



Agenda Date: 12/19/17  
Agenda Item: 4B

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

OFFICE OF CABLE TELEVISION  
AND TELECOMMUNICATIONS

IN THE MATTER OF THE APPLICATION OF ) ORDER OF APPROVAL  
VERIZON NEW JERSEY, INC. FOR THE )  
APPROVAL OF THE SALE AND CONVEYANCE )  
OF REAL PROPERTY LOCATED IN THE )  
BOROUGH OF BEACH HAVEN, OCEAN COUNTY, )  
NEW JERSEY TO TRI BEE, LLC. ) DOCKET NO. TM17111152

**Parties of Record:**

**Sidney D. Weiss, Esq.**, Attorney, for Verizon New Jersey, Inc.  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:<sup>1</sup>

On November 9, 2017, Verizon New Jersey Inc. ("Petitioner" or "VNJ") filed with the Board of Public Utilities ("Board") a Verified Petition for approval of the sale and conveyance of real property located in the Borough of Beach Haven, Ocean County, New Jersey ("Property") to Tri Bee, LLC ("Buyer").

The Property is designated as 218-220 Amber Street, in the Borough of Beach Haven, New Jersey. The Property consists of a single story 3,525 square foot building on approximately 0.23 acres of land that was acquired on August 7, 1940 for use as a local central office exchange, microwave repeater station, and cell tower. The book value of the Property is \$55,337.98. The Property is not income producing, and its 2017 assessed value is \$867,500.

By the petition, in October, 2016, Petitioner determined that it had no present or prospective use for the Property for utility purposes subject to the specific easement and leases described in Real Estate Purchase and Sale Agreement annexed thereto. Petitioner obtained an appraisal report of the Property on December 27, 2016 from Concordis Real Estates Advisors, LLC, which determined that the market value of the Property as of October 25, 2016 was \$840,000. In April,

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<sup>1</sup> Commissioner Upendra J. Chivukula did not participate.

2017, Petitioner engaged the services of a real estate brokerage firm to market the property for sale.

Petitioner advertised the Property for sale on August, 24, 28, and September 4, 2017 in the Asbury Park Press, a local newspaper of general circulation. On September 14, 2017, four bids were received and opened. Petitioner accepted the high offer for the Property from Tri Bee, LLC in the amount of \$851,500. Petitioner believes that Buyer's bid of \$851,500 is the best price attainable for the Property and represents the fair market value of the Property.

VNJ entered into a Real Estate Purchase and Sale Agreement (the "Agreement") on October 20, 2017 with Tri Bee LLC, contingent upon Board approval, to sell and convey the Property. According to the Petition, there is no relationship between the Petitioner and the Buyer other than that of transferor and transferee except that Tri Bee LLC may be a telecommunications customer of Petitioner.

On November 28, 2017, the New Jersey Division of Rate Counsel filed a letter indicating that Rate Counsel will not be filing comments for Board consideration on this matter.

## **DISCUSSION**

The Board is required to review the proposed sale of the property under N.J.S.A. 48:3-7 and N.J.A.C. 14:1-5.6. N.J.S.A. 48:3-7(a) provides, in pertinent part, that:

. . . no public utility shall, without the approval of the board, sell, lease, mortgage, or otherwise dispose of or encumber its property, franchises, privileges, or rights, or any part thereof; or merge or consolidate its property, franchises, privileges, or rights, or any part thereof, with that of any other public utility.

N.J.A.C. 14:1-5.6 provides requirements for administratively complete submissions of petitions for approval of the sale or lease or property.

The Board, having reviewed the record, **HEREBY FINDS** that under the Agreement, the best price was obtained and such consideration represents the fair market value for the Property. The Board **FURTHER FINDS** that:

1. The Property is no longer used and useful for utility purposes.
2. The actual sale price of the Property is \$851,500. The appraisal report submitted by Petitioner states that the Property is valued at \$840,000.
3. In determining which offer represents the best obtainable price, VNJ accepted the highest offer from Buyer subject to Board approval.
4. VNJ engaged an experienced real estate broker to market the Property to obtain the highest sale price for the Property.
5. VNJ advertised the proposed sale of the Property in the Asbury Park Press on August, 24, 28, and September 4, 2017.

6. VNJ states it received four bids by the September 14, 2017 deadline for submission ranging from \$250,000 to \$851,500.
7. Three of the four offers for the Property were lower than Tri Bee LLC's accepted offer. Thus further review of these bids was unnecessary.
8. The three offers that were submitted by Cash for Assets LLC, with and without contingency, and Press Communications LLC were not the highest price obtainable.

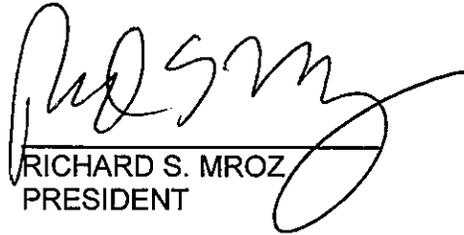
The Board further **FINDS** that the proposed sale of said Property will not affect Petitioner's ability to provide safe, adequate and proper service pursuant to N.J.A.C. 14:1-5.6(i)(4), the sale is in the public interest, and in accordance with law. Accordingly, the Board **HEREBY APPROVES** the sale, subject to the following conditions:

1. This Order is based upon the specific and particular facts of this transaction and shall not have precedential value in future land transactions that may come before the Board and shall not be relied on as such.
2. This Order shall not affect nor in any way limit the exercise of the authority of the Board or of the State, in any future petition, or in any proceeding with respect to rates, franchises, service, financing, accounting, capitalization, depreciation or in any matters affecting the Petitioner.
3. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever any value of any tangible or intangible assets or liabilities now owned or hereafter to be owned by the Petitioner.
4. Within thirty (30) days of the date of closing on this transaction, the Petitioner shall file with the Board proof of closing, net transaction costs, and final journal entries along with a detailed calculation, including selling expenses, of the sale.
5. Within ten (10) days of the date of closing on the transaction, the Petitioner is to notify the Board of the date of closing.
6. This Order shall be of no effect, null and void, if the sale hereby approved is not completed within six (6) months of the date hereof unless otherwise ordered by the Board.

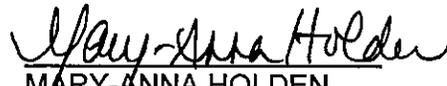
This Order shall become effective on December 29, 2017.

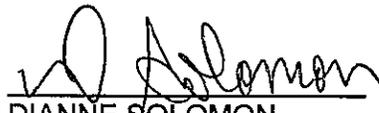
DATED: 12/19/17

BOARD OF PUBLIC UTILITIES  
BY:

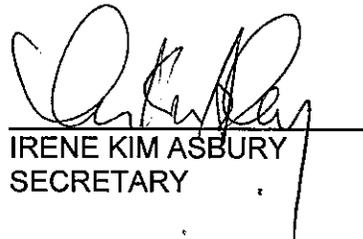
  
RICHARD S. MROZ  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

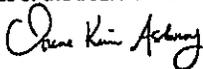
  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

ATTEST:

  
IRENE KIM ASBURY  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public Utilities



**IN THE MATTER OF THE APPLICATION OF VERIZON NEW JERSEY, INC. FOR THE  
APPROVAL OF THE SALE AND CONVEYANCE OF REAL PROPERTY LOCATED IN THE  
BOROUGH OF BEACH HAVEN, OCEAN COUNTY, NEW JERSEY TO TRI BEE, LLC**

**DOCKET NO. TM17111152**

**SERVICE LIST**

**Petitioner**

Sid D. Weiss, Esq.  
19 Saddle Road  
Cedar Knolls, NJ 07927  
[sdweiss@smcmua.org](mailto:sdweiss@smcmua.org)

Keefe Clemons, Esq., Vice President, General  
Counsel & Secretary  
[keefe.b.clemons@verizon.com](mailto:keefe.b.clemons@verizon.com)

Richard C. Fipphen, Esq.,  
Assistant General Counsel  
Verizon  
140 West Street  
New York, NY 10007  
[richard.fipphen@verizon.com](mailto:richard.fipphen@verizon.com)

Ava Marie Madeam, Esq., Vice President  
State Government Relations  
Verizon  
172 West State Street  
Trenton, NJ 08608  
[avamarie.p.madeam@verizon.com](mailto:avamarie.p.madeam@verizon.com)

**Division of Rate Counsel**  
140 East Front Street, 4th Floor  
Post Office Box 003  
Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director  
[sbrand@rpa.nj.gov](mailto:sbrand@rpa.nj.gov)

Maria Novas-Ruiz, Esq.  
[mnovas-ruiz@rpa.nj.gov](mailto:mnovas-ruiz@rpa.nj.gov)

**Board of Public Utilities**

Board of Public Utilities  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
Post Office Box 350  
Trenton, NJ 08625-0350

Irene Kim Asbury, Esq.  
Secretary of the Board  
[Irene.Asbury@bpu.nj.gov](mailto:Irene.Asbury@bpu.nj.gov)

Lawanda Gilbert, Esq., Director  
Office of Cable Television and  
Telecommunications  
[Lawanda.Gilbert@bpu.nj.gov](mailto:Lawanda.Gilbert@bpu.nj.gov)

Carol Artale, Esq., Legal Specialist  
[Carol.Artale@bpu.nj.gov](mailto:Carol.Artale@bpu.nj.gov)

Harold Bond, Bureau Chief  
Office of Cable Television and  
Telecommunications  
[Harold.Bond@bpu.nj.gov](mailto:Harold.Bond@bpu.nj.gov)

Majid Hasan, Supervising Engineer  
Office of Cable Television and  
Telecommunications  
[Majid.Hasan@bpu.nj.gov](mailto:Majid.Hasan@bpu.nj.gov)

**Division of Law**

Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029-5029

Caroline Vachier, DAG, Section Chief  
[Caroline.Vachier@law.njoag.gov](mailto:Caroline.Vachier@law.njoag.gov)

Veronica Beke, DAG  
[Veronica.Beke@law.njoag.gov](mailto:Veronica.Beke@law.njoag.gov)