



## State of New Jersey

OFFICE OF THE GOVERNOR

PO Box 001

TRENTON, NJ 08625-0001

CHRIS CHRISTIE  
Governor

February 3, 2011

Walter Arsenault, Esq.  
Executive Director  
Waterfront Commission of New York Harbor  
39 Broadway  
New York, New York 10006

RE: Discretionary Salary Increases

Dear Mr. Arsenault:

As you are aware, by letter dated June 23, 2010, I directed the Waterfront Commission of New York Harbor ("Waterfront Commission") to reduce the "Total Regular Payroll" line item in its Proposed 2010-2011 Budget by \$125,000, which represented "*the amount intended to be used for discretionary salary increases for which the Commission is not contractually obligated.*" (Emphasis added). My authority to veto the Waterfront Commission's budget is derived from Article XIII(2) of the Waterfront Commission Compact, N.J.S.A. 32:23-57, which expressly states:

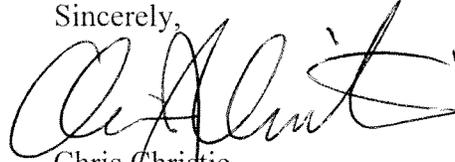
The commission shall annually adopt a budget of its expenses for each year. Each budget shall be submitted to the Governors of the two States and shall take effect as submitted: provided, that either Governor may within thirty days disapprove or reduce any item or items, and the budget shall be adjusted accordingly.

I am disturbed to learn that your office ignored my directive, and indeed gave discretionary raises totaling \$123,000 to non-contractual employees. Those salary increases were awarded in contravention of my letter, which eliminated funding for such salary increases.

Because the Commission's award of discretionary salary increases for non-contractual employees was a blatant violation of my June 23, 2010 letter, you must take immediate steps to bring the Waterfront Commission into compliance with my directive. All affected salaries

should be immediately reduced to their original levels before the increases were granted. In addition, within seven (7) business days please provide my office with a written explanation as to why these raises were granted in contravention of my directive. Please copy Deborah L. Gramiccioni, Director, Governor's Authorities Unit, on that letter.

Sincerely,



Chris Christie  
Governor

- c. Honorable Andrew Cuomo, Governor of New York
- Jeffrey S. Chiesa, Chief Counsel
- Deborah L. Gramiccioni, Director, Governor's Authorities Unit
- Ronald Goldstock, Commissioner
- Phoebe S. Sorial, Commission General Counsel

Attachment



**State of New Jersey**

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PO Box 001

TRENTON, NJ 08625-0001

CHRIS CHRISTIE  
*Governor*

June 23, 2010

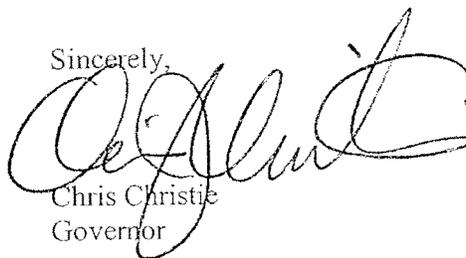
Walter Arsenault, Esq.  
Executive Director  
Waterfront Commission of New York Harbor  
39 Broadway  
New York, New York 10006

RE: Proposed 2010-2011 Budget

Dear Mr. Arsenault:

I have reviewed the Proposed 2010-2011 Budget adopted by the Commission at its May 17, 2010 meeting, which I received on May 25, 2010. In accordance with Article XIII(2) of the Waterfront Commission Compact, N.J.S.A. 32:23-57, I hereby direct that the "Total Regular Payroll" line item of \$7,145,443 be reduced by \$125,000, the amount intended to be used for discretionary salary increases for which the Commission is not contractually obligated. Please adjust the Commission's budget accordingly.

Sincerely,



Chris Christie  
Governor

- c. Honorable David A. Paterson, Governor of New York  
Barry Evenchick, Commissioner  
Deborah L. Gramiccioni, Director, Governor's Authorities Unit