

Newark Watershed Conservation and Development Corporation

Minutes of the Special Meeting of the Board of Trustees

Wednesday, June 26, 2013

Opening of Meeting

Called to order: 3:22 P.M.

Introductions/Roll Call

Participants:

- Hon. James Zazzali, Trustee
- Hon. James Coleman, Trustee
- Hon. Dorthea Wefing, Trustee
- Dr. Clement Price, Trustee
- William Merritt, Trustee
- Oscar S. James, II., Trustee (via teleconference)

Counsel:

- Samuel Scott Cornish, Esq., of Genova Burns Giantomasi Webster LLC
- Matthew Baker, Esq., of Genova Burns Giantomasi Webster LLC
- Jodi Luciani, Esq., of Genova Burns Giantomasi Webster LLC
- Joshua Mann, Esq., (Attorney of Oscar S. James, II.) (via teleconference)

Secretary:

- Tyler Stearns – Recording Secretary

Members of the Public:

- Walter Frye, CPA – NWCDC financial consultant
- Joseph Beckmeyer – NWCDC consultant engineer
- Darrin Sharif - Councilman for the City of Newark

Minutes

All board members present acknowledged the receipt of draft minutes from the previous special meeting conducted June 19, 2013.

Motion to Approve the Minutes:

Moved by Trustee Wefing and Coleman Second by Trustee Price

Vote:

Yes No Absent/
Not Present

The Hon. Cory A. Booker, Mayor		X
The Hon. James Zazzali	X	
The Hon. Dorothea Wefing	X	
The Hon. James Coleman	X	
Dr. Clement Price	X	
Oscar James, II	X	
William T. Merritt	X	

Action taken _____ Motion Passed _____

Report of Walter Frye regarding NWCDC Finances

Walter Frye, CPA, provided an update to the Board of Trustees (the “Board”), which included a summary of his previous reports, and a general explanation of the outstanding invoices and bills that he provided to Genova Burns Giantomasi Webster LLC (“GBGW”) prior to the meeting.

Mr. Frye also provided an update on current bills, and reported that certain bills require immediate payment. Mr. Frye advised that checks were prepared to pay:

- The lease amounts for vehicles leased by the Newark Watershed;
- The purchase amounts for vehicles financed by the Newark Watershed;
- The lease amounts for equipment leased by the Newark Watershed;
- The premiums for Newark Watershed’s health, vision, and dental insurance policies; and
- The 2012 and 2013 premiums for the Newark Watershed’s Pension Benefit Guarantee Corporation insurance policy.

Mr. Cornish advised the Board that the checks prepared by Mr. Frye relate to expenditures that were the subject matters of previous resolutions of the Board, with the exception of the checks for the payment of the health, vision, and dental insurance premiums.

In anticipation of the Board’s next meeting on July 2, 2013, Mr. Cornish advised the Board that binders had been created with invoices and supporting documentation. Chairperson Zazzali suggested that one trustee thoroughly review the binders. Trustee Wefing volunteered to perform the review.

Mr. Cornish advised the Board of the process regarding signatures for checks and, following a discussion, the Board confirmed that all checks should be presented to Chairperson Zazzali and Trustee Wefing with the necessary supporting documentation.

Mr. Frye clarified for the Board that the documents he provided also contain payroll records. Mr. Frye noted that he expects to receive the appropriate documentation from the actuary for Trustee Merritt as the administrator of the Newark Watershed’s pension programs.

Discussion Items

Employee Benefits – Ms. Luciani advised the Board that COBRA notifications were sent to employees on Friday, June 21, 2013, and that employees will have sixty days from June 1, 2013, to enroll in COBRA. Ms. Luciani further advised that enrollment forms for the health, dental, and vision plans were included with the COBRA notifications.

Pension Benefits – Ms. Luciani advised the Board that pension notices were also distributed to employees. The Board also discussed the valuation of the Newark Watershed's Defined Benefit pension plan (the "DB Plan"), and the potential impact of its funding status due to the prospect of additional, mandatory contributions for employees who work over 1,000 hours in 2013.

Youth Ambassador Program

Councilman Darrin Sharif from the City of Newark (the "City") presented the Board with a request to hold the kick-off event for the "Summer Youth Ambassador Program" at the Pequannock Watershed. Mr. Sharif advised that his request was initially made to the City, but that he also wanted approval from the Board.

Mr. Cornish advised that he had conferred with the City's Business Administrator, Julian Neals, who understood that the Board and NWCDC are not in a position to authorize or approve such events because the property is owned and controlled by the City, whose employees now work there. Mr. Cornish explained that the City would like, however, the Board to not object or oppose such events.

Professor Price explained the importance and value of events like the Summer Youth Ambassador Program, which everyone understood. Mr. Cornish advised the Board that he was informed that the City has insurance policies that cover such events, and that the NWCDC has insurance coverage for the property. The Board noted that it was not objecting to the event, and agreed that it would continue to not object, subject to a determination by GBGW that the Newark Watershed possessed sufficient insurance coverage for events of this kind.

Interview of Ernesto Butcher

The Board interviewed Ernesto Butcher, who provided a summary of his professional career and addressed questions presented by the Board.

Ratification of Certain Transactions

Josh Mann, Esq., Trustee James' counsel, raised the issue of the Board's ratification of the transactions entered into and payments made by Trustees James and Merritt during the period when they were the only two active trustees, and needed to take certain steps to maintain the Newark Watershed's operations. Mr. Mann noted that the Board had been provided with a list of transactions, and requested that the Board consider the list prior to the next meeting and discuss ratification at that time.

Executive Session

Trustee Zazzali suggested that the Board enter Executive Session, which would be to discuss pending and potential litigation, personnel matters, the investigation by the Office of the State Comptroller (the “Comptroller”), and privileged matters.

Motion to Enter Executive Session:

Moved by Trustee Merritt Second by Trustee Zazzali

Vote:	<u>Yes</u>	<u>No</u>	<u>Absent/ Not Present</u>
The Hon. Cory A. Booker, Mayor			X
The Hon. James Zazzali	X		
The Hon. Dorothea Wefing	X		
The Hon. James Coleman	X		
Dr. Clement Price	X		
Oscar James, II	X		
William T. Merritt	X		

Action taken Motion Passed

The Board entered Executive Session at 4:09 P.M.¹ The Board reconvened in Public Session at the conclusion of Executive Session to take further action.

Motion to Exit Executive Session:

Moved by Trustee Wefing Second by Trustee Price

Vote:	<u>Yes</u>	<u>No</u>	<u>Absent/ Not Present</u>
The Hon. Cory A. Booker, Mayor			X
The Hon. James Zazzali	X		
The Hon. Dorothea Wefing	X		
The Hon. James Coleman	X		
Dr. Clement Price	X		
Oscar James, II			X
William T. Merritt	X		

Action taken Motion Passed

The Board exited Executive Session at 5:05 P.M.

¹ Messrs. Frye and Mann and the other members of the public left the meeting as the Board entered Executive Session. Trustees Merritt and James left the Executive Session at 4:34 P.M. Trustee Merritt returned to the Executive Session at 5:01 P.M.

Motion to Reconvene in Public Session:

Moved by Trustee Price Second by Trustee Coleman and Merritt

Vote:	<u>Yes</u>	<u>No</u>	<u>Absent/ Not Present</u>
The Hon. Cory A. Booker, Mayor			X
The Hon. James Zazzali	X		
The Hon. Dorothea Wefing	X		
The Hon. James Coleman	X		
Dr. Clement Price	X		
Oscar James, II			X
William T. Merritt	X		

Action taken Motion Passed

The Board reconvened in Public Session at 5:05 P.M.

Mr. Cornish advised the Board of the need for a determination regarding a Request for Qualifications (“RFQ”) for corporate bookkeeping services and an RFQ for legal services. The Board stated that an RFQ for corporate bookkeeping services should be prepared, and that the Board will discuss the issuance of an RFQ for legal services. Chairperson Zazzali noted that, at Mr. Cornish’s suggestion, the Board should consider discussing the issue of a RFQ for legal services outside the presence of GBGW attorneys.

Consent Agenda

Resolution No. 01-044 Authorizing the Issuance of a Request for Qualifications for Audit Services; and

Resolution No. 01-045 Appointing Ernesto Butcher as the Interim Executive Director; and

Resolution No. 01-046 Appointing Ernesto Butcher as the Administrator of the Aetna Health Insurance Plan, and the Administrator of the COBRA Continuation Health Coverage Plan.

Motion to Approve Resolution Nos. 01-044, 01-045, and 01-046:

Moved by Trustee Coleman Second by Trustee Price

Vote:	<u>Yes</u>	<u>No</u>	<u>Absent/ Not Present</u>
The Hon. Cory A. Booker, Mayor			X
The Hon. James Zazzali	X		
The Hon. Dorothea Wefing	X		
The Hon. James Coleman	X		
Dr. Clement Price	X		

