

ESSEX COUNTY  
IMPROVEMENT AUTHORITY  
ESSEX COUNTY, NEW JERSEY

REGULAR BOARD MEETING : TRANSCRIPT OF RECORDED  
: PROCEEDINGS  
:  
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27 Wright Way  
Fairfield, New Jersey

Tuesday, April 28, 2015  
Commencing at 5:00 p.m.

M E M B E R S P R E S E N T:

COMMISSIONER MARK S. DUNEC  
COMMISSIONER PAUL B. HALLIGAN  
COMMISSIONER GERARD M. SPIESBACH  
COMMISSIONER CARLA A. STANZIALE  
COMMISSIONER RONALD J. BROWN, Vice Chairman  
COMMISSIONER STEVEN H. KLINGHOFFER, Chairman

M E M B E R S A B S E N T:

A L S O P R E S E N T:

JAMES R. PAGANELLI, Executive Director  
NIA H. GILL, ESQ., General Counsel  
LUCY SAPINSKI, Director of Operations  
SHARIFA R. SALAAM, ESQ., Deputy Freeholder Counsel  
THOMAS GOMEZ, Airport Manager  
BETSY WILLIAMSON, Administrative Assistant  
JOSEPH CALI, Airport Accounts Receivables  
JOSEPH FACCONI, Samuel Klein & Company  
GERARD STANKIEWICZ, Samuel Klein & Company

	<u>I N D E X</u>	
		<u>PAGE</u>
1		
2		
3	SUNSHINE NOTICE	4
4	ROLL CALL	4
5	PUBLIC COMMENTS	5
6	ACCEPTANCE OF MINUTES	
7	Resolution No. 15-09	5
8	<u>RESOLUTIONS</u>	
9	Resolution No. 15-056	6
10	Resolution No. 15-057	20
11	Resolution No. 15-058	20
12	Resolution No. 15-059	20
13	Resolution No. 15-060	21
14	Resolution No. 15-061	22
15	Resolution No. 15-062	25
16	Resolution No. 15-063	28
17	Resolution No. 15-064	29
18	Resolution No. 15-065	29
19	Resolution No. 15-066	29
20	Resolution No. 15-067	31
21	Resolution No. 15-068	32
22	Resolution No. 15-069	33
23	Resolution No. 15-070	33
24	Resolution No. 15-071	34
25	Resolution No. 15-072	35

I N D E X

1		
2		<u>PAGE</u>
3	Resolution No. 15-073	35
4	Motion to adjourn meeting	
5	Resolution No. 15-10	40
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		

1           CHAIRMAN KLINGHOFFER: Notice was duly  
2 given by regular mail and facsimile to the Essex  
3 County Executive, the Essex County Clerk, the  
4 Clerk of the Board of Chosen Freeholders,  
5 Freeholder President Timberlake, the News Editor  
6 of The Herald News, the News Editor of The  
7 Star-Ledger, and notice was posted on the  
8 bulletin board in the Office of the Essex County  
9 Improvement Authority stating the time, date, and  
10 location of this Regular Board Meeting.

11

12 **ROLL CALL**

13

14           MS. SAPINSKI: Commissioner Brown?

15           COMMISSIONER BROWN: Present.

16           MS. SAPINSKI: Commissioner Dunec?

17           COMMISSIONER DUNEC: Present.

18           MS. SAPINSKI: Commissioner Halligan?

19           COMMISSIONER HALLIGAN: Present.

20           MS. SAPINSKI: Commissioner Spiesbach?

21           COMMISSIONER SPIESBACH: Here.

22           MS. SAPINSKI: Commissioner Stanziale?

23           COMMISSIONER STANZIALE: Here.

24           MS. SAPINSKI: Chairman Klinghoffer?

25           CHAIRMAN KLINGHOFFER: Here.

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**PUBLIC COMMENT**

CHAIRMAN KLINGHOFFER: We have any members of the public that would like to make comment?  
Seeing none.

(Whereupon, the Board discussed and took action on the following items:

**ACCEPTANCE OF MINUTES**

**RESOLUTION NO. 15-09**

- 1. REGULAR BOARD MEETING 3-24-15; and
- 2. EXECUTIVE SESSION - BOARD MEETING 3-24-15.)

CHAIRMAN KLINGHOFFER: We'll proceed to Acceptance of the Minutes.

Is there a motion to accept the --  
You can do all the minutes at once, can't we?

MR. PAGANELLI: Yes.

CHAIRMAN KLINGHOFFER: Is there a motion to accept the minutes?

COMMISSIONER BROWN: Move it.

CHAIRMAN KLINGHOFFER: Second?

COMMISSIONER SPIESBACH: Second.

1 COMMISSIONER STANZIALE: Second.

2 MS. SAPINSKI: Commissioner Brown?

3 COMMISSIONER BROWN: Yes.

4 MS. SAPINSKI: Commissioner Dunec?

5 COMMISSIONER DUNEC: Yes.

6 MS. SAPINSKI: Commissioner Halligan?

7 COMMISSIONER HALLIGAN: Yes.

8 MS. SAPINSKI: Commissioner Spiesbach?

9 COMMISSIONER SPIESBACH: Yes.

10 MS. SAPINSKI: Commissioner Stanziale?

11 COMMISSIONER STANZIALE: Yes.

12 MS. SAPINSKI: Chairman Klinghoffer?

13 CHAIRMAN KLINGHOFFER: Yes.

14

15 (Whereupon, the Board discussed and took  
16 action on the following item:

17 **ADMINISTRATIVE**

18 1. RESOLUTION NO. 15-056 - RESOLUTION  
19 AUTHORIZING ACCEPTANCE OF THE AUTHORITY'S REPORT  
20 OF AUDIT FOR THE YEAR ENDED DECEMBER 31, 2014.)

21

22 CHAIRMAN KLINGHOFFER: And I presume you  
23 want to the Auditor's Report first?

24 MR. PAGANELLI: Yeah.

25 CHAIRMAN KLINGHOFFER: Okay, so --

1 MR. STANKIEWICZ: How you doing?

2 CHAIRMAN KLINGHOFFER: Gentlemen, --

3 MR. STANKIEWICZ: Gerry Stankiewicz.

4 CHAIRMAN KLINGHOFFER: How you doing?

5 Happy to see you.

6 MR. FACCONO: Good to see you again.

7 CHAIRMAN KLINGHOFFER: You want them to --

8 MR. DILLON: Yes, for the record, your name  
9 please?

10 MR. STANKIEWICZ: My name's Gerry  
11 Stankiewicz.

12 MR. DILLON: Um-hum.

13 Okay.

14 MR. FACCONO: Joe Faccone.

15 MR. DILLON: Thank you.

16 MR. PAGANELLI: So, this is -- this is  
17 Resolution number 1.

18 Samuel Klein was awarded our audit for  
19 2014. The team has been Joe Faccone and Gerry  
20 Stankiewicz for a while now.

21 The report of the auditor was delivered to  
22 everybody last week. It was delivered to the  
23 State --

24 Yesterday?

25 MR. FACCONO: It was received this morning

1 | by the State.

2 |           MR. PAGANELLI: Received by the State this  
3 | morning. It's not really our document; it's  
4 | their document, so they filed it with the State.

5 |           I do want to -- you know I know we have  
6 | some new Commissioners here, so the -- the  
7 | management here's perspective of the audit is  
8 | that it's the most important document that we  
9 | have all year.

10 |           So some governmental entities will focus on  
11 | their budget and they'll give you budget  
12 | presentations and they'll give you speeches and  
13 | everything else. The budget is a projection.  
14 | The budget is a estimate. The budget is a we  
15 | hope to do the following. The audit tells you  
16 | whether or not you did any of those things. And  
17 | it tells you how you did it.

18 |           And so for our purposes here the most  
19 | important document that we produce throughout the  
20 | year is our audit.

21 |           Those Commissioners who were here back when  
22 | we first started -- and that's why I made a  
23 | comment of it in the email where we disbursed it  
24 | -- there were no bank records here, things were  
25 | lost. And through really Lucy's work here at the



1 Improvement Authority things are in order.

2 This year's audit ran smoothly -- because I  
3 was not involved in any meeting where I was  
4 yelling or throwing anything, so I know it had to  
5 go smooth. That is -- should be attributed to  
6 the performance of Lucy running this place.

7 The audit is not they get here, sit around  
8 here for three months, leave, and then it's  
9 forgotten.

10 The audit for us a year-round process. How  
11 we award things. How we spend money. How we do  
12 things around here are all with the audit in  
13 mind. It's the most important document we have.  
14 We are probably, I like to say, overly  
15 transparent in our audit. So you will see if we  
16 think we have litigations that may have adverse  
17 impacts on us or there are other things that we  
18 think should just be in there, we make sure  
19 they're in there.

20 So you may see a list of properties that we  
21 own through our leasebacks. You may see  
22 properties that we lease for other reasons. We  
23 fill as much information into the audit as we  
24 possibly can. That's both our policy and Samuel  
25 Klein's policy. We want to make sure that this

1 is as transparent as possible.

2 This document goes to everybody. Goes to  
3 our trustees. Goes to our member municipalities.  
4 Goes to our Freeholders. Goes to our County  
5 Executive. And we want to make sure that, you  
6 know, -- and the State, obviously.

7 MR. FACCONI: And it's also posted online  
8 for all your bondholders.

9 MR. PAGANELLI: It is posted online so if  
10 anybody wants to take a look at it.

11 So I want to make sure that you recognize  
12 that for us this is the document. It tells you  
13 how we performed last year -- not me, how the  
14 staff here has performed over the last year.

15 Again, that's Lucy; that's Tommy for the  
16 Airport and how he buys and how he plans and how  
17 he looks at things. Joe Cali this year, more  
18 than I would say than in past, has done a  
19 tremendous job on the revenue for the Airport.  
20 Whether it's charts, whether it's pie graphs,  
21 whatever it might be, he has that system down to  
22 a T.

23 It makes me comfortable. I'm not here  
24 24/7. And I'm sure it makes the auditors  
25 comfortable when records are kept well. And as

1 well as Mike down at Parking; I know we even  
2 visited Mike --

3 MR. FACCONA: Yes.

4 MR. PAGANELLI: -- privately this year and  
5 Mike, you know, pulled through.

6 So, we should recognize that this is a --  
7 this is a full year's effort on how we do things.  
8 This place is managed by Lucy with Tommy at the  
9 Airport and Mike at Parking. And Joe's done a  
10 tremendous job in helping us really get the  
11 Airport in -- in what I think is -- is spotless  
12 shape.

13 So, that's my perspective on the audit.

14 CHAIRMAN KLINGHOFFER: Before they present,  
15 I'd like to add one comment.

16 MR. PAGANELLI: Go ahead.

17 CHAIRMAN KLINGHOFFER: Gerry and I have  
18 been on the Board for --

19 How many years, Gerry?

20 COMMISSIONER SPIESBACH: Oh, since 2000, I  
21 think.

22 CHAIRMAN KLINGHOFFER: Okay, for a few  
23 years.

24 COMMISSIONER SPIESBACH: 2001, somewhere  
25 around there.

1 CHAIRMAN KLINGHOFFER: And the -- the audit  
2 process at the beginning looked nothing like  
3 this.

4 And everything Jim says about the staff is  
5 absolutely true. But when Jim first stepped foot  
6 in here --

7 And Lucy's shaking her head yes.

8 -- he brought order to this place. He  
9 brought order to the place.

10 This is -- this is not a reflection of one  
11 year's work; it's a lot of years of putting  
12 systems in place.

13 And, Jim, thank you very much, really  
14 appreciate it.

15 MR. FACCONI: That's right.

16 MR. PAGANELLI: Gerry, Joe, can you offer  
17 comments or what your, you know, --

18 MR. STANKIEWICZ: Well, --

19 MR. PAGANELLI: -- your perspective is for  
20 our Commissioners?

21 MR. STANKIEWICZ: -- we -- we view it also  
22 -- some of our better audits are year-round  
23 activity. We like to hear from people from time  
24 to time. We'll come and visit them. We'll  
25 interact with them. They'll -- if there's a

1 | problem, they call, we resolve it.

2 |           Just to echo real quickly what Jimmy was  
3 | saying and that is that -- from our perspective,  
4 | okay, all your expenditures were properly  
5 | documented. You have no violations of the Local  
6 | Public Contracts Law. Your bills were cut off  
7 | properly with respect to fiscal year. And, most  
8 | importantly, your bank reconciliations all agreed  
9 | to your general ledgers. That was presented by  
10 | your fee accountant consulting firm.

11 |           It's funny, this morning I had a  
12 | conversation with Joe and I said, well, if they  
13 | ask us, you know, what do we recommend. And I --  
14 | and I said, well, to be honest with you -- to the  
15 | Commissioners because it's --

16 |           MR. FACCONI: It was a lot of their  
17 | recommendations.

18 |           MR. STANKIEWICZ: -- your real job --  
19 | Right.

20 |           -- is -- and this is a tribute to him  
21 | because I wasn't involved when they first got  
22 | here, is that make sure management remains  
23 | diligent. And it was between his diligence and  
24 | now through hers that a lot of stuff is done  
25 | properly here and, you know, presented to us in

1 very good fashion.

2           So as long as the Commissioners empower  
3 management to remain diligent, there's usually  
4 not a lot of problems.

5           And I think he was on offense maybe from  
6 the third or fourth day he got here -- when was  
7 that, 10, 12 years ago? And I -- I inherited the  
8 job from a prior partner and I just picked up on  
9 it and we just move it along.

10           But we've had good results from all of our  
11 audit tests. We've had excellent cooperation  
12 from everyone who works here. We maybe spend a  
13 little more time than other people may spend  
14 here. We -- we do kind of -- I -- at least my  
15 audit -- we expand the procedure somewhat to make  
16 that sure we get to the bottom line if there's a  
17 problem when we haven't really had any.

18           But in the end we end up with what's called  
19 in the industry now an unmodified opinion. It  
20 used to be an unqualified opinion or a clean  
21 opinion. So the opinion is unmodified, okay,  
22 with respect to the financial statements as  
23 presented.

24           And, believe me, the records are presented  
25 -- an unbelievably turnaround -- unbelievable

1 | turnaround from what I understand it used to be.  
2 | So that makes our job a lot easier. And it's a  
3 | tribute to the -- there's two young ladies in the  
4 | next room there who work pretty hard on making  
5 | sure everything is in line prior to us getting  
6 | here. Because, really, that's -- management  
7 | presents records and we audit them. The days of  
8 | unraveling things and putting them into the book  
9 | are over and that's a tribute again, management  
10 | has to remain diligent.

11 |           So, we have an unmodified opinion and we  
12 | have no comments and recommendations to speak of.  
13 | And that's a good thing. And that's -- again,  
14 | that's diligence by everybody from the person  
15 | that answers the phone right up until -- up to  
16 | the -- to the Board, so.

17 |           I don't know if you have anything else --

18 |           MR. FACCONI: No.

19 |           MR. STANKIEWICZ: -- to add but, no, we --  
20 | we're happy with the results. We kind of hustled  
21 | to get the audit done in -- in between communion  
22 | and confirmations --

23 |           MR. PAGANELLI: That's right.

24 |           MR. STANKIEWICZ: -- and things like that.

25 | So, we -- we --

1 MR. FACCONE: The audit is due May 1<sup>st</sup> and  
2 Jim, when we start in January, with -- with  
3 timing the audit and the procedures for the audit  
4 that's our obvious target that it's got to be  
5 done and filed with the State prior to May 1<sup>st</sup>.  
6 And for the last number of years it has been  
7 filed prior to May 1<sup>st</sup>, so.

8 MR. PAGANELLI: Commissioners, questions?

9 So if you don't have any today, if in the  
10 course of your weekends or whatever, you're  
11 laying on the beach, sitting in the park and you  
12 happen to pull out our audit and you ever have  
13 questions, you can call us. The auditors are  
14 always free to come up --

15 MR. FACCONE: Yup.

16 MR. PAGANELLI: -- and sit and talk with  
17 you, --

18 MR. FACCONE: Absolutely.

19 MR. PAGANELLI: -- walk you through things.

20 You know, we're proud of the document; I'm  
21 proud of the people that work here because the  
22 document is -- it's a real reflection of how hard  
23 they work out here, so I'm happy with them.

24 MR. FACCONE: And like Jim said we'd like  
25 to thank Lucy and the staff for all the



1 cooperation that you give us. We'd like to thank  
2 the Board for the -- the extended confidence they  
3 have in reappointing us year after year, because  
4 I think we've been here since the inception of  
5 the Authority. So, again, we hope that --

6 CHAIRMAN KLINGHOFFER: 1972?

7 MR. FACCONI: I think so.

8 MR. PAGANELLI: The important part about  
9 that -- and, you know, it's something that --  
10 that, you know, we've asked and -- and they've  
11 interjected as well, we get different people  
12 here. So, Gerry may be the -- you know the team  
13 leader and Joe Faccone's a team leader, but we  
14 get different auditors here, --

15 CHAIRMAN KLINGHOFFER: That's right.

16 MR. PAGANELLI: -- and each time they come  
17 out there's a -- there's -- it's always the same  
18 focus but there's always a different niche that  
19 they're looking at.

20 So, we don't take this at all like we're  
21 just kind of jogging around the track. There's  
22 -- there's different ways they look at things,  
23 there are different questions they ask or  
24 different things they look at and we, you know,  
25 we pride ourselves on being able to handle any

1 | situation that they bring to us. But I don't  
2 | want the Board to feel as though because we've  
3 | had a relationship there's not much of a process.

4 |         There's a -- there's always a different way  
5 | to look at things. There's different questions  
6 | they ask and I think the process has been really  
7 | -- really well done.

8 |         And we appreciate them sending people here;  
9 | we don't let them take documents. We're always  
10 | yelling back and forth. They -- but they do a  
11 | great -- you know they -- they do a great  
12 | service.

13 |         We give them this room where we're sitting  
14 | now in our conference room. And, you know, they  
15 | do, they interact with staff. They go -- they  
16 | have free reign. They don't have to go to Lucy  
17 | first if they ask a question. They don't have to  
18 | come to me first to have a question. You go talk  
19 | to anybody you want. There's nothing that's off  
20 | the record. Everything is on the record. Ask  
21 | any question you want. Ask whenever you want it  
22 | to whomever you want it and whatever their answer  
23 | is, that's their answer. It is what it is.

24 |         So, we appreciate the process.

25 |         MR. STANKIEWICZ: Thank you.

1 MR. PAGANELLI: Any questions?

2 Anything further?

3 No?

4 You guys could go because I know you have  
5 another appointment.

6 MR. FACCONO: Thank you.

7 MR. PAGANELLI: Yes, sir.

8 MR. STANKIEWICZ: Thank you.

9 MR. PAGANELLI: Yes, sir.

10 CHAIRMAN KLINGHOFFER: Thank you very much,  
11 gentlemen.

12 MR. FACCONO: Take care.

13 COMMISSIONER SPIESBACH: Appreciate it.

14 MR. PAGANELLI: Joe, thanks.

15 (Whereupon, there was a pause in the  
16 proceedings.)

17 CHAIRMAN KLINGHOFFER: Do we have a motion  
18 to -- to move Resolution 15-056?

19 That's the first one; let's handle it  
20 separately.

21 COMMISSIONER STANZIALE: I'll move.

22 COMMISSIONER BROWN: I'll second.

23 MS. SAPINSKI: Commissioner Brown?

24 COMMISSIONER BROWN: Yes.

25 MS. SAPINSKI: Commissioner Dunec?

1 COMMISSIONER DUNEC: Yes.

2 MS. SAPINSKI: Commissioner Halligan?

3 COMMISSIONER HALLIGAN: Yes.

4 MS. SAPINSKI: Commissioner Spiesbach?

5 COMMISSIONER SPIESBACH: Yes.

6 MS. SAPINSKI: Commissioner Stanziale?

7 COMMISSIONER STANZIALE: Yes.

8 MS. SAPINSKI: Chairman Klinghoffer?

9 CHAIRMAN KLINGHOFFER: Yes.

10 (Whereupon, there was a pause in the  
11 proceedings.)

12

13 (Whereupon, the Board discussed and took  
14 action on the following items:

15 **ADMINISTRATIVE**

16 **2.** RESOLUTION NO. 15-057 - RESOLUTION  
17 AUTHORIZING PAYMENT TO AUDIO-DIGITAL  
18 TRANSCRIPTION SERVICES, LLC FOR TRANSCRIPTION OF  
19 BOARD MEETING ON 3-24-15; and

20 **3.** RESOLUTION NO. 15-058 - RESOLUTION  
21 RATIFYING PAYMENT OF RECURRING BILLS (BILL LIST);  
22 and

23 **4.** RESOLUTION NO. 15-059 - RESOLUTION  
24 RATIFYING PAYMENT TO D. TORLUCCIO IN THE AMOUNT  
25 OF \$1,500.00 FOR SNOW/ICE REMOVAL; and

1           **5.** RESOLUTION NO. 15-060 - RESOLUTION  
2 AUTHORIZING PAYMENT TO SCIROCCO FINANCIAL GROUP  
3 IN THE AMOUNT OF \$4,932.00 FOR ADDITIONAL PREMIUM  
4 DUE TO 2014 AUDIT OF WORKERS COMPENSATION  
5 POLICY.)

6

7           CHAIRMAN KLINGHOFFER: Okay?

8           MR. PAGANELLI: Yup.

9           CHAIRMAN KLINGHOFFER: Okay.

10          Administrative Resolutions 2 through 5.

11          Do we have a motion?

12          COMMISSIONER HALLIGAN: Motion.

13          CHAIRMAN KLINGHOFFER: Second?

14          COMMISSIONER BROWN: Second.

15          CHAIRMAN KLINGHOFFER: Okay.

16          MS. SAPINSKI: Commissioner Brown?

17          COMMISSIONER BROWN: Yes.

18          MS. SAPINSKI: Commissioner Dunec?

19          COMMISSIONER DUNEC: Yes.

20          MS. SAPINSKI: Commissioner Halligan?

21          COMMISSIONER HALLIGAN: Yes.

22          MS. SAPINSKI: Commissioner Spiesbach?

23          COMMISSIONER SPIESBACH: Yes.

24          MS. SAPINSKI: Commissioner Stanziale?

25          COMMISSIONER STANZIALE: Yes.

1 MS. SAPINSKI: Chairman Klinghoffer?

2 CHAIRMAN KLINGHOFFER: Yes.

3

4 (Whereupon, the Board discussed and took  
5 action on the following item:

6 **NEWARK RIVERFRONT PROJECT/LITIGATION**

7 6. RESOLUTION NO. 15-061 - RESOLUTION  
8 AUTHORIZING PAYMENT OF \$4,738.61 TO DeCOTIIS,  
9 FITZPATRICK & COLE, LLP FOR LEGAL SERVICES  
10 RENDERED IN THE MONTH OF MARCH 2015.)

11

12 CHAIRMAN KLINGHOFFER: Newark Riverfront  
13 Project.

14 Number 6.

15 MR. PAGANELLI: Just real quick, Mr.  
16 Chairman. No need for Executive on this.

17 The -- the environmental credit aspect of  
18 this litigation will be picking up this summer.  
19 Just so the Board's aware.

20 There's -- there's a component to this  
21 proceeding whereby we have condemned certain  
22 property. That property had certain  
23 environmental conditions that came with it and to  
24 develop the park we had to clean them up. And so  
25 we get -- there's a -- there are case law out

1 | there that permits us to get an environmental  
2 | credit for that cleanup and that process is  
3 | starting now.

4 |           CHAIRMAN KLINGHOFFER: How does that work  
5 | in terms of the credit?

6 |           Because it's not a financial credit,  
7 | obviously, we can't --

8 |           MR. PAGANELLI: It is a financial credit.

9 |           CHAIRMAN KLINGHOFFER: Well, we can't -- we  
10 | can't use the --

11 |           How do we use the credit? Do we sell the  
12 | credit?

13 |           MR. PAGANELLI: No, we can go into Closed  
14 | if you want but it literally --

15 |           CHAIRMAN KLINGHOFFER: Okay.

16 |           MR. PAGANELLI: -- it literally is a  
17 | credit. It is a benefit to us. There's money  
18 | still in court and --

19 |           CHAIRMAN KLINGHOFFER: Oh, I'm sorry, it  
20 | was on the --

21 |           I see.

22 |           COMMISSIONER SPIESBACH: Jim, is that  
23 | Suydam?

24 |           MR. PAGANELLI: Yes, sir.

25 |           COMMISSIONER SPIESBACH: Okay.

1           So the situation is we have an  
2 environmental reservation against what was  
3 supposed to be a clean property purchase price --

4           MR. PAGANELLI: Um-hum.

5           COMMISSIONER SPIESBACH: -- and then it  
6 will be deducted based on whatever the  
7 environmental conditions are.

8           MR. PAGANELLI: S-U-D-Y-A-M (sic).

9           COMMISSIONER SPIESBACH: S-- S-U-Y--

10          MR. PAGANELLI: Oh, S-U-Y-D-A-M.

11          CHAIRMAN KLINGHOFFER: Okay.

12          MR. PAGANELLI: All right?

13          CHAIRMAN KLINGHOFFER: I'm good.

14          COMMISSIONER BROWN: If you're good; I'm  
15 good.

16          COMMISSIONER SPIESBACH: Good.

17          CHAIRMAN KLINGHOFFER: If you could spell  
18 it; that's good.

19                 Is there a second?

20          COMMISSIONER SPIESBACH: Move it.

21          CHAIRMAN KLINGHOFFER: Did you move it?

22                 I'm sorry.

23          COMMISSIONER SPIESBACH: No, I'll move --

24          CHAIRMAN KLINGHOFFER: You move it; okay.

25          MS. SAPINSKI: Commissioner Brown?



1 CHAIRMAN KLINGHOFFER: Second?

2 Who second it?

3 COMMISSIONER STANZIALE: I'll second.

4 MS. SAPINSKI: Commissioner Brown?

5 CHAIRMAN KLINGHOFFER: I didn't hear it.

6 COMMISSIONER BROWN: Yes. Yes.

7 MS. SAPINSKI: Commissioner Dunec?

8 COMMISSIONER DUNEC: Yes.

9 MS. SAPINSKI: Commissioner Halligan?

10 COMMISSIONER HALLIGAN: Yes.

11 MS. SAPINSKI: Commissioner Spiesbach?

12 COMMISSIONER SPIESBACH: Yes.

13 MS. SAPINSKI: Commissioner Stanziale?

14 COMMISSIONER STANZIALE: Yes.

15 MS. SAPINSKI: Chairman Klinghoffer?

16 CHAIRMAN KLINGHOFFER: Yes.

17

18 (Whereupon, the Board discussed and took

19 action on the following item:

20 **SPORTSPLEX COMPLEX**

21 7. RESOLUTION NO. 15-062 - RESOLUTION

22 RATIFYING PAYMENT TO PPMG, LLC IN THE AMOUNT OF

23 \$1,732.00 FOR SNOW/ICE REMOVAL.)

24

25 CHAIRMAN KLINGHOFFER: Before we move the

1 Sportsplex Complex, Jim, I happen to be going by  
2 the Penn Station a week ago Sunday and I  
3 understand -- I saw a baseball game being played  
4 there.

5 MR. PAGANELLI: Yes.

6 CHAIRMAN KLINGHOFFER: How -- how's it  
7 being -- obviously it's being used at some level.

8 MR. PAGANELLI: So, the NJIT has been  
9 utilizing the stadium. Bloomfield College has  
10 been utilizing the stadium. Rutgers has been  
11 utilizing the stadium directly with us.  
12 Bloomfield has been utilizing it through NJIT.

13 We've also offered the stadium to all of  
14 our Essex County Vocational Schools, without  
15 charge; but they've been using -- utilizing the  
16 stadium with NJIT doing the field for them and  
17 bringing in soil and things like that.

18 So, this spring if you're seeing baseball  
19 it's -- it's most likely collegiate baseball.  
20 There may be some high school baseball.

21 The County Exec has a Greater Newark  
22 Tournament.

23 CHAIRMAN KLINGHOFFER: Yeah.

24 MR. PAGANELLI: We'll host the championship  
25 game a couple weeks in May.

1           And then there have been a few people who  
2 have inquired about concerts and things like that  
3 and we're slowly looking -- looking at those.

4           We -- we do not have the staffing. I don't  
5 have the knowledge of it. And I don't want to  
6 rush myself into events that I can't control.

7           So, we're trying to work with the City of  
8 Newark Police, Sheriff Armando Fontoura, and our  
9 insurance brokers. I'm trying to work through  
10 Parks about -- you know, to enhance staffing down  
11 there if we do try to have some of these events.

12           But really this -- this spring, if you're  
13 seeing something, you're seeing high school and  
14 college baseball.

15           CHAIRMAN KLINGHOFFER: It was nice -- it  
16 was a beautiful Sunday; it was nice to see the  
17 stadium being used.

18           MR. PAGANELLI: Yes. I agree.

19           CHAIRMAN KLINGHOFFER: Motion on number --

20           MR. PAGANELLI: This is 7.

21           CHAIRMAN KLINGHOFFER: -- 7?

22           I just wanted to see if there was anything  
23 else.

24           On number 7?

25           COMMISSIONER BROWN: I'll move it.

1 CHAIRMAN BROWN: Second?

2 COMMISSIONER DUNEC: Second.

3 MS. SAPINSKI: Commissioner Brown?

4 COMMISSIONER BROWN: Yes.

5 MS. SAPINSKI: Commissioner Dunec?

6 COMMISSIONER DUNEC: Yes.

7 MS. SAPINSKI: Commissioner Halligan?

8 COMMISSIONER HALLIGAN: Yes.

9 MS. SAPINSKI: Commissioner Spiesbach?

10 COMMISSIONER SPIESBACH: Yes.

11 MS. SAPINSKI: Commissioner Stanziale?

12 COMMISSIONER STANZIALE: Yes.

13 MS. SAPINSKI: Chairman Klinghoffer?

14 CHAIRMAN KLINGHOFFER: Yes.

15

16 (Whereupon, the Board discussed the  
17 following item:

18 **AIRPORT**

19 8. RESOLUTION NO. 15-063 - WITHDRAWN -  
20 RESOLUTION AUTHORIZING DISPOSITION OF BIDS FOR  
21 RENOVATION OF EXISTING BATHROOMS AT  
22 BUILDING/HANGAR I.)

23

24 MR. PAGANELLI: Mr. Chairman, we're going  
25 to withdraw number 8; we're not ready for that

1 yet.

2 CHAIRMAN KLINGHOFFER: Okay.

3

4 (Whereupon, the Board discussed and took  
5 action the following items:

6 **AIRPORT**

7 9. RESOLUTION NO. 15-064 - RESOLUTION  
8 AUTHORIZING PAYMENT IN THE AMOUNT OF \$4,697.25 TO  
9 FOAM TECHNOLOGY INC. FOR PRE-ACTION FIRE ALARM  
10 FOAM RE-FILLING AT HANGAR M AND I;

11 10. RESOLUTION NO. 15-065 - RESOLUTION  
12 AUTHORIZING PAYMENT IN THE AMOUNT OF \$8,374.00 TO  
13 AIR POWER FOR ELECTRICAL REPAIRS; and

14 11. RESOLUTION NO. 15-066 - RESOLUTION  
15 AUTHORIZING PAYMENT TO H2M ASSOCIATES INC., IN  
16 THE AMOUNT OF \$3,276.00 FOR ENVIRONMENTAL  
17 CONSULTING SERVICES IN CONNECTION WITH THE SITE  
18 REMEDIATION AT AIRPORT-HANGAR 1 AREA.)

19

20 CHAIRMAN KLINGHOFFER: Okay.

21 Is there a motion on 9 through 11?

22 COMMISSIONER SPIESBACH: Before that --

23 CHAIRMAN KLINGHOFFER: I'm sorry?

24 COMMISSIONER SPIESBACH: I have no problem  
25 with -- with --

1 I would move 9 through 11; so, I'll move  
2 those.

3 But just a after-the-fact?

4 When I was looking at the -- number 11, the  
5 H2M, it basically just says meetings. They  
6 should provide a little bit more explanation.

7 Can you get back to them?

8 MR. PAGANELLI: Sure.

9 COMMISSIONER SPIESBACH: I'm not suggesting  
10 that we hold this because you've already looked  
11 at it and approved it but I will say meeting with  
12 who about what?

13 MR. PAGANELLI: Okay.

14 COMMISSIONER SPIESBACH: Okay?

15 So I've already moved 9 through 11.

16 CHAIRMAN KLINGHOFFER: Is there a second?

17 COMMISSIONER HALLIGAN: Second.

18 MS. SAPINSKI: Commissioner Brown?

19 COMMISSIONER BROWN: Yes.

20 MS. SAPINSKI: Commissioner Dunec?

21 COMMISSIONER DUNEC: Yes.

22 MS. SAPINSKI: Commissioner Halligan?

23 COMMISSIONER HALLIGAN: Yes.

24 MS. SAPINSKI: Commissioner Spiesbach?

25 COMMISSIONER SPIESBACH: Yes.

1 MS. SAPINSKI: Commissioner Stanziale?

2 COMMISSIONER STANZIALE: Yes.

3 MS. SAPINSKI: Chairman Klinghoffer?

4 CHAIRMAN KLINGHOFFER: Yes.

5

6 (Whereupon, the Board discussed and took  
7 action on the following item:

8 **OBSTRUCTION REMOVAL - RSA PHASE VII PROJECT**

9 **PROJECT FUNDED:**

10 **FAA GRANT #37-15**

11 **AIRPORT BOND**

12 **12.** RESOLUTION NO. 15-067 - RESOLUTION

13 AUTHORIZING A CHANGE ORDER #1 AND FINAL TO THE

14 CONTRACT WITH DOWNES TREE SERVICES IN THE AMOUNT

15 OF \$9,684.00.)

16

17 CHAIRMAN KLINGHOFFER: Obstruction Removal,  
18 Resolution 12.

19 Is there a motion?

20 COMMISSIONER BROWN: I'll move it.

21 CHAIRMAN KLINGHOFFER: Second?

22 COMMISSIONER STANZIALE: I'll second.

23 MS. SAPINSKI: Commissioner Brown?

24 COMMISSIONER BROWN: Yes.

25 MS. SAPINSKI: Commissioner Dunec?

1 COMMISSIONER DUNEC: Yes.

2 MS. SAPINSKI: Commissioner Halligan?

3 COMMISSIONER HALLIGAN: Yes.

4 MS. SAPINSKI: Commissioner Spiesbach?

5 COMMISSIONER SPIESBACH: Yes.

6 MS. SAPINSKI: Commissioner Stanziale?

7 COMMISSIONER STANZIALE: Yes.

8 MS. SAPINSKI: Chairman Klinghoffer?

9 CHAIRMAN KLINGHOFFER: Yes.

10

11 (Whereupon, the Board discussed and took  
12 action on the following items:

13 **FINANCE**

14 **13.** RESOLUTION NO. 15-068 - RESOLUTION OF THE  
15 AUTHORITY ACKNOWLEDGING THE REVIEW AND POSITIVE  
16 FINDINGS CONTAINED IN THE LOCAL FINANCE BOARD  
17 RESOLUTION DATED JUNE 11, 2014 IN CONNECTION WITH  
18 THE AUTHORITY ISSUANCE OF NOT TO EXCEED  
19 \$68,000,000 PROJECT CONSOLIDATING REVENUE  
20 REFUNDING BONDS, SERIES 2014 (REFUNDING PROJECT)  
21 (COUNTY GUARANTEED) AND NOT TO EXCEED \$2,000,000  
22 AIRPORT REFUNDING REVENUE BONDS, SERIES 2014  
23 (AMT) (COUNTY GUARANTEED), AND EXECUTION AND  
24 DELIVERY OF GUARANTY AGREEMENTS IN CONNECTION  
25 THEREWITH;



1       **14.** RESOLUTION NO. 15-069 - RESOLUTION  
2 AUTHORIZING AN EXTENSION OF ONE YEAR TO THE  
3 LETTER OF CREDIT PROVIDED BY WELLS FARGO BANK, NA  
4 IN CONNECTION WITH THE AUTHORITY'S \$150,000,000  
5 POOLED GOVERNMENT LOAN PROGRAM (SERIES 1986); and

6       **15.** RESOLUTION NO. 15-070 - RESOLUTION  
7 AUTHORIZING PAYMENT OF CHARGES AND EXPENSES OF  
8 THE AUTHORITY'S \$150,000,000 POOLED GOVERNMENT  
9 LOAN PROGRAM, SERIES 1986

10                   PAYMENTS DUE OTHERS FOR PGLP SERVICES

11                   PHILIP A. LANZET, FINANCIAL CONSULTANT -  
12 APRIL 2015 - \$2,500.00; and

13                   WELLS FARGO BANK, NA - REMARKETING FEE -  
14 1-1-15 TO 3-31-15 - \$4,300.00.)

15

16                   CHAIRMAN KLINGHOFFER: Thirteen through 15,  
17 Finance.

18                   COMMISSIONER HALLIGAN: I'll move it.

19                   CHAIRMAN KLINGHOFFER: Is there a second?

20                   COMMISSIONER DUNEC: Second.

21                   MS. SAPINSKI: Commissioner Brown?

22                   COMMISSIONER BROWN: Yes.

23                   MS. SAPINSKI: Commissioner Dunec?

24                   COMMISSIONER DUNEC: Yes.

25                   MS. SAPINSKI: Commissioner Halligan?

1 COMMISSIONER HALLIGAN: Yes.

2 MS. SAPINSKI: Commissioner Spiesbach?

3 COMMISSIONER SPIESBACH: Yes.

4 MS. SAPINSKI: Commissioner Stanziale?

5 COMMISSIONER STANZIALE: Yes.

6 MS. SAPINSKI: Chairman Klinghoffer?

7 CHAIRMAN KLINGHOFFER: Yes.

8

9 (Whereupon, the Board discussed and took  
10 action on the following item:

11 **RESOURCE RECOVERY FACILITY PROJECT**

12 **\*ALL EXPENSES PAID FROM ESCROW ACCOUNT**

13 **16.** RESOLUTION NO. 15-071 - RESOLUTION OF THE  
14 ECIA APPROVING THE SUBMISSION OF AN APPLICATION  
15 TO THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A.  
16 40A:5A-6 IN CONNECTION WITH THE SOLID WASTE  
17 DISPOSAL REVENUE BONDS, SERIES 2015.)

18

19 CHAIRMAN KLINGHOFFER: Number 16.

20 Resource Recovery Facility Project.

21 COMMISSIONER BROWN: Move it.

22 COMMISSIONER STANZIALE: Second.

23 MS. SAPINSKI: Commissioner Brown?

24 COMMISSIONER BROWN: Yes.

25 MS. SAPINSKI: Commissioner Dunec?

1 COMMISSIONER DUNEC: Yes.

2 MS. SAPINSKI: Commissioner Halligan?

3 COMMISSIONER HALLIGAN: Yes.

4 MS. SAPINSKI: Commissioner Spiesbach?

5 COMMISSIONER SPIESBACH: Yes.

6 MS. SAPINSKI: Commissioner Stanziale?

7 COMMISSIONER STANZIALE: Yes.

8 MS. SAPINSKI: Chairman Klinghoffer?

9 CHAIRMAN KLINGHOFFER: Yes.

10

11 (Whereupon, the Board discussed and took  
12 action on the following items:

13 **CORRECTIONAL FACILITY/CELANESE LITIGATION**

14 **\*ALL EXPENSES PAID FROM ECIA OPERATIONS ACCOUNT**

15 **NOTICE: AS PER COURT ORDER OF JANUARY 23, 2014,**  
16 **PAYMENT TO SPECIAL MASTER ROSEN IN THE AMOUNT OF**  
17 **\$4,558.46**

18 **17. RESOLUTION NO. 15-072 - RESOLUTION**  
19 **AUTHORIZING PAYMENT IN THE AMOUNT OF \$69,924.90**  
20 **TO BUCHANAN, INGERSOLL & ROONEY, PC FOR LEGAL**  
21 **SERVICES RENDERED IN THE MONTH OF MARCH 2015; and**

22 **18. RESOLUTION NO. 15-073 - RESOLUTION**  
23 **AUTHORIZING PAYMENT IN THE AMOUNT OF \$3,996.00 TO**  
24 **SMART DEVINE FOR ACCOUNTING REVIEW/ANALYSIS**  
25 **SERVICES RENDERED IN THE MONTH OF MARCH 2015.)**

1

2 CHAIRMAN KLINGHOFFER: Quick question on 17  
3 before anybody moves it.

4 Lucy, do you have a year-to-date number on  
5 where we stand with our friends in Philadelphia,  
6 Buchanan, Ingersoll --

7 MS. SAPINSKI: Um-hum. It's in the  
8 Resolution behind you.

9 CHAIRMAN KLINGHOFFER: Is it in the  
10 Resolution?

11 Then I missed it.

12 Okay.

13 MR. PAGANELLI: So we had a 2015 agreement  
14 for \$360,000.00. And after this payment the  
15 remainder is 223,338.

16 CHAIRMAN KLINGHOFFER: Is anybody --  
17 anybody like to move 17 and 18?

18 COMMISSIONER SPIESBACH: I'll move.

19 CHAIRMAN KLINGHOFFER: Second?

20 COMMISSIONER STANZIALE: I'll second.

21 MS. SAPINSKI: Commissioner Brown?

22 COMMISSIONER BROWN: Yes.

23 MS. SAPINSKI: Commissioner Dunec?

24 COMMISSIONER DUNEC: Yes.

25 MS. SAPINSKI: Commissioner Halligan?

1 COMMISSIONER HALLIGAN: Yes.

2 MS. SAPINSKI: Commissioner Spiesbach?

3 COMMISSIONER SPIESBACH: Yes.

4 MS. SAPINSKI: Commissioner Stanziale?

5 COMMISSIONER STANZIALE: Yes.

6 MS. SAPINSKI: Chairman Klinghoffer?

7 CHAIRMAN KLINGHOFFER: Yes.

8 MR. PAGANELLI: Just before we move beyond,  
9 Mr. Chairman, that 17, 18, we had a mediation  
10 session scheduled for -- the end of last week, --  
11 Last week?

12 MS. SAPINSKI: Last week?

13 MR. PAGANELLI: Week before?

14 MS. SAPINSKI: Yeah, last week. Last week.

15 MR. PAGANELLI: I think I -- I think we  
16 rotated to everybody at least just a statement  
17 without all the attachments just to try to give  
18 you a flavor.

19 Celanese decided they didn't want to fly up  
20 here. They're a Texas corporation. So, it -- it  
21 didn't happen.

22 There is some kind of -- there's some  
23 conversation going back and forth but I -- I  
24 mentioned to the Chairman the other day I -- I  
25 don't really think it's going to bear any fruit.

1 We probably will engage in -- in mediation.

2           They're trying to do it over the summer;  
3 that gets a little difficult with everybody's  
4 schedules, so I would think late summer/early  
5 fall maybe we'll mediate again.

6           Chairman did ask, you know, as we're -- as  
7 we're -- you know mediation is ordinarily going  
8 to lead you up to a -- a hopeful settlement or a  
9 hopeful resolution, we are looking towards the  
10 past with these issues; we're not looking  
11 forward. But the Chairman was -- was accurate  
12 when he said sometimes when you resolve your past  
13 issues they control your forward issues.

14           So we are moving along at a -- at a very  
15 deliberate pace with this. We want to make sure  
16 that we fully understand the legal implications  
17 of any settlement, even if it's for a smaller  
18 kind of monetary amount today and for what's  
19 happened but what that may mean for us as we go  
20 forward.

21           So the Chairman was on that. I just want  
22 to make sure everybody was aware of it. Talked  
23 about it the other day and that's kind of how  
24 we're going to proceed with -- with that  
25 mediation at least for now.

1 CHAIRMAN KLINGHOFFER: I never asked at the  
2 beginning of the meeting about Executive Session  
3 because we went right to the auditors.

4 Do you have any need for Executive Session?

5 Anybody else have any request for Executive  
6 Session?

7 No?

8 MR. PAGANELLI: I mean I think you're aware  
9 of the litigations that are going on. We -- we  
10 thought we may have a -- we thought we may have a  
11 Hilltop Resolution but we don't. Still working  
12 on that. Hopefully next -- next month we'll have  
13 that.

14 I think everybody's aware of Celanese.

15 I think we talked a little bit about the  
16 Riverfront Litigation that's still ongoing.

17 And that's really all I have.

18 CHAIRMAN KLINGHOFFER: Okay.

19 MR. PAGANELLI: Yeah.

20

21 **ADJOURNMENT**

22

23 CHAIRMAN KLINGHOFFER: Do we have a motion  
24 to adjourn?

25 MR. PAGANELLI: We're done.

1 COMMISSIONER HALLIGAN: I'll move it.

2 CHAIRMAN KLINGHOFFER: Is there a second?

3 COMMISSIONER BROWN: Second.

4 MS. SAPINSKI: Commissioner Brown?

5 COMMISSIONER BROWN: Yes.

6 MS. SAPINSKI: Commissioner Dunec?

7 COMMISSIONER DUNEC: Yes.

8 MS. SAPINSKI: Commissioner Halligan?

9 COMMISSIONER HALLIGAN: Yes.

10 MS. SAPINSKI: Commissioner Spiesbach?

11 COMMISSIONER SPIESBACH: Yes.

12 MS. SAPINSKI: Commissioner Stanziale?

13 COMMISSIONER STANZIALE: Yes.

14 MS. SAPINSKI: Chairman Klinghoffer?

15 CHAIRMAN KLINGHOFFER: Yes.

16

17 (Whereupon, the proceedings were concluded

18 at 5:21 p.m., Resolution No. 15-10.)

19

20

21

22

23

24

25



1 STATE OF NEW JERSEY :

2 :

3 COUNTY OF ESSEX :

4

5 I, Karen A. Marino, assigned transcriber,  
6 do hereby affirm that the foregoing is a true and  
7 accurate transcript of the REGULAR BOARD MEETING  
8 of the ESSEX COUNTY IMPROVEMENT AUTHORITY heard  
9 on Tuesday, April 28, 2015 and recorded on tape.

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24 Monitored by: Kevin Dillon, Sr.

25 Proofread by: Deborah Dillon