

Newark Watershed Conservation and Development Corporation

Minutes of the Special Meeting of the Board of Trustees

Wednesday, August 28, 2013

Opening of Meeting

Called to order: 3:11 P.M.

Introductions/Roll Call

Participants:

- Hon. James R. Zazzali, Trustee
- Hon. Dorothea O’C. Wefing, Trustee
- Dr. Clement A. Price, Trustee (via teleconference)
- Edwin H. Stier, Esq., Trustee (via teleconference)
- William T. Merritt, Trustee (via teleconference)¹
- Ernesto Butcher, Executive Director

Counsel:

- Samuel Scott Cornish, Esq.
- Matthew Baker, Esq. (Recording Secretary)

Members of the Public:

- Guy Sterling – Newark Water Group
- Zemin Zhang – Newark Water Group
- Joseph Beckmeyer – Former NWCDC Engineering Consultant
- Sarab Thapar, Esq. – Hardin, Kundla, McKeon, Poletto & Polifroni, PA (Counsel for the City of Newark)²

Public Comment

Chairperson Zazzali opened the meeting of the Board of Trustees (the “Board”) of the Newark Watershed Conservation and Development Corporation (the “NWCDC” or the “Corporation”) to public comment. No public comment was made.

Approval of the Public Session Minutes

Motion to Approve the Public Session Minutes of the August 21, 2013 Board Meeting:

Moved by Trustee Wefing Second by Trustee Stier

Vote: Yes No Abstain Absent

¹ Trustee Merritt entered the meeting at 3:30 P.M.

² Mr. Thapar entered the meeting at 3:16 P.M.

The Hon. Cory A. Booker, Mayor		X
The Hon. James R. Zazzali	X	
The Hon. Dorothea O’C. Wefing	X	
Dr. Clement A. Price	X	
Edwin H. Stier, Esq.	X	
William T. Merritt		X
Action taken	Motion Passed	

Report of the Interim Executive Director

Auditing Services – Mr. Butcher advised that he spoke with representatives from Wiss & Company (“Wiss”) and that Wiss is ready to begin work on the NWCDC’s 2012 financial statement. The Board discussed whether performance of a 2013 close-out audit was within the scope of services to be provided by Wiss, and whether performance of such an audit would require compensation in excess of the not-to-exceed amount previously agreed upon by the Board for the contract offered to Wiss. The Board instructed Mr. Butcher to obtain a budget from Wiss regarding its work on the NWCDC’s 2012 financial statement, and to determine whether Wiss is prepared to perform a 2013 close-out audit without requiring compensation in excess of the not-to-exceed amount. Mr. Butcher also advised that any audit Wiss will perform may contain a disclaimer with regard to the conclusions drawn therein.

Pension Consultant Bid – Mr. Butcher advised that he contacted Altigro Pension Services, Inc. (“Altigro”) to determine the reason for the disparity in price between Altigro’s bid to perform pension consultant services and Altigro’s previous quotes to the NWCDC to perform similar services. Mr. Butcher further advised that the disparity, he learned, was due to the fact that the timing of the bidding process will force Altigro’s services to extend into 2014, which will necessitate additional filings and other associated work not contemplated in Altigro’s previous quotes to the NWCDC. Mr. Cornish added that he spoke with an attorney at Genova Burns Giantomasi Webster LLC (“GBGW”) who is familiar with employee benefits law and related issues, and who noted that Altigro would likely have to use different interest rates if its work extends into 2014, which may also form the basis for the disparity in price. The Board discussed the need to move forward with the contracting process, and its fulfillment of the requirements in the Corporation’s Fiscal Policies and Procedures manual.

Accounts Payable – Mr. Butcher advised that he contacted the New Jersey Audubon Society (the “Audubon Society”), which had contracted with the Corporation to assist in the designation, removal, and sale of fallen timber on property managed by the Corporation in the wake of Hurricane Sandy. Mr. Butcher noted that the Audubon Society provided to him documentation supporting its payment request, and offered to show him some of the trees and timber that it had marked for removal. The Board agreed by consensus that the Audubon Society’s payment request should be incorporated into the NWCDC’s budget.

Mr. Butcher also advised that the Corporation recently received invoices for the cost of telecommunications equipment from GreatAmerica Financial Services (“GreatAmerica”). Mr. Cornish noted that GBGW should review the contract between GreatAmerica and the NWCDC,

and past Board resolutions in order to prepare a comprehensive recommendation for the Board regarding the NWCDC's obligations.

Lastly, Mr. Butcher advised that he recently received a payment request from Pitney Bowes Inc. ("Pitney Bowes") related to postage machines that the NWCDC had leased from Pitney Bowes.

Vehicles – Mr. Butcher noted that the NWCDC received lien releases related to the vehicles it had financed, and that he was in the process of using those lien releases to obtain title to the vehicles. The Board discussed the use by the City of Newark (the "City") of those vehicles, and the status of the insurance policies held by the Corporation for those vehicles.

Procurement of Accounting Services – Mr. Butcher advised that he solicited cost proposals from three accounting firms, that the cost proposal from Donahue, Gironde & Doria CPAs ("Donahue") was the lowest, and that he was impressed by how familiar Donahue is with dissolution-related accounting work. The Board discussed the cost proposals that Mr. Butcher received, and agreed by consensus that the NWCDC should contract with Donahue for accounting services.

Insurance Matters

Directors and Officers Insurance – Mr. Cornish advised that RSUI, Inc. ("RSUI"), the Corporation's Directors and Officers liability policy carrier, provided GBGW with five price quotes for increases in the amount of Directors and Officers ("D&O") liability coverage available to the Corporation. The Board discussed cost of such an increase in coverage and that any policy change would not be retroactive. The Board also discussed whether defense costs were included in the limit of liability, whether RSUI has an obligation to defend claims, and whether the policy includes tail coverage. The Board agreed by consensus that GBGW should begin the process of procuring additional D&O liability coverage.

Meeting Schedule

The Board agreed by consensus to meet on September 11, 2013, and on September 18, 2013, at the offices of GBGW.

Executive Session

Chairperson Zazzali noted that the Board would enter Executive Session to discuss severance and other personnel matters, contractual matters, pending and potential litigation, and government investigations, and that the minutes of the Executive Session will remain confidential until the end of the litigation and investigation, or until such time as the Board determines the need for confidentiality no longer exists.

Chairperson Zazzali entertained a motion to enter Executive Session.

Motion to Enter Executive Session:

Moved by Trustee Wefing Second by Trustee Merritt

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker, Mayor				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			

Action taken Motion Passed

The Board entered Executive Session at 3:47 P.M.³ The Board may reconvene in Public Session at the conclusion of Executive Session to take further action.

Motion to Exit Executive Session and Reconvene in Public Session:

Moved by Trustee Wefing Second by Trustee Price

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker, Mayor				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			

Action taken Motion Passed

The Board exited Executive Session and reconvened in Public Session at 4:25 P.M.⁴

Resolutions

Resolution No. 01-062 Appointing Interim Executive Director Ernesto Butcher as Records Custodian and Affirming the Board’s Intent to Comply with the Open Public Records Act

Motion to Approve Resolution No. 01-062 Appointing Interim Executive Director Ernesto Butcher as Records Custodian and Affirming the Board’s Intent to Comply with the Open Public Records Act:

Moved by Trustee Price Second by Trustee Merritt

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
--------------	-------------------	------------------	-----------------------	----------------------

³ Members of the public left the meeting as the Board entered Executive Session.

⁴ Members of the public re-entered the meeting as the Board reconvened in Public Session.

The Hon. Cory A. Booker, Mayor		X
The Hon. James R. Zazzali	X	
The Hon. Dorothea O’C. Wefing	X	
Dr. Clement A. Price	X	
Edwin H. Stier, Esq.	X	
William T. Merritt	X	

Action taken _____ Motion Passed and Resolution Approved _____

Resolution No. 01-063 Awarding an Accounting/Bookkeeping Contract as a Professional Service and Through a Non-Fair-And-Open Process to Donahue, Gironda & Doria CPAs

Mr. Cornish noted that notice of this contract award will be published in the necessary newspapers, that the contract will include compensation not-to-exceed \$35,000.00, that Donahue will be required to complete a business disclosure certification and other requirements, and that Mr. Butcher will be empowered to sign the contract on behalf of the NWCDC.

Motion to Approve Resolution No. 01-063 Awarding an Accounting/Bookkeeping Contract as a Professional Service and Through a Non-Fair-And-Open Process to Donahue, Gironda & Doria CPAs:

Moved by _____ Trustee Stier _____ Second by _____ Trustee Zazzali _____

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker, Mayor				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			

Action taken _____ Motion Passed and Resolution Approved _____

Resolution No. 01-064 Awarding a Pension Consulting Contract Through Public Bidding to Altigro Pension Services, Inc., as the Lowest Responsible Bidder

Mr. Cornish noted that the terms of the NWCDC’s contract with Altigro will reflect those included in the bid and bid requirements, and that Mr. Butcher will be empowered to sign the contract on behalf of the NWCDC.

Motion to Approve Resolution No. 01-064 Awarding a Pension Consulting Contract Through Public Bidding to Altigro Pension Services, Inc., as the Lowest Responsible Bidder:

Moved by _____ Trustee Wefing _____ Second by _____ Trustee Merritt _____

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker, Mayor				X

The Hon. James R. Zazzali	X
The Hon. Dorothea O’C. Wefing	X
Dr. Clement A. Price	X
Edwin H. Stier, Esq.	X
William T. Merritt	X

Action taken _____ Motion Passed and Resolution Approved _____

Approval of the Executive Session Minutes

Motion to Approve the Executive Session Minutes of the August 14, 2013, Board Meetings:

Moved by _____ Trustee Wefing _____ Second by _____ Trustee Stier _____

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker, Mayor				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			

Action taken _____ Motion Passed _____

Adjournment

Motion to Adjourn the Meeting:

Moved by _____ Trustee Merritt _____ Second by _____ Trustee Wefing _____

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker, Mayor				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			

Action taken _____ Motion Passed and Meeting Adjourned _____

The meeting was adjourned at 4:32 P.M.