

APPROVED

Garden State Preservation Trust
January 5, 2010 Conference Call Meeting Minutes

Chairman Michael Murphy called the Conference Call meeting to order at 10:03 a.m. Executive Director Ralph Siegel read a statement certifying compliance with the Open Public Meetings Act and then called the roll. Public members participating in the call were: Chairman Murphy, Vice-chairwoman Jan Rosenfeld, Andrew Buzby, Ken Atkinson and Robert Hughey. Ex-officio members participating in the call were Deputy Commissioner John S. Watson Jr. (for Acting DEP Commissioner Mark Mauriello) and Donna Rendeiro (for Department of Community Affairs Acting Commissioner Charles A. Richman.)

Attending the meeting in person at the GSPT office, 135 West Hanover Street, was Hans Goff (for State Treasurer R. David Rousseau).

Absent and not participating on the call was Susan Craft (for Agriculture Secretary Douglas H. Fisher).

OPENING REMARKS

Chairman Murphy offers members a Happy New Year and thanks them for taking the time to participate in the conference call meeting. He said he has enjoyed his year as chairman and considers the Garden State Preservation Trust to be rewarding with an important purpose.

APPROVAL OF MINUTES OF MARCH 11, 2009, BOARD MEETING

Chairman Murphy asked if there were any other corrections or clarifications to the draft minutes. There were none.

Moved by Mr. Hughey
Seconded by Ms. Rosenfeld
Approved 8-0.

ELECTION OF OFFICERS FOR 2010

Mr. Siegel explained the statutory rotation of chair meant in 2010 one of the Senate President's appointees – Ms. Rosenfeld or Mr. Hughey – was to serve as chair. Mr. Hughey expressed his desire to not be nominated.

Mr. Hughey nominated Ms. Rosenfeld as chair for 2010.
Chairman Murphy seconded.

Mr. Siegel conducted a roll call vote.
Approved 8-0 to elect Ms. Rosenfeld chairwoman for 2010.

Chairman Murphy asked for nominations for the position of vice chairman of the Garden State Preservation Trust for 2010. After some silence Chairman Murphy suggested he would be willing to serve in the post.

Mr. Hughey nominated Chairman Murphy as vice-chair for 2010.
Mr. Watson seconded.

Mr. Siegel conducted a roll call vote.
Approved 8-0 to elect Chairman Murphy as vice chairman for 2009.

Mr. Siegel explained the board could elect anyone to serve as Secretary and as Treasurer and could combine the positions. The statute does not require these posts to be held by a voting board member. He explained the posts have been combined since 2004 and that he has been elected to it each year since that time.

Ms. Rosenfeld nominated Mr. Siegel to the combined post of Secretary-Treasurer for 2010.
Mr. Atkinson seconded.

Mr. Siegel conducted a roll call vote.
Approved 8-0 to elect Mr. Siegel Secretary-Treasurer for 2010.

EXECUTIVE DIRECTOR'S FISCAL REPORT

Mr. Siegel reviewed the status of the Garden State Historic Preservation Trust Fund. He said the balances at the end of the 2009 fiscal year, recording on June 30, 2009, showed a remaining capacity for appropriations of \$897,494.

He said the \$1.28 million recommended by the Historic Trust for the HSM grants would come entirely from this fund. He said it was obvious the June 30 balance was insufficient to fund the grant recommendations, but he added there is an actual cash balance of \$27 million in the fund. This was money that has been mostly appropriated and committed but not yet spent. He said this massive balance accrues interest on a daily basis. He said these interest earnings for the 2010 fiscal year would increase the sum available for appropriation, and that the increase could be expected to be adequate to cover the full \$1.28 million. He said it was worth it to proceed with the grants.

Mr. Siegel said the Garden State Historic Preservation Trust Fund had been used in past years to also cover the staff and administrative costs of the New Jersey Historic Trust but that this was not being done in 2010 and so this deduction would not affect these balances.

Ms. Rosenfeld asked why the Historic Trust had made its plans according to the use of Garden State Historic Preservation Trust Fund as a source for these grants when the sum of unallocated funds appeared insufficient.

Dorothy Guzzo, executive director of the New Jersey Historic Trust, said she had been assured the money necessary to fund these grants was already available and in the

fund now. She said the 38 grant recipients have been notified of their grant awards and were anxious to see the appropriations legislation proceed.

Mr. Siegel said his report was concluded and he recommended approval of the Resolution.

**RESOLUTION #10-001 APPROVING NJ HISTORIC TRUST
RECOMMENDATIONS FOR NJ HISTORIC TRUST HISTORIC SITE
MANAGEMENT GRANTS FOR FY2010**

Moved by Mr. Hughey
Seconded by Mr. Watson
Approved 8-0.

Having been advised members had questions about certain proposed expenditures that might affect the deliberations on the office budget, Mr. Siegel suggested Resolution #10-002 to consider the Fiscal year 2010 GSPT Office Budget be moved to a later point on the agenda. Chairman Murphy affirmed.

**RESOLUTION #10-003 APPROVED CONSULTING CONTRACT FOR
CONSERVATION FINANCE ADVISOR**

Ms. Rosenfeld and Chairman Murphy both suggested delaying consideration of any contract until the new administration is in place to provide policies and guidance concerning such contracts. She said it would also be good to review the purpose of the GSPT financial adviser and the direction the adviser should be taking. She requested a report concerning past work with Installment Purchase Agreements, what work is to be done and what other tasks the GSPT requires of the financial advisor.

Mr. Siegel offered to have a report prepared and circulated to the members. Ms. Rosenfeld said such a report would be useful. Ms. Rendeiro asked if delay would interfere with any project. Mr. Siegel said he knew of no such project and noted the contract actually expired in September.

Mr. Hughey observed there was a problem with the contract last year. Mr. Siegel affirmed it had been delayed and reminded members the GSPT has had a contract with Evergreen Capital Advisers for more than seven years, but that the contract periods have in recent years been interrupted. Mr. Hughey asked it be clarified whether this can be a contract renewal or if it always needs to be a new contract with a new bid process.

Chairman Murphy asked for the resolution to be tabled. Ms. Rosenfeld seconded the motion and requested a report and memo concerning the finance adviser's activities and the continuing need for work on Installment Purchase Agreements.

Moved to table by Chairman Murphy.
Seconded by Ms. Rosenfeld.
Approved 8-0 to table.

RESOLUTION #10-004 TO CONDUCT RESEARCH AND PUBLIC EDUCATION CONCERNING UNKNOWN CONSERVATION EASEMENTS

Ms. Rosenfeld said she this project was necessary but she did not believe the GSPT was the correct agency to pursue it.

Ms. Rendeiro asked if easements might affect values on land the GSPT is funding to preserve. Ms. Rosenfeld said many issues in the municipality can affect land values and GSPT cannot examine them all.

Mr. Hughey said the Office of Green Acres should not be proposing lands for preservation until the easement history is known. He said this should be the work of a different state agency. He said the GSPT would have no authority to ensure easements are recognized or enforced, so he questioned the point of the project.

Ms. Rendeiro asked if one outcome of the project might be the rejection of future projects with easement problems.

Ms. Siegel addressed the points raised. He said there is no basis in law or policy linking grant approval to the status of other easements.

However, Mr. Siegel said this was a poor fiscal policy. He said if the GSPT has invested millions of dollars in the preservation of acreage in a community, the enforcement of other easements protecting other acreage should become a GSPT concern. He said the point of the project was to determine what easements were being ignored.

Ms. Hughey said it was a good idea but he had concerns about whether the GSPT was the proper agency to carry it out. Chairman Murphy reiterated his point and thought the proposal was premature.

No motion is made for approval. Item is skipped for lack of action.

RESOLUTION #10-005 TO APPROVE CONTRACT FOR CONSERVATION EASEMENT RESEARCH

Mr. Siegel requests the resolution be withdrawn in light of the inaction on Resolution #10-004. Chairman Murphy consents to withdrawal.

RESOLUTION #10-002 RATIFYING AND APPROVING FISCAL YEAR 2010 GSPT OFFICE BUDGET

Ms. Rosenfeld asked why GSP budget for approval totaled \$277,000 when the Legislature appropriated \$476,000. Mr. Siegel said the larger appropriation had not been requested. He said the inclusion of the larger sum in the Fiscal Year 2010 State Budget had been an oversight.

Ms. Siegel said in past years the larger sum had been requested and appropriated annually so the GSPT had contingency funds available to employ consultants to execute land closings in the event of an emergency problem in the expenditure of bond proceeds. He said all tax-exempt bond proceeds have been expended and so the risk of such a problem no longer exists.

Ms. Rosenfeld said she did not want the GSPT board to fund the fabrication of the "Preserved Farmland" signs. She said the State Agriculture Development Committee should fund the production of these signs. Mr. Watson agreed other preservation agencies

fund their own project-site signs and GSPT should not do it for the farmland program, but he said it was important for some mechanism to be in place to produce these signs as a means to inform the taxpayers about the preservation of farmland.

Mr. Siegel said the last time the “Preserved Farmland” signs were discussed was when a final payment on the last contract was being approved. He said members had raised concerns pro and con about the idea of funding these signs, but he said no final decision on the issue was before the board and therefore no final decision had been made.

Mr. Siegel said the GSPT began funding the fabrication of “Preserved Farmland” signs in 2004 to fill a need. He said there was no full-scale discussion of policy and implications. He said it funded simply because there were no signs, and the other programs did not have this need.

Mr. Siegel noted if the SADC funded the fabrication of these signs, it would come out of their administrative budget, which is provided by the GSPT trust funds. If the GSPT pays for the signs itself, it comes from the GSPT’s administrative budget, which comes from the same funding source. Therefore, the question of which budget should include the line item to fabricate the signs has always seemed immaterial so long as the work got done.

Ms. Rosenfeld asked if the SADC had included funds for the production of signs in their last set of appropriations bills. Mr. Siegel said they had. Ms. Rosenfeld said she was then confused why Mr. Siegel was proposing to replicate the same appropriation. Mr. Siegel said just because the SADC received the appropriation authorizing the production of signs did not mean they were going to do it.

Ms. Rosenfeld, Mr. Hughey and Ms. Rendeiro all suggested the money be removed from the line for “Preserved Farmland” signs but be held in reserve so the GSPT board could decide at a later time to shift it back in. fund the signs if there was no other source for them.

The proposed GSPT agency budget for Fiscal Year 2010 was adjusted to remove \$30,000 for the easement research consulting contract and \$40,000 for the acquisition of Preserved Farmland signs.

Moved as amended by Mr. Hughey.
Seconded by Ms. Rendeiro.
Approved 8-0.

SUBSTANTIAL APPROVAL OF MEETING MINUTES FOR TRANSMITTAL TO THE GOVERNOR’S OFFICE.

Mr. Siegel reviewed the actions taken during the meeting and requested “substantial approval” of the minutes of these actions so appropriations could be submitted after the Governor’s 14-day veto period. He asked for a motion for substantial approval of the January 5, 2010, meeting minutes.

Moved by Ms. Rosenfeld
Seconded by Mr. Murphy
Approved 8-0.

BOARD MEMBER COMMENT

Various board members wished one another a Happy New Year.

ADJOURNMENT

Chairman Murphy moved to adjourn the meeting.

Moved by Chairman Murphy
Seconded by Mr. Hughey
Approved by voice vote 8-0.

Others participating in the conference call:

Maura Tully, Governor's Counsel, Authorities Unit

Dorothy Guzzo, executive director, New Jersey Historic Trust.

Others attending the meeting at the GSPT's 135 West Hanover Street office:

GSPT DAG Cliff Rones

Respectfully submitted

Ralph Siegel
executive director/board secretary
March 24, 2010