

**Newark Watershed Conservation and Development Corporation**

**Minutes of the Special Meeting of the Board of Trustees**

Wednesday, August 21, 2013

**Opening of Meeting**

Called to order: 3:10 P.M.

**Introductions/Roll Call**

Participants:

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

Counsel:

- Samuel Scott Cornish, Esq.
- Jodi M. Luciani, Esq. (via teleconference)
- Matthew Baker, Esq. (Recording Secretary)

Members of the Public:

- Guy Sterling – Newark Water Group
- Sarab Thapar, Esq. – Hardin, Kundla, McKeon, Poletto & Polifroni, PA (Counsel for the City of Newark)

**Public Comment**

Trustee Wefing, presiding over the meeting in the absence of Chairperson Zazzali and Vice-Chairperson Price, 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 7, 2013 Board Meeting:*

Moved by \_\_\_\_\_ Trustee Wefing \_\_\_\_\_ Second by \_\_\_\_\_ Trustee Price \_\_\_\_\_

<b>Vote:</b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Abstain</u></b>	<b><u>Absent</u></b>
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 \_\_\_\_\_

*Motion to Approve the Public Session Minutes of the August 14, 2013 Board Meeting:*

Moved by \_\_\_\_\_ Trustee Wefing \_\_\_\_\_ Second by \_\_\_\_\_ Trustee Price \_\_\_\_\_

<b>Vote:</b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Abstain</u></b>	<b><u>Absent</u></b>
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**

**Pension Consultant Bid** – Mr. Butcher advised that the bidding for pension consultant services was closed on August 20, 2013, and that Altigro Pension Services, Inc. (“Altigro”) was the only bidder that submitted a response. He also advised that the “not-to-exceed” price in Altigro’s bid was slightly higher than the price Altigro had previously quoted to the Corporation for the termination of the 403(b) and Defined Benefit plans (the “Pension Plans”). The Board discussed the issue and instructed Mr. Butcher: (i) to contact Altigro and determine the reason for the potential price differential, and (ii) to contact other prospective pension consultants and determine why they did not bid.

Mr. Butcher also advised the Board that the Corporation received invoices from Altigro for services related to the wind-down of the Pension Plans performed in May and June, 2013. The Board instructed Mr. Butcher to determine if the fees for work Altigro had already performed were incorporated into the “not-to-exceed” price in Altigro’s bid.

**Operating Budget** – Mr. Butcher noted that he just received a financial statement prior to the meeting, and that further Board discussion of the budget should be deferred until he can incorporate that statement into the prospective budget.

**Accounts Payable** – Mr. Butcher advised that the Corporation recently received a request for payment from 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. The Board discussed how it had previously handled payment requests by contractors and vendors, and agreed by consensus to consider incorporating the Audubon Society’s payment request into the

Corporation's operating budget, subject to an inspection and verification of the Audubon Society's work pursuant to the contract.

Mr. Butcher also advised that the Corporation recently received invoices for the cost of telecommunications equipment from GreatAmerica Financial Services ("GreatAmerica"). He noted that, in order to procure telephone service at its prior office, the NWCDC had contracted with GreatAmerica to have GreatAmerica purchase the necessary telecommunications equipment and subsequently lease that equipment to the NWCDC. The Board instructed Genova Burns Giantomasi Webster LLC ("GBGW") to review the Corporation's contract with GreatAmerica to determine the Corporation's remaining liabilities, if any, and whether and how the Corporation can cancel the contract

**Procurement of Accounting Services** – Mr. Butcher advised that he had preliminary conversations with two accounting firms, and that he will obtain cost proposals from each by Monday. GBGW noted that one firm that responded to the Corporation's prior request for qualifications ("RFQ") has also expressed continued interest in working with the Corporation. The Board discussed the need to ensure that any accounting services provider has substantial experience with nonprofit and public-sector clients, and the need to ensure that any contractor procured without the use of an RFQ submits documentation necessary for the Corporation to comply with New Jersey's "Pay-to-Play" law.

**Review of NWCDC Files** – Mr. Butcher noted that he and the NWCDC administrative staff have completed their inventory of the files moved to the Corporation's former Echo Lake Office ("Echo Lake") once the Corporation's office at 40 Clinton Street in Newark closed, and that most of the files are vendor invoices and personnel records from 2010. Mr. Butcher advised that he would work with GBGW to review all of these files before moving them into storage.

### **Insurance Matters**

**Directors and Officers Insurance** – Mr. Cornish advised that GBGW received a response from the Corporation's insurance broker, who advised that the insurance carrier did not agree to make qualitative changes to the Corporation's Directors and Officers Liability Policy (the "D&O Policy"), but who provided price quotes for increasing the amount of coverage available. The Board discussed the Corporation's insurance needs, and whether it is necessary to procure tail insurance.

Mr. Cornish also noted that, regarding the reduction of insurance coverage that the NWCDC no longer needs, the Corporation's insurance broker advised GBGW that certain policies prohibit such reductions while others allow for such reductions after an audit upon the policy's expiration.

### **Executive Session**

Trustee Wefing entertained a motion to enter Executive Session.

*Motion to Enter Executive Session:*

Moved by Trustee Zazzali Second by Trustee Stier

<b>Vote:</b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Abstain</u></b>	<b><u>Absent</u></b>
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 3:54 P.M.<sup>1</sup> The Board may reconvene in Public Session at the conclusion of Executive Session to take further action.

The Board exited Executive Session and reconvened in Public Session at 4:56 P.M.<sup>2</sup> Trustee Wefing noted that the Board entered 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.

**Approval of the Executive Session Minutes**

*Motion to Approve the Executive Session Minutes of the July 31, 2013, and the August 7, 2013, Board Meetings:*

Moved by Trustee Merritt Second by Trustee Price

<b>Vote:</b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Abstain</u></b>	<b><u>Absent</u></b>
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:*

<sup>1</sup> Members of the public left the meeting as the Board entered Executive Session.

<sup>2</sup> Trustee Zazzali left the meeting, and members of the public re-entered the meeting, as the Board reconvened in Public Session.

Moved by Trustee Stier Second by Trustee Wefing

<b>Vote:</b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Abstain</u></b>	<b><u>Absent</u></b>
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 4:58 P.M.