

Newark Watershed Conservation and Development Corporation

Minutes of the Regular Meeting of the Board of Trustees

Wednesday, April 16, 2014

Opening of Meeting

Called to order: 3:26 P.M.

Introductions/Roll Call

Participants:

- Hon. James R. Zazzali, Trustee
- William T. Merritt, Trustee (via teleconference)
- Dr. Clement A. Price, Trustee
- Edwin H. Stier, Trustee
- Ernesto Butcher, Interim Executive Director

Counsel:

- Samuel Scott Cornish, Esq.
- Patrick W. McGovern, Esq.¹
- Matthew Baker, Esq.

Members of the Public:

- Sarab Thapar – Hardin, Kundla, McKeon & Poletto, Counsel to the City of Newark
- Guy Sterling – Newark Water Group

Public Comment

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

Public Session Minutes

Motion to Approve the Public Session Minutes from the April 2, 2014, Board Meeting:

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				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing				X
Dr. Clement A. Price	X			

¹ Mr. McGovern entered the meeting at 3:35.

Edwin H. Stier, Esq.		X
William T. Merritt	X	
The Hon. Augusto Amador		X

Action taken _____ Motion Passed and Minutes Approved _____

Report of the Interim Executive Director

RFQ for Legal Services – Mr. Butcher listed the names of the firms that responded to the NWCDC’s RFQ for legal services.

Auditing Services – Mr. Butcher advised that he received a list of necessary documents from the NWCDC’s auditing consultant, Wiss & Co. (“Wiss”), for the 2012 annual audit. He also advised that the NWCDC’s accounting consultant, Donohue, Girona & Doria (“Donohue”), is assisting with the collection of documents for the 2012 audit, and that he may have to review documents produced to the NWCDC by its former auditor. He also advised that the NWCDC responded to the IRS’s letter potentially imposing a penalty for the NWCDC’s late filing of its 2012 Form 990.

Accounting Services – Mr. Butcher advised that Donahue has filed the NWCDC’s final Form 1099 report with an addendum noting the four vendors from which the NWCDC was unable to procure information.

Investment Advising Services – Mr. Butcher summarized the presentation made by Meketa Investment Group (“Meketa”) at the prior Board meeting regarding the Defined Benefit Plan (“DB Plan”) funds, and described an additional risk analysis that Meketa provided to the NWCDC in response to questions asked by the Board after Meketa’s presentation. The Board discussed the risks and benefits of Meketa’s recommended asset allocation, the process through which Meketa’s recommendation would be implemented, and the need to ensure that the NWCDC does not pay unnecessary fees related to the custody and management of the DB Plan assets.

Chairperson Zazzali entertained a motion to pass a resolution approving and authorizing the implementation of the Defined Benefit Plan asset allocation recommended by Meketa on April 2, 2014. The resolution would authorize Trustee Merritt to implement Meketa’s recommendation no sooner than Monday, April 21, 2014.

Resolution No. 01-078 Approving the Defined Benefit Plan Asset Allocation Recommended to the Board of Trustees by Meketa Investment Group on April 2, 2014, and Authorizing the Implementation of this Asset Allocation No Sooner than Monday, April 21, 2014.

Motion to Approve Resolution No. 01-078 Approving the Defined Benefit Plan Asset Allocation Recommended to the Board of Trustees by Meketa Investment Group on April 2, 2014, and Authorizing the Implementation of this Asset Allocation No Sooner than Monday, April 21, 2014:

Moved by _____ Trustee Stier _____ Second by _____ Trustee Price _____

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

Action taken _____ Motion Passed and Resolution Approved _____

Executive Session

Chairperson Zazzali entertained a motion to enter Executive Session, noting that the Board would 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..

Motion to Enter Executive Session:

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				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			
The Hon. Augusto Amador				X

Action taken _____ Motion Passed _____

The Board entered Executive Session at 3:45 P.M.² Chairperson Zazzali noted that the Board will reconvene in Public Session after concluding its matters in Executive Session.

Motion to Exit Executive Session and Reconvene in Public Session:

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				X
The Hon. James R. Zazzali	X			

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

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

Action taken _____ Motion Passed _____

The Board exited Executive Session and reconvened in Public Session at 4:52 P.M.³

Executive Session Minutes

Motion to Approve the Executive Session Minutes from the March 19, and March 26 2014, Board Meetings:

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				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			
The Hon. Augusto Amador				X

Action taken _____ Motion Passed and Minutes Approved _____

Employee Benefit Plans

403(b) Plan – Mr. McGovern advised that all assets have been distributed from the 403(b) Plan, that the Form 5500-SF for plan year 2013 has been signed and will be filed shortly, and that the final Form 5500 should be filed within the next 90 days to complete the termination of the 403(b) Plan.

DB Plan – Mr. McGovern advised that the plan termination applications and notices have been filed with or mailed to the Pension Benefit Guarantee Corporation, the IRS, and the DB Plan participants, that receipt of a favorable decision from the IRS regarding the DB Plan’s termination between late 2014 and early 2015, and that distributions from the DB Plan may not occur until the NWCDC receives a favorable decision from the IRS.

Severance Pay Plan – Mr. McGovern noted that the NWCDC’s severance pay plan was terminated in July 2013, and was replaced by a plan providing for lower benefit levels conditioned on the signing of a release of claims against the NWCDC.

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

Meeting Schedule

The Board advised that its next meeting will be scheduled for April 23, 2014, at the NWCDC's offices at One Gateway Center, 26th Floor, Newark, New Jersey 07102.

Adjournment

Motion to Adjourn the Meeting:

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				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			
The Hon. Augusto Amador				X

Action taken Motion Passed

The meeting was adjourned at 4:57 P.M.