



State of New Jersey

NEW JERSEY BUILDING AUTHORITY
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PHILIP D. MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

WILLIAM T. MULLEN
Vice Chairman

ANTHONY FARACA
Executive Director

Video/Teleconference Board Meeting
Tuesday, February 11, 2025 @ 9:30 A.M.
New Jersey Building Authority (NJBA/BA)
50 West State Street, 2nd floor
Trenton, NJ 08625

MINUTES OF BOARD MEETING

ATTENDEES

1. William T. Mullen, Vice Chairman
2. Prentis C. Nolan, III
3. William C. Sproule
4. David Moore, NJ Office of Public Finance, Designee for State Treasurer
5. Michael Griffin, NJ Office of Management and Budget, Designee for Director, Division of Budget & Accounting
6. Ronald Simonini
7. James M. Rutala, PP, AICP, MBA - Chair, NJ Commission on Capital Budgeting & Planning
8. Kurt Krueger, Jr.
9. Sean Earlen

BOARD MEMBERS ABSENT VIA TELECONFERENCE

10. Roshan White

OTHERS PRESENT VIA TELECONFERENCE

Allyson Cofran, Deputy General, Division of Law
Michael Eleneski, Associate Counsel, Governor's Authorities Unit
Anthony Faraca, Executive Director, NJBA
Wanda L. Gibson, Administration Operations Manager, NJBA
Gary Pinar, Assistant Director, Department of the Treasury
Shakia McClinton, Treasury Administration – Fiscal & Resources
Jeanette Barnard, Deputy Director, Department of Property Management & Construction (DPMC)
Matthew Daly, Director, Mercadien

I. CALL MEETING TO ORDER

Vice Chairman Mullen called the meeting to order at approximately 9:34 A.M.

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

Anthony Faraca, 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).

IIA. ROLL CALL FOR ATTENDANCE

At the request of Vice Chairman Mullen, Mr. Faraca proceeded with roll call and informed Vice Chairman Mullen that the Board Member quorum requirement was met. Board Member attendees are noted above.

IIB. OTHERS PRESENT

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

III. MATTERS REQUIRING BOARD ACTION

a. **Resolution of the New Jersey Building Authority Approving the October 24, 2024 Board Meeting Public Session Minutes** (attached as **Exhibit A**): Vice Chairman Mullen asked for a motion to approve the October 24, 2024 NJBA Board Meeting Minutes. Mr. Simoncini moved the motion, and Mr. Nolan seconded the motion. Vice Chairman Mullen asked for a vote. Nine (9) board members voted in favor of the motion, and the motion was approved.

b. **Resolution of the New Jersey Building Authority Approving the 2023 Fiscal Year Audit Report** (attached as **Exhibit B**): Vice Chairman Mullen asked for a motion to approve the 2023 Fiscal Year Audit Report. Mr. Sproule moved the motion, and Mr. Krueger seconded the motion. Vice Chairman Mullen asked for a vote. Nine (9) Board members voted in favor of the motion, and the motion was approved.

Mr. Simoncini explained that the Audit Committee had a pretty extensive discussion. The Audit Committee has reviewed the financial statement, and the management as well as the auditor are both in agreement that the Audit report should be accepted and that there are no material issues to report.

c. **Resolution of the New Jersey Building Authority Approving the 2023 Annual Report** (attached as **Exhibit C**): Vice Chairman Mullen asked for a motion to

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approve the 2023 Annual Report. Mr. Sproule moved the motion, and Mr. Simoncini seconded the motion. Vice Chairman Mullen asked for a vote. Nine (9) Board members voted in favor of the motion, One (1) member abstained, and the motion was approved.

- d. **Resolution of the New Jersey Building Authority Approving the Memorandum of Understanding between Treasury and the New Jersey Building Authority** (attached as **Exhibit D**): Vice Chairman Mullen asked for a motion to approve the 2023 Annual Report. Mr. Sproule moved the motion, and Mr. Earlen seconded the motion. Vice Chairman Mullen asked for a vote. Nine (9) Board members voted in favor of the motion, and the motion was approved.

Mr. Mullen asked Mr. Pinar if he would explain the purpose of the Memorandum of Understanding (MOU). Mr. Pinar stated that previously the Building Authority (NJBA) administrative costs were funded through the debt service appropriation, but now that all of the bonds have been defeased, we needed a new funding mechanism because there is no more debt service being appropriated for the NJBA, therefore, the Office of Management & Budget (OMB) established a grant, an aid account. Wherefore we (Treasury) now need to complete a grant agreement with the NJBA to transfer over the administrative funding needed. This is our standard grant agreement that we issue and it is going to be the same mechanisms. There will be some financial reporting that we need to collect at the end of the year, but other than that it is business as usual, just a different way of getting the funding to the NJBA.

Mr. Simoncini stated that the context of this is something that also came out in the audit, which listed that the building authority has four full and one part-time employee, the defeasement of the bonds creates this question of what is the future activity of the building authority. A directional type of conversation might be helpful to the Board here to understand where the value proposition is here and what the vision is for the future activity of the NJBA if the state's not going to issue any more bonds against its property obligations.

Mr. Mullen asked if it is correct to say that there are no more bonds being issued. Mr. Faraca replied that currently there are no bonds being issued. However, we are working on a lot of big projects, especially a large one for the State Police where there's going to be a funding shortage. We are possibly looking for the building authority to fund that remaining shortage. The project is approximately short about 250 million. for this division campus that they are looking to build. In the interim, we (NJBA) have close to \$800 million of work going on, which will probably bring us through the next five years, at least. Therefore we will definitely continue on the route, we are on currently, with the MOU for the amount of work that we have going on, the projects we manage, even the large

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projects, we have always managed with a lean staff. Hence, financially, it makes sense.

Mr. Simoncini stated an issue that came from the audit was the identification, by the auditors, was potentially are accounting staff, or the lack thereof. We currently have Ms. McClinton, from Treasury, who joined us to help alleviate this task from Ms. Gibson. I think the staff did a fantastic job of booking considering the lack of accounting background. To actually transact the way that the Authority does, the number of issues that were identified by the auditors were very small. We talked about this before at the last Board meeting, I am wondering what your, Mr. Faraca, feeling is about \$800 million, with the projects despite the fact that there is a lot of delegation to outside parties and general contracting, is five full-time employees really sufficient in terms of what are you looking to do? Staffing is obviously going to come back to this MOU because if in the MOU you're allocated a certain budget and you find that in your operations, you need more help, where does the additional revenue, rather the additional resource come from to underwrite that help.

Mr. Faraca replied that we are, in fact, trying to hire another Project Manager at this time. We just hired one, who just started yesterday. We had money already appropriated in our budget for both positions, and that ought to bring us up to six full-time employees in total. We have some real good employees that we hired, plus I am personally overseeing everything at the State House. I believe we will be fine because everything is in different phases, so we do have some flexibility. We've always have been a lean group and we have always been within budget on all our projects and will continue to do so.

Mr. Simoncini expressed, "Impressive"! I appreciate the work you're doing.

Mr. Faraca replied with "We appreciate it. Thank you." We pride ourselves on that too and the Governor's office sees that in us. They come to us and let us (NJBA) know they want us to oversee certain projects, i.e. Drumthwacket (the Governor's mansion) and the Executive State House. We are currently overseeing all that work.

Mr. Simoncin stated that the Audit Committee took a close look at the audit and that they spent some time on it with Mr. Daly and Ms. Gibson. He also asked Mr. Pinar to go back to administration and tell them how proud we (the NJBA Board Members) are of the NJBA. Mr. Mullen agreed and Mr. Faraca again thanked the Board of Directors.

IV. PUBLIC COMMENTS

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No members of the public appeared in person, nor identified themselves on the teleconference call meeting.

V. PROJECT UPDATES

Vice Chairman Mullen asked Mr. Faraca to provide a project update on the current projects.

Mr. Faraca's update was as follows:

- The State House portico: Crack and underpinning repair has been completed and the remaining base contract work is proceeding, which includes granite, granite stairs, ADA ramps, site sidewalks, lighting, irrigation and landscaping. Completion for the front of the State House is tracking for spring of 2025.
- State House generator project: Generators have arrived as we did an early bid package for the purchase but, the installation is on hold until residual New Jersey Economic Development Authority (EDA) bond funds from the Department of Labor and Health Building are repurposed for the install of this project. This project is going to run for about a year, 13 months once started.
- State House Screening Building and Courtyard has received a temporary certificate of occupancy (TCO) and are in punch list phase. The Screening building has a major error from the architect involving heat. We currently have temporary heat in there; therefore, the building can be occupied. This heating issue is currently being resolved and the error will be added to the State House's Errors & Omission settlement that we are currently working on.
- We are working on a State House Park project, but we are currently on hold, due to some possible design changes.
- Drumthwacket (the Governor's mansion): The security gate is completed. We are also managing a multi-purpose room addition on the garage, which is currently out to bid. We are also managing an exterior lighting project which is in design phase.
- The Health Lab addition will be ready for bid in late spring.
- The Juvenile Justice Complex project:
 - The Winslow site is currently with the Comptroller's Office for review and will be out to bid pending approval in the springtime.
 - JJC in Ewing is also ready for bid in the spring, as the design and bid packages are the same as the Winslow site. The only issue, NJBA is currently resolving, is a sewer line tie in to the Ewing Lawrence Sewer Authority, which is proceeding, and approval is expected by early summer.
 - The third site, in Totowa, is currently in a funding waiver stage as we are adding to the bonds on for this project. We have money from OMB,

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which was appropriated in the last state budget. However, we still need some of the bond funds from the other two projects to put this project out to bid. Therefore, it is currently in waiver process.

- The NJSP Training Campus: We have \$200 to approximately \$240 million for this project. It is currently in the study phase, which will be completed in late spring. We will then get the design package together and put it out to bid. We will also have some early demolition for cost savings included in the designers bid package. Concurrently, we will also put out to bid the Construction Management package.

Vice Chairman Mullen asked if there were any questions.

There were none.

VI. GENERAL COMMENTS

None

VII. EXECUTIVE SESSION

None

VIII. NEXT SCHEDULED BOARD MEETING DATES

The next scheduled board meeting is Tuesday, April 8, 2025.

IX. ADJOURNMENT

Vice Chairman Mullen asked if there being no other business, the meeting could be adjourned. Mr. Krueger moved to adjourn the meeting, Mr. Sproule seconded the motion. Nine (9) members voted in favor, and the motion passed. The meeting adjourned at approximately 9:53 A.M.

Respectfully submitted,



Anthony Faraca
Executive Director
Board Secretary

wlg

Date: February 11, 2025