigation to the Bridge Commission. You will not serve the cause of justice, nor will you understand the depth of this scandal, until your investigation includes the Board of Chosen Freeholders, and the Burlington County Republican Party. It is these two entities that have created the Bridge Commission monster, and it is these two entities that have directly benefitted from the Commissions proliferation.

It is your responsibility to get to the bottom of these unethical acts of arrogance described to you today. It is your task to uncover the truth. And in fulfilling the requirements of your mission, you will aid the good people of this County in holding a government that's out of control. You will help restore government by the people rather than government by the few. The Bridge Commission, Board of Chosen Freeholders and the Burlington County Republican Party are guilty as charged and must be dealt with accordingly. The sentence should be swift and severe, and only then will justice be done. Thank you.

ASSEMBLYMAN SPADORO: Thank you, sir. Our next speaker is Mr. Heyman?

R A L P H H E Y M A N: May I make a deal for Monday, also?

ASSEMBLYMAN SPADORO: You'd like to come to Trenton on Monday, also?

MR. HEYMAN: I would also like to make a comment. The people of Burlington County here, their petition cannot be

heard. (Witness speaking from audience; much of statement is inaudible) However, I don't know how your Committee can rectify that.

ASSEMBLYMAN SPADORO: I regret that, sir, we're doing our best.

MR. HEYMAN: I know that. At the same time, the citizenry want to have their opinion expressed. I come as a citizen and member of this area.

ASSEMBLYMAN SPADORO: Regretfully, the Committee does have commitments. What I will do-- We allowed your Mayor broad latitude. He spent about an hour today. I was hopeful that he could set forth what were the concerns of the citizens. But, certainly many citizens need to speak beyond the availability on Monday. If you contact our staff, we certainly will at least allow you to provide your opinions on the telephone, which will be transcribed in writing for the Committee's benefit.

MR. HEYMAN: Thank you..

ASSEMBLYMAN SPADORO: Okay, at this point I want to thank all the members of the public for attending. You've paid attention, you've been patient. I think it's been productive. Anyone who is here is invited to attend on Monday. The meeting will be at the State House Annex. I think probably there will be an announcement tomorrow which will identify the room number, and hopeful that will be reported by the press on Saturday. So, I urge all of you to check your papers on Saturday and there will be a formal notice. I'm sorry, Sunday. All right, we're going to take a recess and we'll reconvene on Monday.

(HEARING CONCLUDED)

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