

Garden State Preservation Trust
Approved Minutes of November 28, 2006
Conference Call Meeting

Chairman Michael Murphy called the meeting to order at 11:10 a.m. Executive Director Ralph Siegel read a statement certifying compliance with the Open Public Meetings Act. Roll call was taken. Members attending the meeting in person at the Office of Garden State Preservation Trust at 135 West Hanover Street were Chairman Murphy and John S. Watson, Jr., (for DEP Commissioner Lisa P. Jackson.) Public members participating in the conference call were Jan Rosenfeld and Herbert Wegner. Ex-officio members participating in the conference call were Susan Craft (for Agriculture Secretary Charles Kuperus) and Patrick O'Connor (for State Treasurer Brad Abelow). Eileen Swan (for Community Affairs Commissioner Susan Bass Levin) and public member Robert DiVincent did not participate. Also attending were DAG Clifford Rones and NJ Historic Trust Executive Director Barbara Irvine.

CHAIRMAN'S REMARKS

Chairman Murphy welcomed members to the call and thanked them for participating.

APPROVAL OF MINUTES OF JULY 20 MEETING

Chairman Murphy asked for corrections or clarifications to draft minutes from the July 20, 2006, meeting. Several comments and changes were suggested by Mr. Wegner and Ms. Craft.

Chairman Murphy asked for a motion to approve the minutes subject to the amendments and corrections.

Moved by Mr. Wegner

Seconded by Ms. Craft

Approved 5-0.

Mr. Watson abstained.

EXECUTIVE DIRECTOR'S REPORT

Mr. Siegel reviewed the agenda. He explained the recent interpretation of the Garden State Preservation Trust bylaws by the Attorney General's office stipulating full board voting and resolution for the Garden State Preservation Trust agency budget and expenditures for FY2007 and his proposal to ratify such past budgets and expenditures executed in FY2004, FY2005 and FY2006.

Mr. Siegel said until now the practice had been that the Garden State Preservation Trust office budget was subject to appropriation by the Legislature through the State Budget, and therefore received the approval of the Legislature and the Governor, that the office expenditures and operations were managed by the Department of Treasury Division of Administration, and that specific expenditures from that budget required

approval of the chair of the Garden State Preservation Trust and the written approval of the Treasurer.

As a result, the board as a whole had no role in approving the budgets and specific fiscal operations.

Mr. O'Connor said he believed it was a better practice to have the full board involved in office expenditures. He asked if the funds not used for GSPT office operations would not be then available for preservation.

Mr. Siegel affirmed that all unspent funds from all of the administrative accounts at GSPT, State Agriculture Development Committee and the Green Acres Program revert into the respective trust funds and become available for future appropriations. Mr. Siegel said the GSPT usually spends only about two-thirds of its appropriated budget. He reiterated the necessity for administration of programs, and he said the GSPT's role was minor but important in the monitoring, oversight and management of the three trust funds with an accumulated financial activity of \$2 billion.

RESOLUTION #06-014 AMENDING ARTICLE IV SECTION 5(b) OF THE BYLAWS CONCERNING TRUST OFFICE EXPENDITURES

Moved by Chairman Murphy

Seconded by Mr. Watson

Ms. Craft makes a new motion requesting the addition of a provision in the bylaws requiring a financial statement to be provided to the members at each Trust meeting.

Mr. Wegner seconds Ms. Craft's motion.

Chairman Murphy and Mr. Watson accept Ms. Craft's proposed change into the original motion.

Ms. Craft's secondary motion is waived.

Chairman Murphy calls for a vote on his original motion to approve #06-014 as amended by Ms. Craft

Approved 6-0

RESOLUTION #06-015 APPROVING GSPT AGENCY BUDGET FOR FY2007

Ms. Rosenfeld recommends postponing the budget resolution until other matters are voted on. Chairman Murphy agrees.

RESOLUTION #06-016 RATIFYING AGENCY BUDGETS FOR FY2005 & FY2006

Mr. Siegel explained the budgets were executed and completed, but ratification was requested in keeping with the interpretation of the Attorney General's office that the Trust board should vote on fiscal matters.

Moved by Ms. Craft

Seconded by Mr. Wegner

Approved 6-0

RESOLUTION #06-017 APPROVING CONTRACT WITH EVERGREEN CAPITAL ADVISORS FOR CONSULTING AND FINANCIAL ADVISORY SERVICES FOR FY2007

Mr. O'Connor, Ms. Craft and other members raised questions about whether bids should have been received for the award of the contract. Mr. Siegel explained Evergreen Capital Advisers principle New Jersey member, Daniel Patrick O'Connell, has had a contract with the Garden State Preservation Trust since 2003 as a sole-source professional provider. Such professional contracts have a cap on annual costs and do not require competitive bidding.

Several members expressed the view that since the GSPT awards so few contracts itself, it was best to pursue a policy of public bidding and full transparency. Mr. Siegel and Mr. Ronen affirmed a bidding process could be undertaken on this contract pending consultation with the Department of Treasury Division of Administration.

Moved to Table by Mr. O'Connor
Motion to Table Seconded by Chairman Murphy
Tabled 6-0

RESOLUTION #06-018 RATIFYING CONTRACTS WITH EVERGREEN CAPITAL ADVISORS FOR FY2005 & FY2006

Moved by Ms. Craft
Seconded by Mr. Wegner
Approved 6-0

RESOLUTION #06-019 APPROVING CONTRACT WITH DEPTCOR FOR FISCAL YEAR 2007 FOR FABRICATION AND DELIVERY OF "PRESERVED FARMLAND" SIGNS

Mr. Watson asked about the origins of this appropriation, why Garden State Preservation Trust funds were used for this purpose when no GSPT funding was being used to produce signs for the Green Acres Program.

Mr. Siegel offered two explanations.

He said on the practical side, this contract was engaged in 2004 when the Farmland Preservation Program had no more "Preserved Farmland" signs. He had checked with the Green Acres Program to see if a sign shortage existed there as well and it did not.

And on the policy side, Mr. Siegel said the public is or ought to be well aware of the land acquisitions done for parks and wildlife management areas through the Green Acres Program, but that there was no method for informing the taxpayers about GSPT investments in the preservation of farmland because the land remains in private ownership with no requirement of public access or even public notification. He said the "Preserved Farmland" sign was the only means by which the GSPT could ensure the taxpayers, commuters and local community find out land has been preserved and protected from development.

Ms. Craft said the "Preserved Farmland" signs were an essential ingredient in promoting the Farmland Preservation Program and developing taxpayer support for the expenditure in farmland preservation, but that the State Agriculture Development Committee and the Department of Agriculture had never had an appropriation or source of funds to manufacture these signs.

Mr. Siegel said the original batch of “Preserved Farmland” signs were designed and manufactured through a special allocation of funds from the Governor’s discretionary account by former Gov. Christie Whitman in the 1990s.

Members asked about the sum of the proposed approval. Mr. Siegel said \$48,000 was proposed to cover the remaining cost of a 2004 contract to provide 300 signs. He said all 2004 procurement contracts have been deemed to be expired but the Garden State Preservation Trust in his view was still bound to honor the agreement to procure the full 300 signs. He said the additional \$20,000 was for a new contract to produce more signs,

Members proposed the resolution be limited to \$48,000 to cover the cost of the old FY2004 contract with DeptCor without authorizing any new acquisitions of signs without further board approval.

Moved by Mr. Wegner
 Seconded by Ms. Craft
 Approved 5-0
 Mr. O’Connor abstained

RESOLUTION #06-020 RATIFYING \$81,300 CONTRACT WITH DEPTCOR FOR FISCAL YEAR 2004 FOR FABRICATION AND DELIVERY OF “PRESERVED FARMLAND” SIGNS

Moved by Mr. Wegner
 Seconded by Ms. Rosenfeld
 Approved 6-0

RESOLUTION #06-015 APPROVING GSPT AGENCY BUDGET FOR FY2007

Ms. Craft and Ms. Rosenfeld inquired as to the availability of budget reports to the board members when they meet. Mr. Siegel said he receives monthly budget reports from the Division of Administration as a matter of course and would be able to prepare the most recent such report for the Trust when it meets.

Moved by Mr. Watson
 Seconded by Ms. Craft
 Approved 6-0

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 as he had reviewed them.

Chairman Murphy asked for a motion for substantial approval of the November 28 conference call meeting minutes.

Moved by Mr. Wegner
Seconded by Ms. Craft
Approved 6-0.

TRUST MEMBER COMMENTS

Chairman Murphy asked if Trust members had additional comments. There were none.

Executive Director Siegel apologized to the members for the duration of the conference call. He said it had been his recommendation to Chairman Murphy that a conference call meeting would suffice for the convenience of the members because in his view the matters on the agenda were procedural and would not require the time that it did with many of the discussions becoming substantial. Mr. Siegel said if he had anticipated this he would have recommended to Chairman Murphy a full board meeting be held in Trenton.

PUBLIC COMMENTS

No members of the public attended or participated in the call.

ADJOURNMENT

Chairman Murphy asked for a motion to adjourn the meeting at 12:50 p.m.

Moved by Mr. O'Connor
Seconded by Mr. Wegner
Approved 7-0.

Respectfully submitted

Ralph Siegel
executive director
board secretary
February 21, 2007

Also in attendance at office of Garden State Preservation Trust
135 West Hanover Street.

GSPT DAG Clifford Rones
Barbara Irvine