

Fort Monmouth Economic Revitalization Authority
Board Meeting
October 17, 2012
Tinton Falls Municipal Building, Tinton Falls, New Jersey

MINUTES OF THE MEETING

I. **Members of the Authority present:**

- James V. Gorman, Chairman, Fort Monmouth Economic Revitalization Authority (FMERA) - **V**
- Robert Ades, Vice Chairman, Public Member – **V**
- Michele Brown, CEO, New Jersey Economic Development Authority (NJEDA) - **V**
- Brett Tanzman, Assistant Counsel, Authorities Unit, Office of the Governor - **V**
- Dr. Robert Lucky, Public Member – **V**
- Lillian Burry, Monmouth County Freeholder – **V**
- Gerald Tarantolo, Mayor of Eatontown - **V**
- Michael Skudera, Mayor of Tinton Falls - **V**
- Michael Mahon, Mayor of Oceanport - **V**
- Charles Richman, Assistant Commissioner, NJ Department of Community Affairs (DCA)
- Catherine Starghill, Director of Workforce Field Services, NJ Department of Labor and Workforce Development (LWD)
- Jonathan Lowy, Regional Manager, Government and Community Relations, NJTransit

Members of the Authority not present:

- Kenneth J. Kloo, Director, Site Remediation Program, NJ Department of Environmental Protection (DEP)

V- Denotes Voting Member

Also present:

- Bruce Steadman, Executive Director, FMERA
- Timothy Lizura, President and COO, NJEDA
- Gabriel Chacon, Deputy Attorney General (DAG)
- FMERA staff

II.

The meeting was called to order by Chairman James V. Gorman at 7:04 p.m. who led the meeting in the Pledge of Allegiance.

In accordance with the Open Public Meetings Act, FMERA Executive Director and Secretary, Bruce Steadman announced that notice of this meeting has been sent to the Asbury Park Press and the Star Ledger at least 48 hours prior to the meeting, that a meeting notice has been duly posted on the Secretary of State's bulletin board at the State House, and the FMERA and the NJEDA websites.

The first item of business was the approval of the September 19, 2012 meeting minutes. A motion was made to approve the minutes by Mayor Mahon, and seconded by Mayor Tarantolo.

Motion to Approve: MAYOR MAHON Second: MAYOR TARANTOLO
AYes 8

Mayor Skudera was not yet present.

III. WELCOME

Chairman James V. Gorman welcomed attendees to the Board Meeting. Mr. Gorman gave a special welcome to Michele Brown, the new CEO of the New Jersey Economic Development Authority (NJEDA). Mr. Gorman stated that the Board would again consider for approval the sublease of the Motor Pool from FMERA to the County of Monmouth. The Motor Pool sublease was tabled at last month's meeting due to local concerns. Mr. Gorman stated that there have been recent developments which should serve to address the concerns of local residents. Mr. Gorman stated that the Board would consider the approval of Notice of Interest (NOI) Evaluation Process for certain parcels requested by public entities and lastly, the Board will consider approving the extension of the Independent Audit Services Engagement. Mr. Gorman stated that the board materials are available to the public at the meeting.

The Chairman went on to state that there will be two comment periods at the meeting. The first comment period is for agenda items only and the Chairman asked for the public's cooperation in keeping their comments as brief as possible. The Chairman explained that the second public comment period is towards the end of the meeting agenda and is open to the full range of FMERA business. The Chairman reiterated his request for the public's cooperation in keeping comments as brief as possible. The Chairman continued by stating that in his role as Chairman he is required to conduct an orderly meeting and complete the meeting agenda in a reasonable time period. The Chairman concluded by stating that FMERA continues to welcome the public's constructive comments and ideas.

IV. SECRETARY'S REPORT

Bruce Steadman stated that the November Board Meeting is scheduled for November 19th at the Tinton Falls Municipal Building.

Mr. Steadman stated that based on the approval at the September Board Meeting, the Staff Advisory Committee memberships will be completed in accordance with the criteria established. Mr. Steadman stated that FMERA will be conducting Staff Advisory Committee Meetings in November.

V. TREASURER'S REPORT

Beverlee Akerblom, Director of Finance and Administration, stated that the FMERA Management Team continues the 2013 FMERA budget process and will present the draft 2013 Budget to the Audit Committee at their November meeting. The FMERA 2013 Budget is scheduled to be brought before the Board for its consideration and approval at the December Board Meeting.

Ms. Akerblom stated that the Authority is preparing its preliminary appropriation request to the New Jersey Office of Management and Budget for inclusion in the state's fiscal year 2014 budget. The request will reflect the Authority's dedication to controlling costs, and eliminating unnecessary

spending. The State appropriation is required to satisfy the 10% local match requirement of the federal grant received through the Office of Economic Adjustment.

Ms. Akerblom concluded her report by stating that spending continues to be strictly monitored.

Mayor Skudera arrived at 7:10 p.m.

VI. PUBLIC COMMENT REGARDING AGENDA ITEMS

Rosalie Sneath of Eatontown stated that her property is adjacent to Nicodemus Avenue and that she is disappointed and angry that Monmouth County representatives were not present at the special Eatontown Council Meeting to give a presentation regarding the Motor Pool. Ms. Sneath stated that she is concerned about trucks, diesel fuel, and pumps in the area which will lower the property value of her residence. Ms. Sneath stated that the residents of the three host municipalities are not informed about the redevelopment of the Fort.

Bruce Steadman stated that the NOI for the Motor Pool was originally submitted six years ago and was revised to include the Motor Pool in 2009. Mr. Steadman further stated that there have been meetings with Monmouth County and Eatontown for the past two years.

Ed Dlugosz of Eatontown stated he believes in the precautionary principle and that the residents of Rose Court have been surrounded by contaminated landfills for years and are unaware of the toxins and health threats. Mr. Dlugosz stated that with the advent of the Department of Public Works (DPW) at the site, the residents have encountered too much contamination and they will continue to be exposed to the M2 landfill. Mr. Dlugosz stated that, in his opinion, there is a plume of groundwater beyond the landfill and that the drinking water is not suitable which could cause long term effects to the residents.

Mr. Gorman asked Mr. Dlugosz if he has raised the issues at the U.S. Army's Restoration Advisory Board (RAB).

Mr. Dlugosz stated that the contamination from the M2 landfill, for the past six years, has been from the failure of the Army to mediate, cap or stabilize the landfills.

Mr. Steadman stated that Mr. Dlugosz is a valued member of FMERA's Environmental Staff Advisory Committee (ESAC). Mr. Steadman stated that there is an Army plan in place with the Department of Environmental Protection (DEP) which is being worked on, on a monthly basis, for the landfills to be evaluated, and the plans are being finalized through discussions between the Army and the DEP. Mr. Steadman stated that FMERA is confident that the landfills are being addressed in an appropriate manner by the DEP and the Army. Mr. Steadman stated that the Finding of Suitability to Lease (FOSL) has been completed for the Motor Pool and signed off on by the DEP and that the Finding of Suitability to Transfer (FOST) will be completed based on the completion of any work that the FOSL recommends. Mr. Steadman stated that the County has agreed to maintain the environmental integrity of the property and maintain a rigorous environmental review of all of their activities.

Mr. Steadman stated that he would review the FOSL again to confirm that there is no environmental condition that is called out in the FOSL, but that the purpose of the FOSL is to establish an environmental record for the property to be leased. If the parcel is determined to have a poor

environmental condition, a FOSL cannot be completed. Mr. Steadman stated that the Army is forever responsible for any environmental issue that the Army caused on the site. Mr. Steadman further stated that the DEP is very aggressive and the plan for oversight is strong and assertive.

Mayor Tarantolo asked if the conditions of the FOSL are not met, is the lease arrangement void. Mr. Steadman stated yes, but the conditions of the FOSL have been met by the Army. Mayor Tarantolo stated that he would like to be more involved in the FOSL process and the conditions that have to be met. Mr. Steadman explained that there are no conditions that have to be met for the the lease and the sublease other than the lessee and sublessee must abide by prevailing environmental laws. Mr. Steadman stated that in deference to the Mayor's comments, he would review the FOSL one more time to confirm that the FOSL does not call out an existing environmental condition that would preclude the lease and sublease of the parcel.

[Mr. Steadman did review the FOSL again and responded to Mayor Tarantolo stating:
As per your request at the October FMERA Board meeting, I reviewed the FOSL again, and also discussed it with the Army's environmental representative, with respect to Ed Dlugosz' comments. The FOSL does not indicate any ongoing contamination issues within the 10+-acre parcel designated for the County sublease. Mr. Dlugosz' comments appear to refer to building #1122, a former truck garage, which is located on the parcel to the north of the motor pool sublease parcel. According to the Army, groundwater in this area would be flowing to the north and away from the residences near the motor pool property. I trust this answers the question regarding the environmental condition of the motor pool sublease parcel.]

Mayor Tarantolo stated that one of the reasons the boroughs supported turning the Motor Pool into green space by the County was that the contaminated areas would become green space.

Mr. Steadman stated that the FOSL does not call out any contaminated areas that originated at the Motor Pool that are migrating towards any property lines, and that Mr. Dlugosz was incorrect in his assertion regarding the Motor Pool parcel.

Mayor Mahon asked for the distance between the Motor Pool property and the M2 landfill and it was answered that it is adjacent.

Ms. Burry stated that the County policy is to not lease or purchase any property that is contaminated and the County has done their due diligence on the property.

Sarah Breslow of Eatontown stated that the redevelopment process is unbelievable and self contained in that the Army controls the process and sets the standards which are ecological and not up to human standard. Ms. Breslow stated that while the Army is responsible forever, FMERA is responsible now.

Lynn Hanson of Eatontown asked who controls and monitors the potential contamination from the County at the Motor Pool. John Tobia, Director of Public Works & Engineering, stated that the County complies with all storm water regulations and all facilities are monitored by the State and the County Health Department.

Ms. Hanson asked how often the County monitors and Mr. Tobia stated that the storm water compliance is inspected once per year, the DEP does spot inspections and the Health Department

monitors monthly. Ms. Hanson requested transparency going forward and stated that residents need to be notified.

Tom Mahedy of Wall Township asked if there had been a health survey conducted for the residents of Rose Court as there will be an increase in contamination at the Motor Pool. Mr. Steadman stated that he is unaware under the current law of any such health survey since the FOSL does not call out any ongoing environmental issue to be addressed.

Mr. Steadman corrected Mr. Mahedy's comment regarding an increase in contamination and asked Mr. Mahedy for corroborating evidence.

Mr. Mahedy stated that there was testimony by Mr. Dlugosz regarding the contamination and Mr. Steadman clarified that Mr. Dlugosz' statements would not be considered testimony, but were Mr. Dlugosz' opinions.

Mr. Steadman stated that the DEP approved the FOSL and they will review the FOST to address the situations and data that were outlined in the FOSL. Mr. Mahedy stated that the NOI process is for corporations and non-for-profit organizations are not treated fairly.

VII. EXECUTIVE DIRECTOR'S REPORT

Dave Nuse, Director of Real Estate Development, stated that FMERA and the Army have begun preliminary discussions on the future transfer of the balance of the Main Post, under the Phase 2 Memorandum of Agreement (MOA). In furtherance of this effort, members of the FMERA staff will meet with U.S. Army representatives regarding Phase 2 on October 18, 2012 at the former Post. Routine meetings and communications with the U.S. Army continue to occur and further a positive working relationship that will result in a revitalized Fort Monmouth.

Dave Nuse stated that the Board of Directors approved the transmittal of proposed plan amendment #2 to the host municipalities at the August 15, 2012 meeting of the Authority. The 45 day review period began on Thursday, September 6, 2012 and will end on Monday, October 22, 2012.

The proposed plan amendment #2 to the Fort Monmouth Reuse and Redevelopment Plan would allow, as an alternative, the incorporation of the 80,000 sf wellness campus envisioned in the Reuse Plan into the reused former Patterson Army Health Clinic while maintaining the same housing units and types within Oceanport. The Clinic was slated to be demolished in the Reuse and Redevelopment Plan. In accordance with the FMERA Act, each host municipality may provide a report with comments on the proposed plan amendment within the 45 day review period. Each municipality will determine how to gather any such comments, and members of the public should provide their comments directly to the host municipalities.

Rick Harrison, Director of Facilities Planning, stated that the Authority staff has been working with the New Jersey Attorney General's Office, the Authority's Outside Counsel, and Phillips Preiss Grygiel (PPG), the Authority's Planning Consultant to draft the land use regulations for the former Fort Monmouth property. PPG is on target to finalize these regulations by the end of the month to allow the Board ample time to review them prior to considering them for approval at the November Board meeting. On October 5th, FMERA, FMERA Counsel, and PPG met with representatives and engineering and planning professionals from Monmouth County, Eatontown, Oceanport, and Tinton

Falls, to discuss and address the comments received from them. All comments were discussed and some changes were incorporated into the draft regulations to address many of the comments. We believe that all comments were satisfactorily answered if not resolved. There were some comments that could not be resolved due to provisions or requirements set forth in FMERA's forming legislation.

The regulations will serve as the zoning document that allows for implementation of the Reuse and Redevelopment Plan for the Fort, and will be used by the planning boards of the three host municipalities, and by the Authority, in evaluating proposed development projects. The public will have a 60 day review and comment period once these regulations are released and published in the New Jersey Register.

Rick Harrison stated that the FMERA real estate and marketing staff moved to temporary office space, located at 15 Christopher Way, Eatontown on September 20, 2012 and will remain there until the new office space in the former Post library building is completed. The remainder of the FMERA staff is occupying temporary office space on the former Fort property in the Army's Caretaker Office at no cost. For the next several months, members of the public should feel free to contact FMERA staff using the same telephone numbers and e-mail addresses as always, and face-to-face at the 15 Christopher Way location.

The former Post library building is expected to be completed in early 2013, at which time the FMERA staff will move to the building. A plan for public access to the former Post library building will be in place prior to the FMERA staff locating there.

Katie Hodes, Program Officer, stated that the FMERA staff will be hosting a Community Bus Tour on Thursday, November 1, 2012. The Bus Tour will allow members of the public to tour the former Post and speak to members of the FMERA staff about the redevelopment effort. The tour will leave from the Visitor Center on Oceanport Avenue at 10:00 am on November 1. Due to the capacity of the buses, the tour will be limited to 60 members of the public. Please express your interest in participating in the tour by e-mailing FMERAINFO@njeda.com. Members of the public will be able to reserve a seat on the bus on a first come, first serve basis and will receive an e-mail from the FMERA Office confirming their attendance.

The FMERA staff intends to conduct Community Bus Tours on a routine basis.

Action Items for Next Month.

- Continued work with Matrix Design Group and the N.J. Department of Environmental Protection to identify and resolve environmental issues of concern
- FMERA anticipates issuing Requests for Offer to Purchase (RFOTP) for Parcel C (mixed use), C-1 (housing), Golf Course (golf course and related uses), Howard Commons (housing) and Parcel B (retail and other uses) in the fall
- Continued meetings and tours with interested prospective employers and investors
- Continued outreach to our stakeholders
- Continued collaboration with our Trenton office on marketing and business development opportunities

Mr. Steadman thanked Eatontown's Mayor Tarantolo, and Councilmen Talerico and Gonzalez, and the County's John Tobia and Joe Ettore, and all of the attendees of the Motor Pool meetings on September 13th and October 3rd for good and productive meetings in addressing all of the difficult issues facing

Eatontown residents. Mr. Steadman stated that the Eatontown and County representatives showed leadership and resolve in establishing a plan to address the issues to allow the project to move forward

Mr. Steadman stated that in his experience with base closures around the country, many fail due to parochialism and the inability of key people to address the difficult issues, and thanked all of the attendees for coming together to create a good plan that would allow the project to move forward

Mr. Steadman thanked Mayor Skudera, Mayor Mahon, Mayor Tarantolo and Freeholder Burry for their participation at the NOI meeting, for their determination to do something that was good for the broader community.

Mr. Steadman recognized Frank Barton from the Office of Economic Adjustment (OEA) for his continued support to FMERA.

Mr. Steadman acknowledged James Briggs and Joe Martore of the U.S. Army for their help in representing the Army's issues as well as helping FMERA address community issues to find common ground.

Mr. Steadman then clarified a misstatement made earlier by Mr. Mahedy regarding homeless and affordable housing, stating that the correct information is that FMERA has committed to 20% of the residential units in the Reuse Plan to be affordable housing, and that there are four legally binding agreements with the homeless services providers, that Housing and Urban Development (HUD) has reviewed, that obligate FMERA at a monetized value estimated at \$14.5MM.

Mr. Steadman introduced Gil Medina, Executive Managing Director, Cushman & Wakefield, who gave an update of the Master Broker's activities, which is attached hereto.

VIII. COMMITTEE REPORTS

a) AUDIT COMMITTEE (ROBERT ADES, CHAIRMAN):

Robert Ades stated that the Committee met on October 10, 2012 at the FMERA office.

Mr. Ades stated that in addition to administrative matters, approval of prior audit committee meeting minutes and scheduling of future committee meetings, the committee reviewed the financial and operation assessment for the six-months ended June 30, 2012. The highlights included:

- Major funding sources continue to be federal grants and state appropriations.
- During the period the Authority received \$52,000 in operating fees from the Suneagles Golf Course and facilities which were used to fund economic development conveyance expenses.
- Operating expenses for the period are under plan and continue to be monitored.
- The Economic Development Conveyance Agreement was approved later in the year than projected in the plan, accordingly property transfers and sales have been delayed.
- Issuance of Requests For Offers To Purchase for Parcels C, C1, the Suneagles Golf Course and Howard Commons are planned prior to the end of the year.

The Audit Committee also reviewed the one-year extension of the independent auditor's engagement, and recommended it be forwarded to the Board for their consideration and approval.

b) REAL ESTATE COMMITTEE (JAMES V. GORMAN, CHAIRMAN):

Chairman Gorman noted that the Committee met on October 9th at the FMERA Office. Mr. Gorman stated that the Committee received an update on the following:

- The meeting on October 5th with the planners of the three host municipalities, the County, FMERA, DAG Chacon, the Authority's outside counsel and representatives from PPG to discuss the land use regulations and the updated comments received from the host municipalities and the County.
- The revisions to the NOI Evaluation Process. The Committee reached a consensus and agreed to recommend approval of the NOI Evaluation Process to the full Board of Directors.
- The proposed one-year sublease of the Motor Pool from FMERA to the County and the various meetings and discussions. The Committee reached a consensus and agreed to recommend approval to the full Board of Directors.
- Cushman & Wakefield's marketing efforts. Cushman & Wakefield have put in quantitative measures for potential investors to allow FMERA to track Cushman & Wakefield's marketing campaign.
- The Small Business meetings which were held and the Committee learned that the results are encouraging with numerous inquiries from small business groups from varied industry areas.
- The proposed University Applied Science Project with the hope that the project will come to fruition in the near term.
- General Services Administration (GSA) bidding process for Building 2525, and FMERA is in contention for the lease. It is expected that FMERA will be asked for a best and final offer this month.

Mr. Gorman stated that since the criteria and the composition of the Committees is still being evaluated there were no Staff Advisory Committee meetings in October.

IX. Board Actions

The next item before the Board was the consideration of approval of Sublease of Motor Pool from FMERA to the County of Monmouth.

Bruce Steadman read the resolution which is attached hereto and marked Exhibit 1.

Bruce Steadman read Exhibit B of the Motor Pool sublease which is attached hereto.

Bruce Steadman stated that the Board Memo mirrored the resolution and provided additional backup information.

A motion was made to approve by Robert Ades and was seconded by Lillian Burry.

Lillian Burry stated that the comments regarding the lack of transparency bother her and having served on the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) and FMERA Boards, nothing has been done behind closed doors, and over the last four years, she has reported on the Motor Pool. Ms. Burry stated that the Motor Pool will serve as a mutually beneficial use to assist the municipalities. Ms. Burry stated that the County and the municipalities have met in order to satisfy

their needs. Ms. Burry further stated that the Motor Pool is not a new use, but a better use to the municipalities.

Mayor Tarantolo stated that the Motor Pool issues between the County and Eatontown were addressed and Eatontown was accommodated by the County. Mayor Tarantolo stated that the changes reflect a better arrangement than the one that currently exists. Mayor Tarantolo stated that the redevelopment plan stated that the area would be used for green space. Mayor Tarantolo stated that he was not aware of the environmental issues that were addressed earlier in the meeting and will need a better understanding on behalf of the residents. [Please see Mr. Steadman's subsequent response above.]

Dr. Lucky asked for clarification if the environmental issues are addressed in the sublease and was answered that they are addressed in the FOSL, and will be addressed again when the FOST is issued.

Mayor Mahon stated that as a member of the Real Estate Committee, the County submitted a letter in 2009 modifying the NOI from green space to the Motor Pool. Mayor Mahon stated that he supports the County and the importance of the location of the property. Mayor Mahon stated that the issues will be worked out during the Plan Amendment Process, which is necessary if the County intends to purchase the property. Mayor Mahon stated that the Board should accommodate the lease for the term, which is one year with a possible renewal of an additional six months, and get insight into the concerns and issues during that time.

Bruce Steadman conducted a roll call vote.

Name	Yes	No	Abstain
James V. Gorman	X		
Robert Ades	X		
Michele Brown	X		
Brett Tanzman	X		
Dr. Robert Lucky	X		
Lillian Burry	X		
Gerald Tarantolo			X
Michael Skudera	X		
Michael Mahon	X		

Motion to Approve: ROBERT ADES Second: LILLIAN BURRY

AYes: 8

Mayor Tarantolo abstained from voting pending Mr. Steadman's review of the FOSL.

The next item before the Board was the consideration of approval of Notice of Interest (NOI) Evaluation Process

Bruce Steadman read the resolution which is attached hereto and marked Exhibit 2.

Bruce Steadman stated that the Board Memo mirrored the resolution and provided additional backup information.

A motion was made to approve by Mayor Tarantolo, and was seconded by Lillian Burry.

Mayor Skudera stated that Mr. Steadman was very instrumental in explaining the NOI Evaluation Process in detail and that he was pleased with the changes that were made to the process.

Name	Yes	No	Abstain
James V. Gorman	X		
Robert Ades	X		
Michele Brown	X		
Brett Tanzman	X		
Dr. Robert Lucky	X		
Lillian Burry	X		
Gerald Tarantolo	X		
Michael Skudera	X		
Michael Mahon	X		

Motion to Approve: MAYOR TARANTOLO Second: LILLIAN BURRY
AYes: 9

The next item before the Board was the consideration of approval of the one-year Extension of Independent Audit Services Engagement and the additional cost not to exceed \$14,900 for the additional work to certify FMERA's Economic Development Conveyance (EDC) Reports.

Bruce Steadman read the resolution which is attached hereto and marked Exhibit 3.

Bruce Steadman stated that the Board Memo mirrored the resolution and provided additional backup information.

A motion was made to approve by Robert Ades, and was seconded by Mayor Mahon.

Motion to Approve: ROBERT ADES Second: MAYOR MAHON
AYes: 9

X. Public Comment

Anthony Talerico of Eatontown concurred that the meetings between the County, Eatontown and FMERA were very beneficial. Mr. Talerico thanked Freeholder Burry for allowing the County to make a presentation at the Eatontown Council Meeting. Mr. Talerico expressed his disappointment that the County was not allowed to make a presentation at the FMERA Board Meeting. Mr. Talerico asked if the April 2007 memorandum between the County and the host boroughs included the Motor Pool area as green space and as a public benefit conveyance and was answered yes.

Linda Zucaro of Tinton Falls stated that as a member of the Housing Staff Advisory Committee, would the members be notified of their renewed membership, and if so, did FMERA anticipate having a Housing Staff Advisory Committee Meeting in November due to the Board actions that are anticipated at the November Board Meeting.

Bruce Steadman stated that the members would be notified within a few weeks and all of the Staff Advisory Committee's would be conducting meetings in November.

Sarah Breslow of Eatontown stated that the County should take over some of the recreational areas. Ms. Breslow stated that when the Motor Pool was occupied by the Army, it was contained on the Fort property. Ms. Breslow stated that the property was designated as green space and residents who purchased property were adhering to the redevelopment plan. Ms. Breslow stated that the Board has vested interest in burying the facts in order to sell the property. Ms. Breslow stated that she has no confidence that the redevelopment plan has any meaning due to the two plan change amendments.

Beatrice Prisetly commented on the amount of animals, such as deer, that are now living on the Fort property.

Phil Welch of Lincroft stated that Gil Medina commented on commercial and residential developers and did not reference planned community developers. Mr. Welch stated that planned community developers have a better understanding and interest in mixed use development.

Mr. Steadman stated that FMERA has met with several planned community developers who have expressed interest and that it is our hope that these types of firms will bid on the residential parcel RFOTPs.

Harry Haarup of Fair Haven stated that there are a numerous amount of retired military and veterans in the area, but there is no representation on the FMERA Board. DAG Gabriel Chacon explained that the method of selection of the Board Members was determined by the Legislature and is in FMERA's enabling statute.

Mr. Steadman stated that there is a high degree of interest in serving the veterans in the area and to establish good programs that will be beneficial to them.

Patrick O'Flaherty of Middletown stated that portions of the Fort, especially housing, should be returned to the Morale Welfare and Recreation (MWR) Department. Mr. O'Flaherty stated that the MWR could run a tourist program at the Fort for veterans.

Jennifer Piazza of Eatontown stated that she was concerned about the two plan amendments within one year of the closing of the Fort. Ms. Piazza stated that the amendments will change the footprint of the residential housing which was originally planned. Ms. Piazza stated that she is concerned about the quality of the projects and the Board is concerned about the profit. Ms. Piazza stated that the Eatontown portion of the property will be turned into high density housing with commercial property.

Tom Mahedy of Wall Township asked if the members of the Staff Advisory Committees would have to sign a loyalty oath, and asserted that a gag order was imposed on him at an Environmental Staff Advisory Committee meeting

Mr. Steadman stated that Mr. Mahedy has on several occasions at previous FMERA Board Meetings erroneously claimed that there was a gag order imposed on the Environmental Staff Advisory Committee. Mr. Steadman stated that at each Committee meeting, at the end of the meeting, the Committee Chairman will note which items, if any, were discussed that were of a confidential matter. Mr. Steadman stated that the confidentiality has never been related to environmental issues, but would relate to information about a business or sale opportunity which should remain confidential as not to impede or lose the opportunity.

Mr. Steadman stated that at the specific meeting Mr. Mahedy was referring to, the Committee members were asked beforehand if they would agree to keep the information being discussed confidential. Mr. Steadman further stated that Mr. Mahedy was the only committee member who refused to keep the information confidential and elected to leave the meeting and that there was no gag order imposed. Mr. Steadman noted that there was a very good discussion among the remaining committee members at this particular meeting, and that at the end of that committee meeting all participants had agreed that they were pleased to have been part of the discussion. Mr. Steadman stated that the new committees will continue to adhere to the verbal agreement as it has been successful. Mr. Steadman reiterated that such confidentiality is related to business terms and information on potential redevelopment projects, not to environmental information.

Mr. Mahedy asked if the resumes of the committee members will be made public. Mr. Steadman stated that if committee members have resumes, that they may be made public.

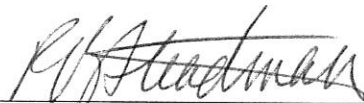
Mr. Mahedy stated that the Real Estate Committee has no public oversight and asked why there no public members allowed to attend the meetings.

Mr. Gorman explained that the Real Estate Committee and the Audit Committee are standing Board Committees comprised of Board Members and the other Committees are Staff Advisory Committees.

Ed Dlugosz of Eatontown stated that members of the Environmental Staff Advisory Committee were asked to consider signing a nondisclosure agreement at the first Environmental Staff Advisory Committee, but at the second meeting, the Committee members agreed to adhere to the verbal agreement as noted above instead.

There being no further business, on a motion by Robert Ades seconded by Mayor Tarantolo and unanimously approved by all voting members the meeting was adjourned at 10:00 p.m.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the Fort Monmouth Economic Revitalization Authority at its Board Meeting.



Bruce Steadman, Secretary

ADOPTED
October 17, 2012

Resolution Regarding
Consideration of Approval of Sublease of the
Motor Pool from the
FMERA to the County of Monmouth

WHEREAS, Governor Christie signed the Fort Monmouth Economic Revitalization Authority Act ("Act"), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority ("FMERA" or "Authority"); and

WHEREAS, the Motor Pool, also known as the Maintenance Facility, is comprised of six buildings (Buildings 750, 753, 754, 756, 760 and 761) and their associated parking areas on approximately 10.5 acres in the Eatontown area of the Main Post; and

WHEREAS, Monmouth County is seeking to acquire the Motor Pool as a permanent location for a Highway Division regional facility to serve eastern Monmouth County; and

WHEREAS, because the property is not located within the areas covered by the Phase I Economic Development Conveyance Agreement with the Army, FMERA requested that the Army lease the Motor Pool to the Authority on an interim basis, allowing FMERA to sublease the property simultaneously to the County; and

WHEREAS, at the August 15, 2012 meeting, the Members approved the execution of a lease with the Army for the Motor Pool to allow for the Authority's sublease of the property to the County on the same terms, contingent on obtaining written confirmation from the County of its acceptance of all terms and conditions associated with FMERA's lease with the Army; and

WHEREAS, the County wishes to occupy the Motor Pool prior to winter so that it can serve as a base for snow plowing operations; and

WHEREAS, the sublease to the County has the same terms and conditions as the lease from the Army, including the term of one (1) year, with an option for an additional six (6) month extension at the discretion of FMERA, or until either: (i) FMERA conveys title to the property to the County; or (ii) the Army terminates FMERA's lease; and

WHEREAS, the Real Estate Committee has reviewed the sublease for the Motor Pool and recommends it to the full Board of Directors for approval.

NOW, THEREFORE BE IT RESOLVED THAT:

1. As expressed in the attached memorandum, the Board of Directors approves the sublease between FMERA and the County of Monmouth for the Motor Pool property on the terms contained in the sublease attached to the memorandum, subject to an additional review of the Finding Of Suitability to Lease by the Executive Director for issues raised at the October Meeting of the Authority, and subject to final terms acceptable to the Executive Director and the Attorney General's Office.

2. The Executive Director is authorized to execute documents and perform all acts necessary to effectuate the above on the condition that the lease to the Army and the sublease to the County be executed simultaneously.

3. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENTS

DATED: October 17, 2012

EXHIBIT 1

ADOPTED
October 17, 2012

Resolution Regarding
Consideration of Approval of Notice of Interest (NOI)
Evaluation Process

WHEREAS, Governor Christie signed the Fort Monmouth Economic Revitalization Authority Act (“Act”), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority (“FMERA” or “Authority”); and

WHEREAS, the Army has authority to convey land as a no cost conveyance within an Economic Development Conveyance (“EDC”) agreement, where the Army conveys to FMERA and FMERA conveys to the end user without revenue-sharing with the Army (i.e., No-Cost EDC transaction), or as a Public Benefits Conveyance (“PBC”), where the Army or another federal agency conveys directly to the end user, with the approval of FMERA; and

WHEREAS, given the significant anticipated cost associated with redevelopment of Fort Monmouth (e.g., utility and road repairs/replacements, demolition of obsolete buildings, maintenance/repair of existing buildings, construction of new infrastructure and buildings), estimated to be \$100MM, it is the FMERA staff’s recommendation that no such properties be transferred to an end-user without compensation being paid to FMERA, subject to any restriction the federal agency sponsoring a PBC might impose; and

WHEREAS, although the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) sought notices of interest (NOIs) for PBCs of surplus real property (buildings and land) at the former Fort Monmouth, the inclusion of NOI requested facilities and uses in the Reuse Plan were not promised or committed to any NOI submitter; it was also stipulated that the ultimate conveyance would not necessarily be in the form of a PBC as other conveyance mechanisms might be used; and

WHEREAS, the proposed NOI Evaluation Process will apply to No-Cost EDC transactions for Phase 1 and Phase 2, PBC transactions that may be included in Phase 2 and other transactions for which the Army agrees not to receive a share of sale proceeds; and

WHEREAS, the NOI Evaluation Process will apply seven (7) weighted criteria to the proposed NOI use in determining what, if any, discount would be applied to a fair-market appraisal of the NOI property’s value, in establishing the compensation to be paid to FMERA; and

WHEREAS, the steps for the NOI Evaluation Process would include: (1) creating a parcel map for the NOI property, based on its proposed use and its relationship to neighboring parcels; (2) obtaining a fair-market appraisal for the property from FMERA’s approved list of appraisers; (3) developing an NOI score for the property, using the attached worksheet (scoring to be provided with the FMERA Executive Director’s oversight and by the three Directors); (4) establishing the discounted NOI Value for which amount FMERA would be compensated.

through cash, in-kind services, physical improvements, or a combination thereof; and (5) negotiating transactional details with the NOI entity; and

WHEREAS, all proposed NOI evaluations will be presented to the Board for approval, whether in conjunction with a conveyance from FMERA or as part of FMERA's evaluation of a PBC or other conveyance; and

WHEREAS, the FMERA Real Estate Committee reviewed the proposed evaluation process and recommends it to the full Board of Directors for approval.

NOW, THEREFORE BE IT RESOLVED THAT:

1. As expressed in the attached memorandum, the Board of Directors approves the Notice of Interest Evaluation Process.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT
DATED: October 17, 2012

EXHIBIT 2

ADOPTED
October 17, 2012

Resolution Regarding
**Consideration of Approval of
Extension of the Independent Audit Services Engagement,
and the Additional Cost for Additional Work
to Certify FMERA's Economic Development Conveyance Reports**

WHEREAS, Governor Christie signed the Fort Monmouth Economic Revitalization Authority Act ("Act"), P.L. 2010, c. 51, to create the Fort Monmouth Economic Revitalization Authority ("FMERA" or "Authority"); and

WHEREAS, on August 31, 2010, the Fort Monmouth Economic Redevelopment Planning Authority (FMERPA), FMERA's predecessor authority, approved the engagement of Schneider & Company Certified Public Accountants, P.C., Parsippany, NJ as the Independent Auditor to perform the scope of services set forth in the Request for Proposal (RFP) issued August 13, 2010; and

WHEREAS, the terms of the engagement allows two (2) one (1) year extension options to be exercised at the sole discretion of FMERA for the fiscal years ending December 31, 2012 and December 31, 2013; and

WHEREAS, the Independent Audit Services engagement requires the auditors to perform in accordance with generally accepted government auditing standard ("GAGAS") and Government Accounting Standard Boards ("GASB"). In addition, a schedule of expenditures of federal awards is presented, as required by U.S. Office of Management and Budget Circular A-133. The independent auditor also attests to the fairness of the Authority's financial statements, evaluating the effectiveness of internal controls and through the issuance of management letters, if applicable, makes comments and recommendations which, when implemented, may improve the design or operations of internal control systems; and

WHEREAS, FMERA's 2012 audit will require procedures and supplemental reports in accordance with the requirements of the Economic Development Conveyance (EDC) Agreement for Phase I which has been approved during 2012; and

WHEREAS, the Department of the Army requires that FMERA submit annual financial statements, certified by an independent Certified Public Accountant (CPA). The audit report is to express an opinion on FMERA's financial position, results in operations, and whether the financial statements were presented fairly in all material respects, in conformity with generally accepted accounting principles (GAAP); and

WHEREAS, the work required by a CPA for the EDC Agreement is in addition to the work required under the Independent Auditor RFP; however, the RFP provided that FMERA could solicit a written cost estimate and schedule from the selected auditor for additional required work and activities; and

WHEREAS, Schneider and Company has submitted a proposed engagement letter in which they confirm their understanding of the services to be provided for FMERA for the year ended December 31, 2012 inclusive of performance of procedures and provision of a supplemental report in accordance with the Authority's requirements for compliance with the Economic Development Conveyance. The additional not to exceed fee, for the EDC Agreement compliance review, is not to exceed \$14,900. As required by the RFP, all billable time will be based on the all-inclusive hourly rates contained in the auditor's cost proposal; and

WHEREAS, an RFP will be prepared and issued for all required audits commencing with the fiscal year ending December 31, 2013; and

WHEREAS, the Audit Committee has reviewed the extension of the independent audit services engagement, and the additional cost for additional work to certify FMERA's Economic Development Conveyance Reports and recommends approval to the full Board of Directors.

NOW, THEREFORE BE IT RESOLVED THAT:

1. As expressed in the attached memorandum, the Board of Directors approves the exercise of a one-year extension option for independent audit services for the fiscal year ending December 31, 2012 and the additional cost not to exceed \$14,900 for the additional work to certify FMERA's Economic Development Conveyance Reports.

2. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays, and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval, unless during such 10-day period the Governor of the State of New Jersey shall approve the same, in which case such action shall become effective upon such approval, as provided by the Act.

ATTACHMENT
DATED: October 17, 2012

EXHIBIT 3