



State of New Jersey

NEW JERSEY BUILDING AUTHORITY
28 WEST STATE STREET, 6TH FLOOR
TRENTON, NJ 08625

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

JOHN H. FISHER
Chairman

**Teleconference Board Meeting
Monday, May 22, 2017 @ 10:00 A.M.
New Jersey Building Authority
28 West State Street, 6th floor
Trenton, NJ 08625**

Minutes of Board Meeting

Attendees

BOARD MEMBERS PRESENT VIA TELECONFERENCE

1. John H. Fisher III, Chairman
2. Prentis C. Nolan, III
3. Dennis McNerney
4. William C. Sproule
5. Sean W. Earlen
6. Ryan Feeney, NJ Office of Public Finance, *Designee for State Treasurer*
7. Brian Francz, NJ Office of Management and Budget, *Designee for Director, Division of Budget & Accounting*

BOARD MEMBER(S) ABSENT

William T. Mullen

B. Carol Molnar, Esq. - Chair, NJ Commission on Capital Budgeting & Planning

OTHERS PRESENT VIA TELECONFERENCE

Labinot Berljolli, Governor's Authorities Unit

William F. Hanna, Deputy Attorney General

Guy Tassi, NJBA Assistant Treasurer/Treasury Administration

OTHERS PRESENT AT THE NJBA OFFICE

Kavin Mistry, Assistant Attorney General

Christopher Chianese, Director, Div. of Property Mgt. and Construction (DPMC)

Richard Flodmand, Deputy Director, (DPMC)

Raymond A. Arcario, NJBA Executive Director/Secretary

Phil Johnson, NJBA Project Manager

Anthony Faraca, NJBA. Project Manager

Kyle Paul, Treasury Administration

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I. CALL MEETING TO ORDER

Chairman Fisher called the meeting to order at approximately 10:00 A.M.

IA. THE READING OF THE NEW JERSEY OPEN PUBLIC MEETINGS ACT STATEMENT

At the request of Chairman Fisher, Mr. Arcario, read the following statement:
"Pursuant to the New Jersey Open Public Meetings Act as amended, the New Jersey Building Authority gave notice of the time, place and date of this meeting by providing notice of time, place and date to the Secretary of State of the State of New Jersey (Trenton, NJ), The Times (Trenton, NJ), The Star Ledger (Newark, NJ) and The Record (Hackensack, NJ).

II. ROLL CALL FOR ATTENDANCE

Raymond A. Arcario, Executive Director/Secretary, proceeded with roll call and informed Chairman Fisher the Board Member quorum requirement was met. Board Member attendees are noted above.

IIA. OTHERS PRESENT

Refer to the OTHERS PRESENT above. Please note no members of the public attended this teleconference meeting.

III. MATTERS REQUIRING BOARD ACTION

- Chairman Fisher asked for a motion to approve the May 11, 2017 board meeting minutes. Mr. Sproule moved the motion, Mr. McNerney seconded the motion and Mr. Arcario with the roll call vote, only six (6) board members voted in favor of the motion, and therefore the motion was not approved. Chairman Fisher will asked for a motion to approve the May 11, 2017 board meeting minutes at an upcoming board meeting.

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- Chairman Fisher asked for a motion to approve the Resolution Concerning the Hiring on a Full-Time Basis and Fixing the Compensation of the Executive Director. Mr. Sproule moved the motion, Mr. McNerney seconded the motion and Mr. Arcario with the roll call vote, seven (7) board members voted in favor of the motion and the motion was approved.
- Chairman Fisher asked for a motion to approve the Resolution to Amend the 2017 Administrative Budget. Mr. Sproule moved the motion, Mr. Nolan seconded the motion and Mr. Arcario with the roll call vote, seven (7) board members voted in favor of the motion and the motion was approved.
- Chairman Fisher invited Mr. Tassi serving as the NJBA's Assistant Treasurer to provide an update on the 2016 Audit including the identification of the auditor. Mr. Tassi advised that Mercadien serves as the NJBA's independent auditor, engaged through a competitive procurement process. Mercadien completed the 2016 audit and presented the Draft to the Audit Committee for review and response. On May 17, 2017 the Assistant Treasurer and the Audit Committee held an exit conference with Mercadien. Following that conference, the Audit Committee met, discussed the audit report and recommended the Board accept the 2016 Audit Report. Mr. Tassi stated that the NJBA had a clean audit of the 2016 fiscal year as there are no audit findings noted in the report. Mr. Tassi offered to answer any Board Members' questions. There were no Board Member comments or questions.
- Mr. Tassi advised of his retirement and remarked that Mr. Kyle Paul is prepared to continue his work in a seamless manner.
- Chairman Fisher asked for a motion to approve the Resolution Accepting the NJBA's 2016 Fiscal Year Audit. Mr. McNerney moved the motion, Mr. Nolan seconded the motion and Mr. Arcario with the roll call, seven (7) board members voted in favor of the motion, and the motion was approved.

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IV. UPDATE ON CAPITAL BUDGET MODELING

Mr. Arcario introduced Mr. Chianese who provided an update on the services that are being performed by Acacia Financial Group. Acacia has been engaged to review the Treasury portfolio of properties, both State owned and leased, and develop a model to financially analyze the net-present-dollar value of each property along with a decision matrix for new construction, renovation of existing buildings or leases to meet the space demands. Mr. Chianese identified that Acacia is concentrating on several Trenton area leases that are at or nearing termination dates. Additionally, Acacia is focusing on the over 600,000 square foot space need in Newark.

Mr. Arcario inquired of Mr. Chianese as to an anticipated timeline for a deliverable report of which can be reviewed and shared with the Board. Mr. Chianese advised there are preliminary reports regarding two (2) agencies in the Trenton Area; the Department of Health and the Department of Agriculture, the data for these two (2) agencies is progressing ahead of other agencies and geographic regions. As far as the Newark, NJ leases, cost, logistics and other opportunities are all under consideration in order to make an informed decision.

Mr. Arcario added this effort is supported by the Administration but the expectation is that the results of the financial analysis will be presented in 2018 and beyond. Chairman Fisher asked Mr. Arcario to share the goals of this task in a snapshot and present current progress, upcoming activities and timelines for board member use and information. The regular updating should allow board members to make informed inquiries to the NJBA/DPMC team members.

V. EXECUTIVE SESSION

Chairman Fisher asked for a motion to move into an executive session; moved by Mr. Sproule and seconded by Mr. McNerney and Mr. Arcario with the roll call, seven (7) board members voted in favor of the motion, and the motion was approved.

Topics of discussion:

- 1.) A recent notice of claim received by the NJBA on May 18, 2017 and
- 2.) Comments regarding legal matters related to the State House Project.

The NJBA re-entered open session.

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VI. PUBLIC COMMENTS

Chairman Fisher asked if any public members are on the call, please provide any comments. No public members identified on the teleconference call meeting.

VII. GENERALCOMMENTS/OTHER BUSINESS

Mr. Arcario offered his thanks to the Board for their vote of confidence.

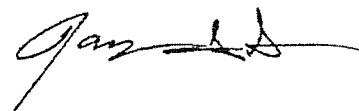
VIII. NEXT SCHEDULED BOARD MEETING DATE

Tuesday, June 13, 2017, 9:30A.M.

IX. ADJOURNMENT

Chairman Fisher asked if there being no other business that the meeting can be adjourned; on motion by Mr. Nolan, seconded by Mr. McNerney and with seven (7) members voting in favor, the motion passed. The meeting adjourned at approximately 10:30 A.M.

Respectfully submitted,



Raymond A. Arcario
Executive Director/Secretary

RAA/pj
Date: May 23, 2017