
Commission Meeting

of

COMMISSION ON CAPITAL BUDGETING AND PLANNING

LOCATION: Committee Room 11
State House Annex
Trenton, New Jersey

DATE: September 5, 2008
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

B. Carol Molnar, Chair
Anthony Annese, Vice Chair
Senator Paul A. Sarlo
Assemblyman Joseph Cryan
Assemblywoman Marcia A. Karrow
David Rousseau
Gary Brune
Jack Donnelly
Paul Stridick



ALSO PRESENT:

James Vari
Executive Director

George LeBlanc
Senate Majority

Rosemary Pramuk
Senate Republican
Beth Schermerhorn
Assembly Republican

Meeting Recorded and Transcribed by
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B. CAROL MOLNAR (Chair): I'd like to call the meeting to order.

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

We will now take the roll call.

MR. VARI (Executive Director): Senator Sarlo is present.
Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Here.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Here.

MR. VARI: State Treasurer Rousseau.

TREASURER ROUSSEAU: Here.

MR. VARI: Mr. Stridick for Commissioner Doria.

MR. STRIDICK: Paul Stridick for Commissioner Doria.

MR. VARI: Mr. Brune.

MR. BRUNE: Here.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Here.

MR. VARI: Mr. Annese.

MR. ANNESE: Here.

MR. VARI: And Ms. Molnar.

MS. MOLNAR: Here.

MR. VARI: Madam Chair, you have nine members present.
You have a quorum.

MS. MOLNAR: Thank you.

I will turn the meeting over to you, our Executive Director, to do items four and five, election of Chair and Vice Chair.

MR. VARI: Yes, we would need a motion for an executive -- or for Chair and Vice Chair.

TREASURER ROUSSEAU: I'd like to make the motion to elect Carol Molnar to continue as Chair of the Commission.

MR. VARI: Is there a second?

ASSEMBLYMAN CRYAN: Second.

MR. VARI: On the motion to have Carol Molnar remain as Chair of the Commission, Senator Sarlo.

SENATOR SARLO: Yes.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Yes.

MR. VARI: State Treasurer Rousseau.

TREASURER ROUSSEAU: Yes.

MR. VARI: Paul Stridick.

MR. STRIDICK: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: And Ms. Molnar.

MS. MOLNAR: Yes.

MR. VARI: Madam Chair, the motion carries.

MS. MOLNAR: Thank you.

Our next item is, we will now elect a Vice Chair.

You should know, statutorily, the Chair and Vice Chair are elected from the public members. Hopefully we'll be adding public members to our Commission.

I'd like to nominate Anthony Annese as Vice Chair.

TREASURER ROUSSEAU: And I'll second that.

MR. VARI: On the motion for Mr. Annese to be Vice Chair of the Commission, Senator Sarlo.

SENATOR SARLO: Yes.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Yes.

MR. VARI: State Treasurer Rousseau.

TREASURER ROUSSEAU: Yes.

MR. VARI: Mr. Stridick.

MR. STRIDICK: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: And Ms. Molnar.

MS. MOLNAR: Yes.

MR. VARI: The motion carries.

MS. MOLNAR: Thank you.

Next item is the election -- or is that appointment -- election of Executive Director.

I move Jim Vari be appointed Executive Director.

TREASURER ROUSSEAU: I'll second that.

MR. VARI: On the motion to have Mr. Vari be Executive Director of the Commission, Senator Sarlo.

SENATOR SARLO: Yes.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Yes.

MR. VARI: State Treasurer Rousseau.

TREASURER ROUSSEAU: Yes.

MR. VARI: Mr. Stridick.

MR. STRIDICK: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. VARI: The motion carries.

MS. MOLNAR: Thank you.

The next item is the approval of the minutes of December 7, 2007.

I know some of you were not here. I believe you can vote for it in quorum, even though technically you were not at the meeting. But it's up to you if you feel comfortable; and if not, you could abstain.

So do I hear a motion to approve the minutes of December 7, 2007?

MR. ANNESE: So moved.

MS. MOLNAR: Do I hear a second?

ASSEMBLYMAN CRYAN: Second.

MR. VARI: Senator Sarlo.

SENATOR SARLO: Abstain.

MR. VARI: Assemblyman Cryan.

ASSEMBLYMAN CRYAN: Yes.

MR. VARI: Assemblywoman Karrow.

ASSEMBLYWOMAN KARROW: Abstain.

MR. VARI: State Treasurer Rousseau.

TREASURER ROUSSEAU: Yes.

MR. VARI: Mr. Stridick.

MR. STRIDICK: Yes.

MR. VARI: Mr. Brune.

MR. BRUNE: Yes.

MR. VARI: Mr. Donnelly.

MR. DONNELLY: Yes.

MR. VARI: Mr. Annese.

MR. ANNESE: Yes.

MR. VARI: Ms. Molnar.

MS. MOLNAR: Yes.

MR. VARI: You have seven votes in the affirmative. The motion carries.

MS. MOLNAR: Thank you.

The next item is the Executive Director's Report.

MR. VARI: First off, I'd just like to welcome the new members and thank everyone for giving me the opportunity to serve the Commission again.

I just want to briefly bring you up to date on some of the work we've been doing over the last few months. Tom LaBue has been working on basically bringing together some remaining capital balances and transferring that money to worthy projects. We chose to fund two fire suppression systems with that money, one at the Charles Lindbergh Estate and one at the Voorhees home, both as part of the Juvenile Justice Commission. And those fire suppression systems have been requested for a number of years by the JJC, and they'll protect 18 residents and 24 residents respectively.

Tom and I also took a number of field trips this Spring and Summer. We went out to visit Children and Families, Department of

Education, Human Services, Law and Public Safety, Juvenile Justice, and various other departments to just try to get a better understanding of the capital needs that are out there and the buildings -- how the departments are viewing the buildings in terms of their importance to the mission of the department.

Fiscal Year 2009 -- I think you may recall, in 2008, we started a central account for roof repairs and replacements. And we have approved the fiscal 2009 funding for those roofs. Two of them are within the Department of Corrections, the Albert Wagner Correction Facility and the East Jersey State Prison. You may recall, in 2008 we funded the design for those two projects. And for 2009, we're going to actually do construction.

We also funded the DEP building at 401 East State Street. Cedar Hall at Ancora had a roof failure, so we funded that. Larch and Birch Hall at Ancora -- we're funding in 2009 money. The design-- We don't have enough money for the construction in 2009, but we are funding the design.

We're also going to fund the Atlantic City Marine Station, and Vineland -- Department of Children and Families.

So the roofing money is out the door. The projects have been initiated.

And if you had any questions on that--

MS. MOLNAR: I had one question: Is East Jersey the prison in Avenel? (negative response) No?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Rahway.

MS. MOLNAR: That's what I mean, Rahway. It's really not in Rahway, but they call it the old Rahway Prison.

Maybe when Corrections gets here-- It's my understanding that they were considering knocking the facility down. Do you know how much we're spending on that roof?

MR. VARI: Well, to roof East Jersey State Prison, it's going to be \$2.663 million. To replace a prison is more than \$300 million. So we're trying to protect what we have.

MS. MOLNAR: All right, understandable. Thank you.

Any other questions or comments?

MR. VARI: Just one last point. Probably at the next meeting we're going to open up discussions-- We're working on a building classification system in-house. And that's going to be used to help us make decisions to better prioritize and fund the projects that are requested. I think we'll have some more to say to that at the next meeting.

MS. MOLNAR: Good.

MR. VARI: Madam Chair, that concludes my remarks.

MS. MOLNAR: Thank you so much.

Any other questions or comments? (no response)

If not, we will start our fiscal 2010 -- wow, it's hard to believe we're 10 years into the decade -- or at the end of the decade -- fiscal 2010 capital request presentations. Our first department is the Department of Agriculture. I'd like to welcome Charles Kuperus, Secretary of Agriculture.

S E C R E T A R Y C H A R L E S M. K U P E R U S: Thank you.

Madam Chair, thanks for having us today. We appreciate the opportunity to come in front of this Commission to present our testimony about the capital needs request. And I certainly want to acknowledge and

offer my gratitude to the other members of the Commission who -- for hearing us with these requests.

So I've prepared testimony. I will read that, and we'll be prepared to answer questions.

With me today are Carl Schulze, who is the Division Director for Plant Industry, who is also the overseer of our bug lab, or the Beneficial Insect Rearing Laboratory; our distinct veterinarian, Dr. Halpern, on my right; and Assistant Secretary of Agriculture, Al Murray.

Good morning, Chairwoman Molnar and members of the Commission. Thank you for the opportunity to appear before you today to present our Department of Agriculture's capital request for Fiscal Year 2010.

Our Department, as you know, works with all segments of the Garden State's \$84 billion food and agricultural complex. Serving that large and important segment of our state's economy requires not only top-notch personnel and programs, but adequate facilities as well.

Over the years, our capital budget requests and subsequent capital appropriations have helped us administer programs and services that support these industries well, while simultaneously protecting the public from pests and diseases that could harm the food system and our natural resources. In recognition of the current economic times, our Fiscal Year 2010 capital request omits several key areas of need. Rather, we're submitting requests for capital funding that are more related to health and safety issues.

Our first request of \$1.988 million for the Fiscal Year 2010 is a major renovation and upgrades to the Phillip Alampi Beneficial Insect

Rearing Laboratory, also known as PABIL, which is part of the Division of Plant Industry. PABIL is a 25-year-old building that requires a controlled environment in which to rear -- mass produce -- in which to mass produce beneficial insects used throughout the state to control many different species of pests and weeds. The work of PABIL is critical to preventing pests and disease from damaging native vegetation and agriculture crops, while also greatly reducing the amount of pesticides used by farmers and nurserymen, and the environmental and economic costs associated with those pesticides.

In 2007 alone, PABIL's Mexican bean beetle program eliminated a need to apply more than 60,000 pounds of pesticides to control the voracious pests that could devastate snap, lima, and soy bean plants.

While the building itself is structurally sound, serious control problems and inefficiencies in the HVAC system have seriously, severely hampered insect-rearing capacities -- capabilities. Uncontrollable humidity in some rooms has created indoor rain events leading to slippery floors, mold, and hazardous work conditions. As you can see by the pictures accompanying our testimony, ceilings in some of the rearing labs have collapsed due to water damage, diffuser vents have completely rusted, and the main piping and the utility penthouse are rusting through.

The Department requests-- The study requested by the Department of the Treasury recommended the demolition and removal of the penthouse heat exchangers, main supply and return fans, all heating and cooling coils, and humidifier units. The report also calls for the installation of new HVAC equipment, duct work, and piping; installation of building

automation system; upgrading the electrical system to meet our current codes. Taken together, these upgrades are expected to add at least 25 years of useful life to the building.

Our second request is for \$100,000 to address the long-standing concern with the roof of the administration facility of the Horse Park of New Jersey. The Park, which is owned by DEP, leased by the Department of Agriculture, which in turn contracts with a non-profit to operate and maintain it-- The Park has hosted national and international events, including the qualifying equestrian trials for the 2004 Olympics in Athens.

The administration facility is the oldest building on the property and was built in 1990. Numerous roof leaks have been repaired eight times in the past several years. An architectural report prepared in 2007 called for the metal roof to be replaced by a fiberglass and asphalt shingle system with a life expectancy of over 30 years. It also called for the replacement of trim, fascia, and soffits; tThe entire slope -- low-slope roof, including the base and counter flashing, gutters, leaders, and lightening rod system. Related items include repairing water damaged sections of the ceiling, damaged door, and minor stucco and coating repairs.

Our third request is for \$50,000 for the Mobile Avian Influenza Laboratory that will enable our Division of Animal Health to move quickly and directly to respond to any outbreak of avian influenza, more commonly known as the bird flu.

There are many strains of the bird flu, including the one that you've heard so much about that can be transmitted -- can be and has been transmitted to humans in Asia, Europe, and which can lead to a deadly

pandemic. One of the key strategies of preventing the avian influenza virus from mutating to that point is to detect and eradicate the less virulent strains which are common at poultry operations.

A mobile AI lab would give our veterinarians and technicians the ability to perform tests at an outbreak site, providing the results more rapidly, and eliminating the need to transport potentially disease-spreading samples and carcasses to our laboratory in Trenton.

In total, our fiscal 2010 request is for \$2.138 million.

Thank you for the opportunity to present these requests to you today, Madam Chair.

MS. MOLNAR: Any questions or comments for the Secretary?

Mr. Brune.

MR. BRUNE: Two questions, Secretary: the lab -- the new lab that opens up, from what we hear, late in fiscal '10 -- the Health (indiscernible) labs. The equipment for that lab, as I understand it, will come in on a request from the Department of Health. From what we're hearing, it may be as much as \$16 million. But some piece of that is your's presumably? I'm not sure if this is right, but of what we're hearing, is it about \$2.5 million for the equipment for the Ag portion of that lab? Is that correct?

SECRETARY KUPERUS: Dr. Halpern.

N A N C Y H A L P E R N, DVM: No, the total request was about \$400,000 for the Ag component.

MR. BRUNE: But it's accurate that it's coming in from the Department of Health as part of their request. Is that fair to say? That's why it's not here?

DR. HALPERN: Yes.

MR. BRUNE: Okay. One other question. On priority number three, I think we discussed last year the purchase of the lab versus the need to house the mobile lab. Is this to purchase the lab or is this to house it?

DR. HALPERN: This is to house -- actually to connect it -- house it and connect it to the new lab building to be used as search capacity when we move to the new lab. The laboratory itself is purchased through two separate Federal DHS grants.

MR. BRUNE: So we've already purchased the lab.

DR. HALPERN: The purchasing is in process.

MR. BRUNE: It's in process. This is just to shelter it, so to speak.

DR. HALPERN: Right. This is whatever the legal hookups that are required for electricity, sewer, the platform, etc.; yes.

MR. BRUNE: And that won't be at the new lab, it will be at some other location. Is that correct?

DR. HALPERN: No, that would be at the new lab.

MR. BRUNE: It would be at the new one.

DR. HALPERN: Plus, we will be housing it separately, just for mobile purposes, until that time.

MR. BRUNE: Thank you.

MS. MOLNAR: Assemblywoman.

ASSEMBLYWOMAN KARROW: Thank you for being here this morning, Secretary.

I have one follow-up question regarding your request number 3. What happens if that \$50,000 is denied? What happens to the new lab?

DR. HALPERN: It would sit idle until there was an outbreak of some sort, and then it would be used at that point. So what we'd like to do is leverage the space which we will need at the new lab to do testing on a daily basis and still allow us to unattach it and use it as a mobile unit.

ASSEMBLYWOMAN KARROW: Was the purchase of that mobile unit -- did that come originally from Federal grants?

DR. HALPERN: The purchase, yes.

ASSEMBLYWOMAN KARROW: Were there conditions on that when the State accepted that grant money, regarding hook up?

DR. HALPERN: No, there was not.

ASSEMBLYWOMAN KARROW: There were no conditions. So their expectation was that it was going to be strictly used as mobile. But you feel you could get more bang out of the buck if we connect it and you can use it all the time.

DR. HALPERN: As a multipurpose use, yes, absolutely.

ASSEMBLYWOMAN KARROW: Thank you.

Secretary, I don't know if you could answer this, or somebody else up there can, regarding priority number one -- the lab renovations. This mentions the word *mold*, which always makes me get alert. Can you-- What kind of mold is it? And are we setting ourselves up for something if we don't take care of this project? And is it possible to redo just the HVAC system rather than the overall, enormous replacement?

C A R L P. S C H U L Z E JR.: Well, I don't think that we've characterized the species of mold. But there are-- When the HVAC system fails -- and these are antiquated mechanical controls by and large -- the large

part -- we can get 100 percent humidity in all the laboratory rooms and mold developing essentially throughout the facility.

We use a lot of soil to raise plants to feed the insects -- the pest insects that we're rearing our predators on. So there's a constant opportunity for introduction of different types of mold species. We have not characterized that particular type of mold.

In terms of your second question about the HVAC system -- in terms of alternatives-- We've tried, over the years, in capital services -- again, has tried a series of low-cost approaches to try and address this problem without any success. And I laud them for trying because they tried to do the best they can, but the consultants and the engineers said that this is -- you're essentially trying to put a Band-Aid on something there that really needs a major renovation. It will also be a lot more energy efficient.

ASSEMBLYWOMAN KARROW: Thank you.

My final question regarding the Horse Park: What are the current fees that are charged when a 4H or some other organization wants to use the Horse Park?

SECRETARY KUPERUS: Again, we can give you a copy of the fee schedule, but there are fees that are charged. But it's not-- Really, it's to use the facility. It's not really -- it pays for the operational cost, but not any capital improvement.

ASSEMBLYWOMAN KARROW: Can you provide for this Commission an amortization of what it would cost, what you would have to raise the fees to, to offset a capital expenditure like that?

SECRETARY KUPERUS: Yes, we could.

ASSEMBLYWOMAN KARROW: Thank you.

ASSEMBLYMAN CRYAN: I just have a quick question.

MS. MOLNAR: Sure, Assemblyman.

ASSEMBLYMAN CRYAN: Thanks.

Just so I understand this facility -- just reading the backup -- we create alternatives to pesticides in insect rearing? This is priority number one.

SECRETARY KUPERUS: Insect rearing is priority -- is what the facility is there for, yes. We'll grow bugs that eat certain weeds. For example, purple loosestrife is blooming now in the wetlands across New Jersey. We grow an insect in the laboratory that actually eats that weed. And no longer is purple loosestrife a big issue for us in New Jersey. It's an invasive pest. It's something that actually displaces native populations in wetlands across the state. And it's something that needs to be dealt with. And those bugs that we grow in our lab eat that weed -- specifically that weed, and allow those native vegetations to repopulate those wetlands; and, most certainly, provides a great benefit to the environment.

That's one example. The Mexican beetle that I used in my testimony-- There's another bug that eats the wooly adelgid, the aphid that's dealing with our hemlocks. And we have an actual report here that would be beneficial to you. And we'll provide that to the Commission if you don't mind. That would give you a little bit more information.

ASSEMBLYMAN CRYAN: That's exactly where I was going. Does it show -- like the beetle shows it at \$1.2 million saved. One of the nice things is when you have a cost-benefit analysis, which would make sense.

I'm sure if you guys look -- just from what you're telling me -- I bet you get to over \$2 million.

SECRETARY KUPERUS: Well, we've actually done a cost benefit analysis for the whole facility. And we avoid about a hundred million dollars in pesticide costs associated with what these beneficial insects provide.

ASSEMBLYMAN CRYAN: Is that annually?

SECRETARY KUPERUS: Yes.

ASSEMBLYMAN CRYAN: And the facility's condition now -- it jeopardizes that from just its overall disrepair?

SECRETARY KUPERUS: You can have a good roof, but it's a rainy day inside. In 24 of those -- there are 24 labs that we grow individual insects in. Four of those rooms are now not able to be used. And it's really a very, very serious problem. And it's not something that we haven't tried to remedy. And Carl has talked about this often, and this is something that during my last six or seven years of being here I've heard about -- constantly about -- needing to be addressed. And we have a report. But most certainly, this is something that's just in sore need of an update.

ASSEMBLYMAN CRYAN: Through the Chair, I thank you for the copy -- the anticipated copy of the report, and I appreciate it.

Thank you.

MS. MOLNAR: Mr. Stridick.

MR. STRIDICK: Yes, Secretary, on priority number one, the laboratory, does the scope of work included in the \$1.9 million include all the repairs to the finishes, and the ceilings, and everything, or is it just purely an HVAC replacement?

MR. SCHULZE: I think it's primarily the HVAC and electrical work. I think the-- I don't believe that it includes the replacement of the ceiling tiles. But I think that would be--

MR. STRIDICK: So all the damage that is a result of the moisture and the mold still needs to be added on.

MR. SCHULZE: That's fairly minor.

MR. STRIDICK: And also, Secretary, on priority number two at the Horse Park, you mentioned that the roof has been a problem since it was installed in 1990. Forensically speaking, have we ever gone back and actually found out what was the cause of that initial failure? In other words, was there any recourse way back then regarding the initial installation of that roof?

SECRETARY KUPERUS: I think we had that same question last year, and the answer is no. It's a design flaw that needs to be redesigned. And most certainly it could have been done better at the time, but we have not looked back at those people.

MS. MOLNAR: Senator.

SENATOR SARLO: Just one follow-up question to Mr. Stridick's question regarding the repairs to the finishes. This budget does include repairs to all the finishes, and sheetrock, and all the patches of holes that will be made to get to the HVAC system and electrical system? I know it doesn't include stuff that's been damaged, but it does include-- When this project is complete, there's not going to be another package that's needed to do all the repair work to all the finishing work?

MR. SCHULZE: Not to my knowledge.

SENATOR SARLO: Okay.

MS. MOLNAR: Any other--

Oh, Mr. Annese.

MR. ANNESE: A few minutes ago, we were up here at this table, and we were handed out a series of pictures. Is this something from your Department?

SECRETARY KUPERUS: Yes. I mentioned that in my testimony. That's just for illustrative purposes -- just some pictures of what-- The top picture is showing some of the pipes, but the second picture there is actually showing one of the labs. These are small rooms where the actual ceilings have to be taken down because there is so much water damage, and then you can see the diffuser fully rusted.

MR. ANNESE: So these are all from the insect lab -- these pictures?

SECRETARY KUPERUS: Correct.

MR. SCHULZE: And it's concrete block wall construction, so it's not sheetrock. It would be the suspended ceiling -- the cosmetic part.

MR. ANNESE: And my next question, through the Chair, probably to our Executive Director-- The Department's request for roof repair work, would that be handled through the new program we're putting together?

MR. VARI: Yes, that would be considered as part of the interdepartmental account for roof repair. It would be scored accordingly.

MR. ANNESE: All right, thank you.

MS. MOLNAR: Mr. Vari.

MR. VARI: And I just had one request. The Department of Health appears before the Commission September 26. And I was just -- someone would be available -- most of their request is going to be--

SECRETARY KUPERUS: Absolutely. We'll be here with the Department of Health with their request.

MR. VARI: Thank you.

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

If not, I want to thank you, Secretary, for coming today, and your staff.

SECRETARY KUPERUS: Thank you all for your time.

MS. MOLNAR: Thank you.

I have one item I want to bring to your attention. Some of you may remember Linda Brokaw, who, for years, recorded these hearings for the OLS Hearing Unit. She passed away recently after being diagnosed with cancer in April. Linda was an extremely positive person, who could always be counted on for a smile or a kind word. She brought high professionalism and a sunny disposition to our Commission proceedings. And her services and presence will be missed.

Our next department is the Commission on Higher Education. I'd like to welcome Betsy Garlatti, Director of Finance and Research.

B E T S Y G A R L A T T I: Good morning.

Thank you, so much, Chairwoman Molnar and members of the Commission.

I'm Betsy Garlatti, Director of Finance and Research for the New Jersey Commission on Higher Education. And I appreciate the

opportunity to appear before you today to deliver the testimony of our Executive Director, Jane Oates, on capital preservation and maintenance needs of our senior public colleges and universities.

Each year, the Commission has come before you to make the case for increased capital support for renewal of the State's assets at senior public colleges and universities. Obviously, this year will be no different. Each year the stakes are higher because our facilities have suffered from the lack of long-range strategic planning and budgeting for the preservation and maintenance of existing facilities.

Last year, the Commission on Higher Education suggested that this Commission consider funding deferred maintenance projects at the colleges. Addressing deferred maintenance needs on our campuses before they become emergencies is a responsible way to protect our assets. Allowing recognized maintenance needs to wait until they become an emergency is not in the best interest of students, and certainly not the most efficient way to deal with structural problems.

The colleges and universities have not benefited from a capital bond issue for decades. For over 20 years, our campuses have been forced to fund their own construction and manage their own debt. Colleges have built classroom and laboratory buildings, libraries, dormitories, and student centers. They desperately need the State's help on deferred maintenance.

Through the establishment of a dedicated project that includes an institutional match, colleges could prioritize deferred maintenance projects such as fire safety, ADA compliance, and HVAC upgrades that so many of them have acknowledged. Nine of the 11 institutions have updated their capital budget requests prior to this meeting, and each of

them could benefit from such a program. The program could require as much as a 50 percent institutional match and yet send a clear message that the State was serious about sustaining safe, accessible, well-maintained campuses for all students while protecting its own investments.

Our well-educated state scholars have the ability to enroll at any college or university nationwide, and we have to compete with states that have made improvement and expansion of their campus facilities a priority. Students who have grown up with wireless Internet at Starbucks expect no less on a college campus. Students who have taken college credit courses online, while still in high school, expect that the use of technology in course delivery will be no less at their college. And they also expect and deserve campuses that regularly address health, fire safety, health safety, and other building renewal issues.

Our senior public institutions are critical state assets, not only for the value of their real estate, but for the promise of a better future for generations of students to come. These students will become the driving force of our expanding economy and the best of our natural resources, which preserve the health and competitiveness of New Jersey business and industry.

Thank you so much, and I look forward to your questions and comments.

MS. MOLNAR: Thank you.

Any questions or comments?

Assemblyman.

ASSEMBLYMAN CRYAN: Thank you.

And thanks for coming for Jane.

Do you have a list of the deferred maintenance by institution?

MS. GARLATTI: That's in the database that the institutions update. The projects, for the most part, fall under preservation, compliance, and environmental. And if you just total those for the colleges that have submitted their changes, it could be as much as almost \$400 million.

ASSEMBLYMAN CRYAN: Okay. So your cost request here, at a 50 percent match, is somewhere between \$150 million and \$200 million.

MS. GARLATTI: That's what it would be if we--

ASSEMBLYMAN CRYAN: Okay. I'm not going to go through my whole thing with you, but I will just say this. I do find it amazing that you can come in -- and you can carry this message back--

MS. GARLATTI: Sure.

ASSEMBLYMAN CRYAN: --for a deferred maintenance request of \$300 million or \$400 million, and yet-- For example, in my district, they're building two new dorms, a new science building that goes on top of the new building that was there last year. One can certainly make the argument that before you build new, you take care of the old; and while there's debt service and things that go with that.

The fact of the matter is, I don't know of any university -- and maybe you can correct me -- who hasn't been able to put a project or has had a project declined through the Higher Ed financing mechanism, at least in my time in the Assembly. So I couldn't be on a more different wave length.

And the last thing I will leave is this -- because I'll say it every time Higher Ed comes before me. The university that's in my district, which is the third highest -- Kean University -- graduates 15.7 percent of its full-time equivalent students in four years, and less than 30 percent in five years. And it seems to me that the priority ought to be about getting the students through the institution as opposed to building more and more. And it seems to me that the priorities are mixed up.

I'll leave you with that. I won't go into the whole thing. But I firmly believe that there should be a complete reversal of philosophy about taking care of what you have as opposed to building new.

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

If not, I want to thank you for coming today.

MS. GARLATTI: Thank you.

MS. MOLNAR: Our next presentation will be the Judiciary. I'd like to welcome Judge Glenn Grant, Acting Administrative Director of the Courts.

G L E N N A. G R A N T, J.A.D.: Good morning, Chairwoman. How are you?

Commissioners, good morning.

With me today is James Rebo. He is the Director of Information Technology. And Shelley Webster, she is the Acting Director of the Office of Management and Budget.

I'd like to thank all of you for this opportunity to share with you the Judiciary's capital budget priorities for Fiscal Year 2010. As in

previous years, our most pressing needs involve information technology. We have identified our top six priorities in this area.

Each of the priorities I will describe is critical to the implementation of our IT strategic plan. I should note to you that initially our IT strategic plan was developed in 2001. It was updated in 2003, and most recently in 2007. The IT strategic plan continues to serve as the Judiciary's road map as we adapt our operations to the evolving needs of our technology users.

Today, court systems must accommodate ever-increasing caseloads, public agencies that rely upon our data system, law firms that seek to submit thousands of case filings electronically, and work and communication needs of our judges and staff. Our IT system must be secure and reliable. The information they generate must be accessible to other agencies, to businesses, and to our litigants, while preserving the integrity of our system and the data needs in those systems. They must meet industrial standards and be serviceable by our vendors. This request also reflects the accent the Judiciary has undertaken in Fiscal Year 2009 to meet the State's physical situation. In order to meet the \$27 million reduction in the Judiciary's Fiscal Year 2009 budget appropriation, we deferred the long-term plan's necessary IT expenditures. The consequences of those deferrals are addressed as part of our fiscal 2010 priorities.

To this end, we are seeking \$3 million to develop a base electronic filing system that would serve as the basis for an e-filing program across a number of our existing automated case management systems, and thereby facilitate expansion of the Judiciary's e-filing capabilities beyond the limited case types in which we -- are used today. Done properly, e-filing

will make it possible to run, practically, a paperless court while ensuring that case files are always available to judges, staff, attorneys, and litigants in a usable form. Over the long-term, using digitized documents in electronic form will ease the burden of storing hundreds of thousands of boxes of paper records. While electronic filing is already in place in our special civil part, we need to develop a standardized e-filing program that we can use in all of our court divisions. To that end, Chief Justice Stuart Rabner recently announced that he will be creating a blue ribbon committee to make policy and application recommendations related to e-filing. That committee will begin its work shortly.

Our second request is for \$13.8 million to develop and implement Web-enabling applications that will use updated technology to transmit and manage the millions of items of case information in our family, civil, and criminal courts. We have been developing or working to develop newer, more reliable systems that are more user-friendly and more flexible in terms of producing reports and data that will help us improve our case management. Those systems also will be Web-enabled, meaning that we will be able to make the records stored in them available to attorneys and other court users over the Internet. Web-enabling is critical for interagency communication and will improve our ability to provide data to the State Police and other law enforcement agencies, the Motor Vehicle Commission, the Department of Corrections, the Division of Youth and Family Services, and others. It will also support our electronic temporary restraining order program, which makes it possible for local police departments to provide rapid relief to the thousands of victims of domestic violence each year. Web-enabling those systems also will allow us to make

appropriate court records available online. We have been unable to complete our work in this area because of the lack of funding.

Third, we are seeking \$1.2 million and change to help us move forward with hardware and software upgrades, an expansion for our 130 computer servers and infrastructure switches. Those upgrades are required to replace obsolete hardware, to provide current supportable versions of critical software, and to meet the growing demands on the Judiciary systems.

Our fourth request is for \$270,000 to continue the Judiciary's multi-year initiative to expand network capacity and partner with the Executive Branch's Office of Information Technology, OIT, in constructing a statewide fiber communication network. Our Wide Area Network is the backbone of our connectivity with the Judiciary with other agencies such as MVC, Corrections, and DYFS, and to the Internet. In addition to supporting the Judiciary's present workload, the WAN must provide additional capacity for Web-enabling applications, expanding electronic filing and document imaging, electronic forms, streaming video and audio, and distance learning. As our WAN ages into obsolescence, our effective participation in the communication ring is jeopardized, and our critical information assets become vulnerable. The requested funding is to upgrade our WAN, and thereby to continue to support this initiative and to ensure our integral and interagency public communication ability.

Our fifth request is the direct result of increased caseload. As the documents and information filed with the court continues to grow in number and in complexity, we must regularly upgrade our mainframe and unit server capacity, as well as disk and tape storage units, to ensure our

capacity to store and process those cases. We are asking for \$4 million in order to address those necessary expansions to our core infrastructure.

Our IT strategic plan requires a regularized program of replacing aging and obsolete PCs, laptops, and printers to provide the processing capability capacity required to run our standard desktop applications software suite, and to ensure the compatibility and supportability of our local area networks and desktop applications software suite.

Because of fiscal constraints, we deferred those necessary replacements on several occasions. Thus, it's more important and more critical than ever, if you will, that we adhere to our regular replacement program. Our sixth request then is for \$5.96 million for a basic maintenance program, which includes \$3.1 million for hardware replacement, \$2.86 million for replacement of software licenses to move our staff to Microsoft Office 2007. In so doing, we'll be facilitating better communication and collaboration, as well as continued software support by our vendors.

I'd like to thank you for your consideration of the Judiciary's request. We will be happy to answer any questions that you might have.

MS. MOLNAR: Thank you, your Honor.

Any questions or comments?

Assemblyman.

ASSEMBLYMAN CRYAN: Thanks, your Honor. It's good to see you.

This is day what?

JUDGE GRANT: Day 3.

ASSEMBLYMAN CRYAN: Day 3. (laughter) But I'll tell you what, Day 3 is a good day for the State, given your talents and your ability. It's good to have you here.

JUDGE GRANT: Thank you.

ASSEMBLYMAN CRYAN: A couple things on your presentation.

Your Honor, every year the Court Technology Improvement Fund spends \$13 million to \$14 million. And then, if you look at the same page, the next level down, in fiscal 2008 we were able to transfer \$13 million from salary accounts to IT accounts, which says, obviously, we spend \$26 million to \$27 million on IT projects. Where are we at for fiscal '09 in that same breath?

JUDGE GRANT: Well, there are two things with regard to your question -- with regard to the expenditure of salary -- what I call accruals. They are still insufficient to meet our basic needs for information technology. As you are aware, there are approximately 4 million transactions that occur every single day in our system. Those 4 million transactions are based upon the need for a reliable and sustainable system.

So the current process by which we do the system creates certain difficulties. And candidly, we are confronted, as all of us are today, with a situation of a declining economy that jeopardizes our ability to meet the need. So we sometimes defer on maintenance, we sometimes defer projects.

With regard to the utilization of the IT Improvement Fund, I will defer to Mr. Rebo to answer that question.

J A M E S R. R E B O: Assemblyman, we, in this Fiscal Year '09, are exhausting all of our remaining resources in the IT Improvement Fund for these purposes before we're even looking to the request here. So we have-- We're applying money to electronic filing, document management, those areas that we refer to in here. But we are exhausting that fund.

ASSEMBLYMAN CRYAN: Here's what-- You can see what kind of jumps out here.

MR. REBO: Yes.

ASSEMBLYMAN CRYAN: The request for electronic filing is for \$3 million.

MR. REBO: Yes.

ASSEMBLYMAN CRYAN: If I understand, if I'm getting this correctly, what it really costs you is -- what you're telling me to annually take care of the IT needs on an ongoing maintenance basis in the Judiciary is \$26 million or \$27 million. Is that correct? That's the way I read it.

MR. REBO: The IT needs of the Judiciary are operationally more than that.

ASSEMBLYMAN CRYAN: Well, you budget a line item in your-- I mean, I didn't bring my budget book, but I'm assuming that your ongoing line item -- you also have maintenance as part of your ongoing awarding of budget.

MR. REBO: Yes.

ASSEMBLYMAN CRYAN: So how much does it cost to run the IT portion of the Judiciary on an annual basis?

JUDGE GRANT: Well, we have not fully funded the total cost of our IT budget. If you're asking that question from the current

appropriation -- does it meet the full needs of the Judiciary to run an IT program -- the answer is, no. And I would--

ASSEMBLYMAN CRYAN: Because of these requests, right, your Honor?

JUDGE GRANT: Yes. I would say because of these requests and because of the ongoing needs. What you have to recognize -- and I would say this would be for the Executive Branch, as well -- any State, county, local government agency is not receiving the full amount necessary to run many of its programs. This is particularly so with regard to the IT area. And so what you do is, based upon priorities which we have established in our strategic plan -- we try to facilitate those priorities but recognize that there are other things that are not necessarily being addressed that wouldn't be available (indiscernible) appropriation.

ASSEMBLYMAN CRYAN: I'm with you on that. That's an ongoing part of daily government life.

With that being said, what jumps off the page is moving \$13 million into IT accounts and then having-- Clearly, this year you're moving more money. You've said that. I just don't know how much more, because you said you're exhausting the accounts.

MR. REBO: From the IT Improvement Fund -- that dedicated fund.

ASSEMBLYMAN CRYAN: Okay. But the IT Improvement Fund is annually funded, is it not?

MR. REBO: The IT Improvement Fund is from the \$5 that is--

ASSEMBLYMAN CRYAN: Right, so it has a sustaining--

MR. REBO: --from the civil filing fee.

ASSEMBLYMAN CRYAN: It has a sustaining--

MR. REBO: Right.

ASSEMBLYMAN CRYAN: --dollar fund.

MR. REBO: Yes, it raises, annually, about \$12 million or \$13 million a year.

ASSEMBLYMAN CRYAN: So how much, therefore, is the projection left in this Fiscal Year on the salary accounts, or is there any?

MR. REBO: Well, the salary accounts in Fiscal Year '09 is something that I have to--

ASSEMBLYMAN CRYAN: You're on Day 3 here, your Honor.

MR. REBO: No, I have to refer to Shelley on that.

JUDGE GRANT: No, the question is-- Again, it's a very strange way to run an operation, looking to use salary accruals at the end of the year to program needed services, because you don't know. For example, there was a recent article in the *Law Journal* indicating that, today, we have 30 judicial vacancies. But that is all subject to the political dynamics associated with the Legislative and Executive branches making decisions to appoint those judges. If those judges get appointed, then those salary accruals are not necessarily available (indiscernible). We won't know that until well into the fiscal year -- as to what amount is available.

ASSEMBLYMAN CRYAN: I'm with you, your Honor. But here's what we did. We transferred \$13 million into IT accounts in fiscal '08. I proudly voted -- and I believe it -- to create and have extraordinary people like yourself become part of the Judiciary. I voted for the judicial increase last year, which was funded from salary accounts. So it begs the

question, as we look here, as to how much money is expected in the balance of that for the end of this fiscal year. It's a natural question to ask.

JUDGE GRANT: And what I'm saying is--

ASSEMBLYMAN CRYAN: We've moved money there from the last two years.

JUDGE GRANT: And what I'm saying is, we can't answer it now.

ASSEMBLYMAN CRYAN: Okay.

JUDGE GRANT: That decision is subject to the dynamics of the vacancies that will be available.

ASSEMBLYMAN CRYAN: I absolutely understand that, but I would think, respectfully through the Chair, that past history tells us-- I mean, I look at those -- I'm not in the Senatorial chamber -- but I do look at those vacancies from time to time, and there's an anticipated standard flow, I would think, of history over time.

JUDGE GRANT: There is about-- I would say there is about \$27 million that would be available.

ASSEMBLYMAN CRYAN: Twenty-seven million that would be available.

JUDGE GRANT: No, I'm sorry, \$27 million-- Let me do it this way: There was \$27 million that was cut this past year from our appropriation. And what we did with the \$27 million was, \$6 million that would have been allocated to IT was allocated to meet those cuts. So each year is a difference -- the dynamic that's associated with the budget that continues to have negative revenue -- we won't know. We'll be working with the Executive Branch on that endeavor.

ASSEMBLYMAN CRYAN: Your Honor, through the Chair, I respectfully don't need an answer right now. Respectfully, what I'm asking you to do is give us your projected balance, based on the Kodak moment of today, as to where your salary count would be at the end of this fiscal year.

JUDGE GRANT: All right. I will do that.

ASSEMBLYMAN CRYAN: This fiscal year.

JUDGE GRANT: Okay.

ASSEMBLYMAN CRYAN: And I agree with you that the system is goofy, but it's the one we have. (laughter)

I do have a couple other questions. The idea of--

By the way, Justice Rabner's blue ribbon committee on e-filing, does it have a closure date?

JUDGE GRANT: It has a six-month window. We are in the process of appointing representatives to the committee.

ASSEMBLYMAN CRYAN: Okay. Then in the same--

Well, I hate to ask this type of question, but when one thinks of paperless, there are a couple of things that jump to mind. One is -- for anybody who has ever shipped anything to Iron Mountain, knows the cost associated with that -- there is a public process right now of retention. There is a program. The acronym escapes me.

JUDGE GRANT: DARM.

ASSEMBLYMAN CRYAN: DARM, yes. Are the courts in-- Is your branch involved in that?

JUDGE GRANT: We use it, yes.

ASSEMBLYMAN CRYAN: Okay. Is there a projected savings from there, in terms of where we're going?

JUDGE GRANT: That's a long-term savings, if anything. So we still have tens of thousands, if not hundreds of thousands of documents that now have to be microfiched, now have to be stored, now have to be put in the record. So it's a real--

ASSEMBLYMAN CRYAN: We're down the path.

JUDGE GRANT: Down the path.

ASSEMBLYMAN CRYAN: In the second breath, the idea of going paperless, or-- Do any of these requests -- these first couple of requests -- do they end up-- And while I'm not excited about it in the world we live in, would that end up being less employees? Is there any cost savings associated with that?

JUDGE GRANT: It is, again, premature. Ultimately, there could be. The problem with the Judiciary is the (indiscernible) increase in our filings. And so one of the things that were utilizing is to come up with strategies that will reduce the need for increased staff, as opposed to necessarily reducing.

ASSEMBLYMAN CRYAN: So you're looking to level off as opposed to reduce.

JUDGE GRANT: Exactly.

ASSEMBLYMAN CRYAN: I had another question, your Honor, and I'm sorry I don't have it in front of me.

Thank you.

MS. MOLNAR: Assemblywoman.

ASSEMBLYWOMAN KARROW: Thank you, Chair.

Your Honor, I just basically have one statement to keep in mind regarding Assemblyman Cryan's salary review with you.

I did not vote for the judicial increase, as I'm sure you know.

JUDGE GRANT: No, I didn't.

ASSEMBLYWOMAN KARROW: You didn't? Okay. I did not. And one of the main reasons I didn't was because of the ability of judges to retire immediately with the pension increase.

And I serve on the State House Commission, besides this Commission, which also is Judiciary Pension Review and Retirement Review. And exactly what I thought was going to happen happened. Our last retirement review for the pensions for the Judiciary at the last State House Commission showed a very large increase in retirements. So I predict when you do your review that you are going to see, for this year, an enormous spike in salary to be able to be used for other things like IT. Because the Governor certainly is behind in his appointments, and there is an enormous amount of judges who have put in for retirement or have already retired.

JUDGE GRANT: Well, the only thing I would say to that, Assemblywoman, is last year -- and this was just pointed out by the article that I said was in the *Law Journal* -- there were 30 vacancies that remain to be filled. In Monday's paper, 30 vacancies remain to be filled. So there has not been this dramatic increase in the number of vacancies from one fiscal year to the other fiscal year. So I hope you are right, but right now we have not seen those (indiscernible).

ASSEMBLYWOMAN KARROW: Actually, I hope I'm wrong, because that would negate the prediction of judges holding out for retirement. But the applications we have received through the State House Commission is enormous.

MS. MOLNAR: Senator Sarlo.

SENATOR SARLO: Thank you, Madam Chair.

Just a follow-up on that. Is it -- and I know we're probably going to get off track a little bit, but it does go to freeing up dollars for capital spending with regard to your IT needs around the State.

The early retirement program that was put in place in this past fiscal year -- I believe the largest number of people who enrolled in that actually came from the Judiciary. One of the highest did come from the Judiciary. And with the backfilling limit that we -- the limits that we placed on the administration, there will be a significant amount of dollars there that are available to be used for projects such as this. Am I correct in saying that?

JUDGE GRANT: There are a couple of-- There were 194 people in the Judiciary who took advantage of the early retirement system.

SENATOR SARLO: At the staff level?

JUDGE GRANT: At the staff level.

SENATOR SARLO: And it probably includes some ALJs, right -- administrative law judges?

JUDGE GRANT: No.

SENATOR SARLO: No, just staff.

JUDGE GRANT: No, just at the staff level. And that's across the 9,000 people who are employed within Judiciary. So that's a very small number with regard to your -- the accrual that will be created. The biggest source of the accrual -- as the Assembly person talked about -- is on the judges' side, not from the staff side.

SENATOR SARLO: Okay. And then just one final question -- or comment, I guess it would be -- is, I think we've all had the opportunity to travel around the state and be in various county courtrooms and courthouses, not as defendants, of course, or plaintiffs, of course, but as visitors -- good visitors for joyous occasions, hopefully. (laughter) But you actually see the deterioration that's going on in some of these buildings. And since the State has taken over the court system, I just see there may not be a desire or willingness from county freeholders and other county elected officials to put capital needs into these buildings. And as we're gearing up on the IT issue, and gearing up on all this infrastructure and networking, there will come a time -- a point in time that there will be a crisis. And I know in Bergen County, for instance, we put seven judges last year. So I was at seven different swearing ins. And there were some rooms that the air conditioning barely worked in the middle of the Summer. And it was quite difficult for people to be in there in a packed room -- leaks in the ceiling and so on. And fortunately, in Bergen County our court is in pretty good shape.

But is there a concern from your department that, in the future, there is going to come a crisis with some of these older courthouses, and counties not being willing to put in the dollars, saying, "Hey, this is run by the State, and there's a push back to the State?" I just wanted to get your thoughts on that, because you're talking some serious capital upgrades.

JUDGE GRANT: Your observation about the need for county support for courthouse buildings is a very apt one, very important one. But I would say to you that we have an extraordinary partnership with the counties and the State. I am scheduled to go to an opening ceremony with

regard to a restoration of a facility in Cumberland. There is an extraordinary amount of work that's currently going on in Essex County. County Executive DiVincenzo has done an extraordinary job of maintaining the facility. Passaic is renovating a building with regard to probation. So we have good partnerships in many of our counties. And while we always recognize that that partnership is just that, the funding source is with the county board of freeholders. We continue to work with them to continue to create a positive environment. And for the most part -- and there are some problem areas -- but for the most part, the counties have been receptive.

SENATOR SARLO: That's important.

JUDGE GRANT: Thank you.

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

If not, I want to thank you, your Honor, for coming.

JUDGE GRANT: Thank you.

And Assemblyman Cryan, I will get that information for you.

MS. MOLNAR: I have some great news to report. Norma Blake, our State Librarian, has been named by *Library Journal* as the 2008 Librarian of the Year, which is considered one of the most prestigious national awards in the profession. So congratulations.

I'd like to welcome our State Librarian for our next presentation.

N O R M A B L A K E: Thank you very much. I appreciate that.

Good morning, Chairwoman Molnar and members of the Commission.

I would like to first thank you for your past support, particularly for the digitizing of the Audio Vision radio's reading program for the visually impaired, which will be ready in time for NJN's digitization cutover in February of 2009.

You have copies of our more extensive testimony, and there are pictures to help visualize, so I'm just going to quickly summarize our three issues.

The Library for the Blind and Handicapped is the only library for special needs residents in the state. It should be a showcase for ADA accessibility. The building is 25 years old, which predates the enactment of the ADA law. The 19 interior doors are too heavy and do not meet ADA requirements for wheelchair arc or for remaining open, and some need raising or ramping. We have 40 chairs that are too low to be working for the disabled, and tables that do not adjust for wheelchair height. The atrium in the center of the Library is unsightly for sighted customers and unusable for many visually impaired customers due to tripping hazards. The atrium contains a worn Braille public arts statue meant to be read and a Seward Johnson statue meant to be touched, teaching art to the disabled. The atrium was also meant to be enjoyed and to house elevated garden beds for disabled customers. The hardscape has deteriorated over 25 years, and it's not safe at this point for people to maneuver. Our total ADA request is \$763,000.

Our Library at 185 West State Street has 2 million volumes, many of which are on compact shelving in the basement. We cannot get replacement parts for the over 25-year-old rails which move the shelves. The cheapest fix is to replace the rails, because the shelves are virtually

indestructible. The shelving is a hazard to customers and staff, and an obstacle to providing good service. Customers cannot move the shelves by hand, and neither can many of our staff, by using a crank to open the shelves manually. The cost of the replacement is \$458,000.

The State Library building is of the same vintage as the Museum and also needs to be renovated and added to or rebuilt. We need the feasibility study approved in 2002 to determine square-footage needs, adjacencies, and costs of the various options.

You have pictures that illustrate the overcrowded conditions in sections of the library and of attempts to offer our 21st century, heavily technology-based services in an outdated facility. We request \$522,000 for the survey.

Thank you for your time and attention. And I'm here with the Chief Fiscal Officer, Sheri Shafer, and we'd be happy to answer questions.

MS. MOLNAR: Thank you.

Any questions or comments?

ASSEMBLYMAN CRYAN: Just a couple, I promise.

MS. MOLNAR: Assemblyman.

ASSEMBLYMAN CRYAN: Thanks.

I just want to understand in the first -- the accessibility issue with ADA. The \$627,000 is for a study, right? Did I understand it right? "This estimate includes a cost of a feasibility study." What does \$627,000 get?

S H E R I S H A F E R: The \$627,000 is for renovations, as well.

ASSEMBLYMAN CRYAN: Renovations?

MS. SHAFER: Including the study.

ASSEMBLYMAN CRYAN: Do you know how much the study is -- how much -- the portion of the study?

MS. SHAFER: I don't have the number available.

ASSEMBLYMAN CRYAN: No problem.

MS. SHAFER: But I can certainly get that for you.

ASSEMBLYMAN CRYAN: But we actually do get the renovations and stuff as well.

MS. SHAFER: Yes.

ASSEMBLYMAN CRYAN: Not a wise-guy question, but 40 public-use chairs at \$63,000. I don't know about chairs and capital, but okay-- But basically \$1,600 a chair? What kind of chairs are-- Am I--

MS. SHAFER: I believe the chairs that have been looked at by the Library for the Blind staff were sturdy, furniture-type chairs that have hard, wooden handles but still have a cushioned seat--

MS. BLAKE: Specially designed for the disabled.

MS. SHAFER: --specially designed for people who do have disabilities.

ASSEMBLYMAN CRYAN: I just have to tell you, that is just like, "Wait a minute." If you can take a second look, do so.

MS. BLAKE: Well, we'll check on that, certainly.

ASSEMBLYMAN CRYAN: And \$10,000 for a table?

MS. BLAKE: It's a specialty table that is adjustable for wheelchairs, which is why we're only asking for the one.

ASSEMBLYWOMAN KARROW: Wouldn't it be cheaper to buy a higher table?

I'm sorry.

ASSEMBLYMAN CRYAN: No, that's all right.

Okay. So when someone comes, they can adjust the -- which promotes the idea of accessibility and so on, I'm guessing.

MS. BLAKE: So in other words, they're not holding the materials in their lap, they can actually wheel the chair up and adjust the table.

MS. SHAFER: And different wheelchairs do have different heights, so it would be adjustable for the particular individual's needs when they're using it.

ASSEMBLYMAN CRYAN: Okay. I'm not looking to create work for you, but just take a second look at the chairs at least. Because that just--

MS. BLAKE: Absolutely.

ASSEMBLYMAN CRYAN: I mean, that's a throne.

All right, thanks.

ASSEMBLYWOMAN KARROW: Can I just--

MS. MOLNAR: Yes, Assemblywoman.

ASSEMBLYWOMAN KARROW: Let me just finish my--

I'm sorry to do that to you, Assemblyman Cryan.

The table issue-- I mean, I understand that it's adjustable for wheelchair access and that there might be different heights. But what if you have multiple users at the same time? I mean, you can't please everybody all the time like that. So wouldn't it be less expensive -- and please also take a second look at the table -- to just get a higher table that's a fixture for people in wheelchairs? I mean, if it's lower, then they can use the regular table. Otherwise-- Like I said, if you have multiple heights in wheelchairs,

you're not going to be able to satisfy them all at a movable table anyway, if they're all there at the same time, you only have one anyway. So I'd appreciate it if you also take a look at the table issue.

MS. BLAKE: Okay. We'll look into doing multiple tables instead of just--

ASSEMBLYWOMAN KARROW: And congratulations on your award. It was a lovely picture of you on the front page of the--

MS. BLAKE: Thank you very much. I appreciate it.

MS. MOLNAR: Paul Stridick.

MR. STRIDICK: With regard to priority number three on the -- this feasibility study for the new library, I saw in our notes that back in 2002 there was a \$400,000 request for the feasibility study, and now we're at \$522,000. So that's a 30 percent increase. And has the scope of work changed, has the feasibility -- has the scope of the feasibility study changed or increased, or is the 30 percent increase really just the natural upcharge over the last seven years? I was just wondering about that.

MS. SHAFER: That's just based on the construction price index inflationary cost. So the scope of the work has not actually increased (indiscernible)--

MR. STRIDICK: So in the feasibility study--

I'm sorry.

MS. SHAFER: Sorry, yes -- the feasibility study -- the scope of that has not changed but adjusted to inflationary costs. We did make some estimates as to what that new study would cost.

MR. STRIDICK: So over the last seven years, there's been a 30 percent increase to that feasibility study?

MS. SHAFER: Based on inflationary rates, yes.

MR. STRIDICK: And not having done the feasibility -- and I know we're putting the cart way before the horse here -- but not having done the feasibility study, how do we arrive at the \$40 million estimate for the new library?

MS. BLAKE: We were looking at what we are projecting that our needs would be, which is about 32,000 square feet in excess of what we have now. So based on estimates that we have for construction of libraries around the state, that's what the total was.

MR. STRIDICK: Okay. Thank you.

MS. MOLNAR: Mr. Vari.

MR. VARI: In terms of priority one requests -- the \$63,000 to replace the interior doors-- I'd be happy to work with staff on that. We may have some ADA money for fiscal '09. We can see if we can get some of those doors taken care of. I'll work with your staff and DPMC on that.

MS. BLAKE: Thank you so much.

MS. MOLNAR: Assemblywoman.

ASSEMBLYWOMAN KARROW: I just want to talk about the movable shelves for a second. How many users do you actually have come to the Library every year?

MS. BLAKE: About 35,000.

ASSEMBLYWOMAN KARROW: And do you actually have to tell people to come back because of these movable shelves? I mean, the pictures really are speaking -- pardon the pun -- volumes. Is there that much trouble with these shelves that you can't get access to them on occasion?

MS. BLAKE: Oh, yes. And if you can imagine all of the compact shelving-- And if the opening is down one end, and you need a book that's on a shelf down the other end, you have to move all of those shelves.

ASSEMBLYWOMAN KARROW: And out of the 2 million volumes that you have, how many are stuck in the shelves right now?

MS. BLAKE: The majority.

ASSEMBLYWOMAN KARROW: The majority are down there.

MS. BLAKE: The majority are down there. I don't know off the top of my head, but I can get you that figure.

ASSEMBLYWOMAN KARROW: And what would be-- If this Commission gave you this money, what would be the staging of how you would transfer the volumes?

MS. BLAKE: We would have to remove all of the books from the shelves. We would have to then take up the old rails, put down the new rails, put the shelves back, and put the books back on the shelves.

ASSEMBLYWOMAN KARROW: And in the money that you've requested, is that just the capital of the -- is that installation of the new rails as well as the--

MS. BLAKE: And the move of the materials.

ASSEMBLYWOMAN KARROW: And it is also the move of the materials. Is that being done in-house?

MS. BLAKE: It's being done by someone who has done all the other moves in the building, but it is not our own personnel.

ASSEMBLYWOMAN KARROW: Thank you.

MS. MOLNAR: Any other questions or comments?

Mr. Brune.

MR. BRUNE: On priority number two, there's a mention of security issues. I wanted to ask you, do you have a record of -- are there -- is there a pattern of security instances down there, or are you just trying to get ahead of something that you're concerned about?

MS. BLAKE: We have had-- Since I've been at the State Library, we have had several instances of young people doing things that we would not consider appropriate in the basement of the Library.

MR. BRUNE: So the cost of the camera -- I guess that's what's mentioned here. Is there a cost of the security camera?

MS. BLAKE: I'm sorry, we did not ask for that this year. We did ask for that last year, and that's being taken care of.

MR. BRUNE: Oh, so there is a camera in place.

MS. BLAKE: Not yet, but it will be.

MR. BRUNE: And back on the -- just one question on the previous issue. The atrium courtyard is closed off at the moment, so it's not a public safety issue?

MS. BLAKE: No, it is not closed off at the moment. But at this point, we are not taking the public in there without adequate supervision.

MR. BRUNE: So it's not an active hazard, so to speak, at the moment because of the way you've done it?

MS. BLAKE: We're watching them very carefully.

MR. BRUNE: And one last question as to the shelving. Do you keep records of the cost of repair?

MS. BLAKE: I'm sure we do have--

MR. BRUNE: Either the cost of repair or the number of instances when they didn't work?

MS. BLAKE: Yes.

MR. BRUNE: Either of those?

MS. BLAKE: I believe that in our purchase orders, we would have all maintenance that was spent on the repair of the--

MR. BRUNE: I'm sure you don't have that today, but, through the Chair, if you could just let us know, that would be helpful.

MS. BLAKE: Absolutely.

MR. BRUNE: Thank you.

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

If not, I want to thank you.

And congratulations, again.

MS. BLAKE: Thanks very much.

MS. MOLNAR: Our next--

Is there any other business, any old business that anyone wants to bring up? (no response)

If not, our next meeting is September 26. We will have the Department of Health, Interdepartmental, Corrections, Juvenile Justice.

I want to thank our new members for attending today.

Any other questions or comments? (no response)

If not, meeting is adjourned.

(MEETING CONCLUDED)