

NEW JERSEY BUILDING AUTHORITY (NJBA or Authority)  
Board Meeting  
Tuesday, February 9, 2016 @ 9:30AM  
Via Teleconference  
28 W. State St, 6<sup>th</sup> fl.  
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. William Mullen
4. Dennis McNerney
5. Sean Earlen
6. William Sproule
7. Brian Francz, NJ Office of Management and Budget, *Designee for Director of OMB*

**BOARD MEMBER(S) ABSENT**

8. B. Carol Molnar, Esq., Chair, NJ Commission on Capital Budgeting & Planning
9. Ryan Feeney, NJ Office of Public Finance, *Designee for State Treasurer*

**OTHERS PRESENT VIA TELECONFERENCE**

Amy Herbold, Assistant Counsel, Governor's Authorities Unit  
Kavin K. Mistry, Assistant Attorney General  
Richard Flodmand, Division of Property Management and Construction (DPMC)  
Jim Fearon, Esq., Gluck Walrath LLP

**OTHERS PRESENT AT NJBA'S OFFICE**

William Hanna, Deputy Attorney General  
Raymond A. Arcario, NJBA Executive Director  
Guy Tassi, NJBA Asst. Treasurer  
Kyle Paul, NJ Treasury Administration  
Phil Johnson, NJBA Project Manager  
Vincent Campanella, NJBA Sr. Project Manager

**I. CALL MEETING TO ORDER**

Chairman Fisher called the meeting to order at approximately 9:35 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,

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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, 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 SECTIONS** above. Please note no members of the public attended this meeting.

III. **MATTERS REQUIRING BOARD ACTION**

A. Chairman Fisher asked for a motion to approve the Meeting Minutes from the November 24, 2015 NJBA Board Meeting. Mr. Sproule moved the motion, Mr. McNerney seconded the motion; and Mr. Arcario with the roll call, seven (7) board members voted in favor of the motion.

B. Chairman Fisher asked for a motion to approve the Twenty-Fifth Supplemental State Revenue Bond Resolution. Mr. McNerney moved the motion, Mr. Sproule seconded the motion:

Chairman Fisher asked Mr. Mistry to lead the discussion on the Twenty-Fifth Supplemental State Revenue Bond Resolution. The main purpose of this bond resolution is to refund debt service savings, select outstanding Building Authority bonds and to permanently fix-out the 2013 bond anticipation note to a long-term bond. Bond Counsel to the Building Authority's is Gluck Walrath LLP. Jim Fearon, Esq. from the Gluck Walrath firm will described the provisions of the Twenty-Fifth Supplemental State Building Revenue Bond Resolution.

Mr. Fearon described the Twenty-Fifth Supplemental Resolution. He stated that this was a borrowing under the original 1985 Revenue Bond Resolution, and that the 2016 Series A Bonds will be issued as Refunding Bonds thereunder, for the purpose of refunding the Authority's maturing Series 2013 bond anticipation notes and all or a portion of the Authority's outstanding 2006 Series A and 2007 Series A Bonds. He stated that the parameters included in the Resolution were that the principal amount not exceed \$125 million, that the bonds mature not later than June 15, 2030, that the

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redemption price not exceed 100%, and that the bonds have a true interest costs not to exceed 5%. Mr. Fearon also stated that the determination of the principal amounts and interest rates are delegated to any Authorized Authority Official (i.e., the Chairman, Vice Chairman, Executive Director or Treasurer of the Authority), subject to approval by the State Treasurer.

Mr. Fearon noted that the Resolution authorizes the negotiated sale of the bonds to Citigroup Global Markets Inc. as senior managing underwriter, and that any Authorized Authority Official may appoint co-senior managers, co-managers and other underwriters, upon recommendation of the State Treasurer following an RFP process. Mr. Fearon stated that the Resolution approves a Bond Purchase Contract with the underwriters at a maximum underwriting compensation of \$3.75/bond, and that it also approves a Preliminary and final Official Statement, a Continuing Disclosure Agreement and an Escrow Deposit Agreement with the bond trustee, U.S. Bank National Association. He also stated that the Resolution delegates various actions to any Authorized Authority Official, including specifically the power to establish the redemption terms for the refunding bonds, identify the refunding candidates and direct their optional redemption, procure bond insurance if desirable, and identify the escrow securities to be purchased.

Mr. Fearon offered to address any questions from the Board. Chairman Fisher confirmed there are no Board Member questions and asked Mr. Arcario to perform a roll call vote.

Pursuant to Mr. Arcario's roll call vote to approve the Twenty-Fifth Supplemental State Revenue Bond Resolution, seven (7) board members voted in favor of the motion, none opposed and the motion was approved.

**IV. PROJECT STATUS REPORTING**

**A. Executive State House Exterior Envelope Renovation and Repair Project**

Chairman Fisher provided brief remarks on the Executive State House Exterior Envelope Renovation and Repair Project and thanked Mr. Arcario for all Team efforts to date and provide a project update.

Mr. Arcario expanded on this project's update by reminding the Board of the Design Consultant's experience on similar government structures nationwide. Following an early design phase investigation activity by the Design Consultant and subsequent review with the NJBA and DPMC, it was determined the previously approved budget is inadequate to

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complete the exterior envelope renovation and repair project. Over the past year, the Project Team has been evaluating options - 1) prosecute the work consistent with the project report utilizing the in-place funding knowing that all planned work items will not be addressed and 2) seek additional funding to complete the exterior envelope renovation and repair project adding interior renovations to the State House. Adding the State House interior renovations to the project will however impact the State's government daily operations and add new cost. Meanwhile, the NJBA and DPMC have decided to perform emergent projects addressing life safety matters (temporary emergency egress stairs), structural improvements at the three (3) additions or wings to the State House, façade repairs, chimney repairs and other potential life safety work items. The NJBA and DPMC will continue to work toward a decision to either proceed with the exterior envelope renovation and repair project only or a decision to continue dialogue with the Government Administration to arrest a larger and more comprehensive project (both the exterior envelope renovation and repair project and interior renovations to the State House). The in-place bond funds remaining to be obligated is approximately \$30 million and the current plan is to design the exterior envelope renovation and repair project without future potential of deconstruction. The Design Consultant's next step will be to develop concept planning/programming involving both exterior and interior scopes, positioning the Project Team for a faster design finalization pending a decision to combine both projects; this effort will take approximately 4-5 months.

Chairman Fisher's question: Will the structural improvements at the three (3) wings involve any staff relocation? *Mr. Arcario responded that the work will be performed off-hours to minimize disruption to the Governor's staff.*

Chairman Fisher asked the Board Members to express any comments.  
*Mr. Sproule supports the efforts to perform the emergent project work.*

Chairman Fisher asked Mr. Mistry is there any cause to memorialize this project's update given by Mr. Arcario? *Mr. Mistry responded that today's update by Mr. Arcario is consistent with the approved Project Report and no further action is required by the Board.*

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V. 2015 AUDIT UPDATE

Mr. Tassi advised the 2015 audit is scheduled for March 7, 2016 with Mercadien, P.C., Certified Public Accounts. Included in the process is a trial balance review by February 22, 2016. With no bonds issued in 2015, the audit will be timely performed. Mr. Tassi asked for any Board Member comments, no comments from the Board.

VI. EXECUTIVE SESSION

None

VII. PUBLIC COMMENTS

There were no public members in attendance.

VIII. GENERAL COMMENTS/OTHER BUSINESS

Chairman Fisher remarked that any new development on the State House project may result in a special Board meeting.

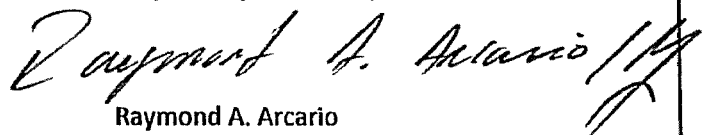
IX. NEXT MEETING

Tuesday, April 12, 2016

X. ADJOURNMENT

Chairman Fisher asked if there being no other business that the meeting can be adjourned; on motion by Mr. Sproule and seconded by Mr. McNerney and with seven (7) members voting in favor, the motion passed. The meeting adjourned at approximately 10:02 A.M.

Respectfully submitted,



Raymond A. Arcario  
Executive Director

RAA/pj

Date: February 11, 2016