

Newark Watershed Conservation and Development Corporation

Minutes of the Special Meeting of the Board of Trustees

Wednesday, September 11, 2013

Opening of Meeting

Called to order: 3:05 P.M.

Introductions/Roll Call

Participants:

- Hon. James R. Zazzali, Trustee (via teleconference)¹
- Hon. Dorothea O’C. Wefing, Trustee
- Dr. Clement A. Price, Trustee
- Edwin H. Stier, Esq., Trustee (via teleconference)
- William T. Merritt, Trustee
- 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
- William Chappel – Newark Water Group

Public Comment

Trustee Wefing, presiding over the meeting in the absence of 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.

Guy Sterling asked if the Board will attempt to fill its vacant trusteeship. The Board advised that it had taken the issue under consideration. William Chappel asked if the Board had set a date for the final dissolution of the NWCDC. The Board advised that it is working diligently towards that end, but that it is not yet in a position to set such a date.

Approval of the Public Session Minutes

Motion to Approve the Public Session Minutes of the August 28, 2013 Board Meeting:

¹ Chairperson Zazzali joined the meeting at 3:17 P.M. and left the meeting at 3:46 P.M.

Moved by Trustee Price 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

Report of the Interim Executive Director

Auditing Services – Mr. Butcher advised that he received a signed contract from Wiss & Company (“Wiss”) that awaits signature on behalf of the NWCDC, and that Wiss also provided to him a list of documents that it would like to receive in order to better understand how much it will have to do to complete the 2012 audit, and whether it will need additional funding to perform the 2013 close-out audit. Mr. Cornish stated that disclosure of the requested documents to Wiss may help finalize cost and budgetary figures with regard to both the 2012 and 2013 audits. The Board agreed by consensus that it should obtain projected costs for both audits.

Pension Consultant Bid – Mr. Butcher advised that a contract has not yet been signed with Altigro Pension Services, Inc. (“Altigro”), but that Altigro is ready to begin distributing packets to 403(b) plan participants regarding their distributions, and is ready to advise Nationwide Mutual Insurance Co. (“Nationwide”) regarding the time within which the 403(b) plan distributions are to take place. Mr. Butcher also advised that Altigro recommended obtaining approval from the Internal Revenue Service (“IRS”) for the termination of the Defined Benefit plan (“DB Plan”), and also that, since IRS approval may take as long as a year to obtain, the NWCDC should reevaluate how the DB Plan funds are invested. Mr. Butcher also noted that information about the DB Plan would have to be transmitted to the Pension Benefit Guaranty Corporation. The Board agreed by consensus that Mr. Butcher should instruct Altigro to begin distributing the 403(b) plan packets to plan participants. Mr. Cornish noted that Altigro’s concerns regarding the DB Plan may require legal advice from Genova Burns Giantomasi Webster LLC (“GBGW”), and therefore should be addressed in Executive Session, but that the NWCDC’s advertisement for bids, to which Altigro responded, did contemplate seeking approval for DB Plan termination from the IRS.

Insurance Matters

Directors and Officers Insurance – Mr. Cornish advised that Conner Strong & Buckelew, Inc. (“Conner Strong”) requires a Board resolution authorizing the NWCDC to procure expanded directors and officers liability insurance (“D&O Insurance”), and authorizing the Interim Executive Director to sign documents necessary to procure such an expansion in coverage. The Board confirmed that the resolution would memorialize its discussions in

previous Board meetings, wherein the Board agreed to authorize the procurement of expanded D&O Insurance coverage in the amount and at the cost described in “Option 5” of the August 19, 2013, e-mail from Max Libman of Conner Strong.

Resolution No. 01-065 Authorizing the Procurement of Directors and Officers Liability Insurance Coverage

Motion to Approve Resolution No. 01-065 Authorizing the Procurement of Directors and Officers Liability Insurance Coverage:

Moved by Trustee Price 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

Executive Session

Trustee Wefing 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.

Trustee Wefing entertained a motion to enter Executive Session.

Motion to Enter Executive Session:

Moved by Trustee Price 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

The Board entered Executive Session at 3:21 P.M.² 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 Price _____ 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 exited Executive Session and reconvened in Public Session at 4:22 P.M.³

Approval of the Executive Session Minutes

Motion to Approve the Executive Session Minutes of the August 21, 2013, Board Meetings:

Moved by _____ Trustee Price _____ 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 _____

Adjournment

Motion to Adjourn the Meeting:

Moved by _____ Trustee Price _____ 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

² Members of the public left the meeting as the Board entered Executive Session.

³ Members of the public re-entered the meeting as the Board reconvened in Public Session.

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 4:24 P.M.