

MINUTES



REGULAR SESSION BOARD MEETING

DATE: December 14, 2017
TIME: 10:00 a.m.
PLACE: 2 DeKorte Park Plaza - Lyndhurst, NJ
RE: **REGULAR SESSION MEETING MINUTES**

Members in Attendance:

Michael Ferguson, Chairman (via phone)
Joseph Buckelew, Vice Chairman
Wayne Hasenbalg, Esq., President and Chief Executive Officer
John Ballantyne, Member
Armando Fontoura, Member (via phone)
Michael H. Gluck, Esq., Member
LeRoy Jones, Member
Shannon McManus, NJ State Treasurer's Representative
Steven Plofker, Member
Andrew Scala, Member
Anthony Scardino, Member

Absent:

Michael Gonnelli, Member
Robert Yudin, Member
George Kolber, Member

Also Attending:

Ralph J. Marra, Jr., Sr. Vice President of Legal and Regulatory Affairs
Christine Sanz, Sr. Vice President/Chief Operating Officer
Adam Levy, Vice President of Legal & Regulatory Affairs
John Yarenis, Director of Finance/CFO
Sara Sundell, Director of Land Use Management and Chief Engineer
Nicholas Kant, Assistant Counsel, Governor's Authorities Unit
Christine Ferrante, Executive Assistant/Paralegal

Vice Chairman Buckelew called the meeting to order.

Vice Chairman Buckelew stated that the New Jersey Sports and Exposition Authority gave notice of the time, place, and date of this meeting by providing such notice to the Secretary of State for the State of New Jersey, The Star-Ledger, The Record, and other newspapers and by posting the notice at the offices of the Authority.

I. APPROVAL OF MINUTES

Vice Chairman Buckelew presented the minutes of the Regular Session Board Meeting held on November 16, 2017.

Upon motion made by Commissioner Scala and seconded by Commissioner Plofker, the minutes of the Regular Session Board Meeting held on November 16, 2017 were approved by a vote of 11-0.

II. PUBLIC PARTICIPATING ON RESOLUTIONS -

- Captain Bill Sheehan, Riverkeeper – spoke in support of Resolution 2017-39 on behalf of the Meadowlands Conservation Trust.

III. APPROVALS

- Approval of Cash Disbursements Over \$100,000 and Professional Invoices

Vice Chairman Buckelew presented the report of cash disbursements over \$100,000 and Professional Invoices for the month of November 2017.

Upon motion by Commissioner Ballantyne and seconded by Commissioner Gluck, the cash disbursements over \$100,000 for the month of November 2017 were approved subject to the following recusals:

<u>Member</u>	<u>Recused as to</u>
Commissioner Buckelew	Borough of Oceanport

Resolution 2017-36 Resolution Accepting the 2016 Audit Report.

Mr. Yarenis explained that before the board today is the 2016 financial statements and independent auditors report. Mr. Yarenis stated that the auditors, PKF O'Connor Davies, issued a clean opinion on all financial operations except for the item related to the arena. He went on to say that the audit committee held an exit conference with the auditors and that there were no adverse financial management issues raised. Mr. Yarenis stated that representatives from PKF O'Connor Davies are present today to answer any questions the board may have relating to the audit report.

Commissioner Plofker stated that he was on the audit review committee and is satisfied with the report. He went on to say that the auditors praised NJSEA staff.

Commissioner Jones stated that he has not seen the audit report. It was explained that it was included in the board book package sent earlier and that a copy will be sent to him again.

Vice Chairman Buckelew presented Resolution 2017-36. Upon motion by Commissioner Plofker and seconded by Commissioner Scala, proposed Resolution 2017-36 was approved by 10-0 vote with Commissioner Jones abstaining.

Resolution 2017-37 Resolution Authorizing NJSEA Staff to Investigate the Redevelopment Potential of Properties within Block 480 and Block 463 in North Bergen – File No. SP-751.

Ms. Sundell explained that North Bergen Liberty Generating, LLC has submitted a petition requesting that certain properties located within the District's Heavy Industrial zone in the Township of North Bergen be designated as an area in need of redevelopment. She also explained that the 14 properties within the requested study area have an overall acreage of approximately 21.5 acres and are owned by four separate entities. Ms. Sundell stated that there are no residential uses within in the study area or in its immediate vicinity. She indicated that NJSEA staff prepared a preliminary analysis of the subject area and is requesting authorization from the Board

of Commissioners to conduct an investigation to determine whether the properties meet the criteria to be deemed in need of redevelopment, in accordance with the regulations at N.J.A.C. 19:3-5.2(a), and to hold a public hearing on the matter. Ms. Sundell stated that if the property is determined to be an area in need of redevelopment, North Bergen Liberty, LLC proposes to construct a 1,200 megawatt combined cycle electric generating facility on approximately 15 acres within the requested study area.

Vice Chairman Buckelew presented Resolution 2017-37. Upon motion by Commissioner Ballantyne and seconded by Commissioner Scla, proposed Resolution 2017-37 was unanimously approved by 11-0 vote.

Resolution 2017-38 Resolution Authorizing the Publication of a Notice of Adoption for the Rezoning of Block 451, Lot 19.01 and 20.01 in North Bergen – File No. SP-742).

Ms. Sundell explained that the NJSEA received a petition from Hanover Holdings, LLC, to rezone Block 451, Lots 19.01 and 20.01, in the Township of North Bergen from the Environmental Conservation zone to Highway Commercial zone. She went on to explain that the 16.5-acre site contains 3 acres of uplands and 13.5 acres of jurisdictionally-determined wetlands and that the proposed rezoning will allow for the commercial development of the uplands within the proposed Highway Commercial-rezoned portion, while preserving environmentally-sensitive wetlands areas. Ms. Sundell stated that at the public hearing, the petitioner proposed to amend the scope of their request to reduce the total area of the property to be rezoned to Highway Commercial from 16.6 acres to a total of only 5.7 acres. As a result, the majority of the delineated wetlands on the subject property will retain its Environmental Conservation zone designation. She also stated that the requested changes have been reflected in the Notice of Adoption. She indicated that two comments were received by the NJSEA during the public comment period and/or at the public hearing and are addressed in the Notice of Adoption. She also indicated that the matter was forwarded to the Hackensack Meadowlands Municipal Committee, which approved the proposed rezoning at its meeting on December 4th. Ms. Sundell stated that staff requests that the Board adopt the proposed amendment to the Official Zoning Map and authorize staff to file a Notice of Adoption with the Office of Administrative Law.

Vice Chairman Buckelew presented Resolution 2017-38. Upon motion by Commissioner Scala and seconded by Commissioner Gluck, proposed Resolution 2017-38 was unanimously approved by 11-0 vote.

Resolution 2017-39 Resolution Authorizing the Publication of a Notice of Adoption for the Rezoning of Block 451, Lot 14.01 in Ridgefield.

Ms. Sundell explained that the NJSEA received a petition from 175 Railroad Avenue Realty Associates, LLC, to rezone portions of an 11.01-acre property located at 175 Railroad Avenue and identified as Block 4014, Lot 14.01, in the Borough of Ridgefield. She also explained that the property owner is requesting the rezoning of a 2.02-acre portion of the lot, which is comprised entirely of jurisdictionally-determined wetlands, from the Light Industrial B zone to the Environmental Conservation zone, and a 0.9-acre portion of the lot from the Environmental Conservation zone to the Light Industrial B zone. Ms. Sundell stated that the rezoning of the 0.9-acre Environmental Conservation portion of the site to the Light Industrial B zone provides an opportunity for a building addition without compromising existing wetlands. She also stated that no comments or

objections were received by the NJSEA during the public comment period or at the public hearing. Ms. Sundell indicated that the matter was forwarded to the Hackensack Meadowlands Municipal Committee, which approved the proposed rezoning at its meeting on December 4th. Ms. Sundell stated that Staff requests that the Board adopt the proposed amendment to the Official Zoning Map and authorize staff to file a Notice of Adoption with the Office of Administrative Law.

Vice Chairman Buckelew presented Resolution 2017-39. Upon motion by Commissioner Scardino and seconded by Commissioner Ballantyne, proposed Resolution 2017-39 was unanimously approved by 11-0 vote.

Resolution 2017-40 Resolution Issuing a Decision on the Variance Application submitted as Part of File No. 17-097 Hartz/Bergen Ave.- Major Subdivision, Block 286, Lot 4 in Kearny.

Ms. Sundell explained that Hartz Kearny, LLC submitted a major subdivision application for a property within the Kearny Area Redevelopment Area located on Bergen Avenue, and identified as Block 286, Lot 4, in the Town of Kearny. She also explained that Lot 4 contains a former landfill, which has been previously remediated. Ms. Sundell stated that as part of the applicant's major subdivision request, which will divide the 30.8-acre property into five separate lots for development purposes, the applicant has applied for six bulk variances. Four of the bulk variances result from the regulation at N.J.A.C. 19:4-3.16, which requires that buildings be constructed on lots that have direct access to an improved street. Four of the proposed lots (Lots 4.02, 4.03, 4.04 and 4.05) will not have such access; however, access to Bergen Avenue for each of these lots will be provided through a formal access easement across proposed Lot 4.06, and via unrecorded ground leases amongst the other properties. Ms. Sundell stated that staff is recommending the conditional approval of these four bulk variances, with the requirement that the applicant shall file a single Zoning Lot of Record with the Hudson County Registrar, pursuant to N.J.A.C. 19:4-3.22, to combine the properties for zoning purposes. She also explained that in addition, should Hartz Kearny, LLC convey proposed Lots 4.02, 4.03, and/or Lot 4.04 to a third party in the future, they shall be required to provide a recorded access easement across the property to be conveyed in order to ensure continued access to Bergen Avenue. Ms. Sundell explained that another bulk variance is from the provision of the Kearny Area Redevelopment Plan that requires a minimum side yard setback of 30 feet. The subdivision proposes the creation of Lot 4.05 with a side yard setback of 1.6 feet to an existing concrete utility shed. Ms. Sundell then explained that the last bulk variance is from a provision of the Kearny Area Redevelopment Plan that requires a minimum lot area of 3 acres. The subdivision proposes the creation of Lot 4.05 with an area of 0.13 acres. The purpose of creating Lot 4.05, with both a proposed substandard side yard setback and lot area, is to provide a separate utility lot just large enough to house the existing concrete shed, which contains equipment that pumps leachate collected from the former landfill, thus minimizing further environmental contamination of the area. Ms. Sundell stated that for these reasons and those included in the recommendation, staff is recommending the approval of the two bulk variances associated with the creation of Lot 4.05 with a substandard side yard setback and lot area.

Vice Chairman Buckelew presented Resolution 2017-40. Upon motion by Commissioner Scardino and seconded by Commissioner Ballantyne, proposed Resolution 2017-40 was unanimously approved by 11-0 vote.

V. AWARDS/CONTRACTS

Resolution 2017-41 Resolution Authorizing the Placement of Property, Liability, Automobile, Inland Marine, Excess Liability, Crime, Fiduciary, Public Officials Liability and site Pollution Insurance.

Mr. Yarenis stated that Willis Towers Watson obtained various insurance quotes from multiple insurers for 2018-2019. Mr. Yarenis stated that there was minor savings in premium costs. He explained that the proposal was reviewed during Executive Session and all questions were answered. Mr. Yarenis stated that if approved by the board, staff will proceed to bind the policies.

Commissioner Jones expressed his concern that during the administration transition, large awards and contracts should be put on hold and that time sensitive contracts should be on a month-to-month basis. Commissioner Fontoura agreed with Commissioner Jones concerns. There was discussion on the insurance policy expiration date and the time sensitivity.

Vice Chairman Buckelew presented Resolution 2017-41. Upon motion by Commissioner Scardino and seconded by Commissioner Scala, proposed Resolution 2017-41 was approved by 9-2 vote with negative vote from Commissioners Jones and Fontoura.

Resolution 2017-42 Resolution Authorizing the Award of a Contract for Audit Services.

Mr. Yarnis explained the selections process was performed in accordance with Executive Order 122 (2004). He also stated that an RFP was issued on October 17, 2017 and a mandatory pre-bid meeting was held on October 24, 2017, with seven firms attending. Mr. Yarenis stated that of the seven firms in attendance, four firms submitted a bid. Mr. Yarenis explained that in accordance with EO122, an Evaluation Committee was established to review and rank the proposals based on the criteria established in the RFP. He went on to explain that a written report of the Evaluation Committee's findings was provided to the Audit Committee for review and recommendation that the contract for audit services be awarded to Mercadien P.C. for a three-year contract at a cost not to exceed \$440,002. Commissioner Jones raised the same concerns and proposed that the resolution be delayed.

Ms. Sanz noted to the Board that this resolution is not time sensitive and that the current contract with auditors does allow the agency to extend the agreement for another year. After discussion, motion to table Resolution 2071-42 was made by Commissioners Ballantyne and seconded by Commissioner Fontoura with all in favor.

VI. PUBLIC COMMENTS

- Kris Burfit, Sills Cummis and Gross, representing Towers Associates. Mr. Burfit explained that they are an objector to MEPT. He also explained that they filed a motion to stay on pending application File 17-239 and that the motion to stay was filed pending their appeal to the appellate division of Resolution 2017-28 in hopes to avoid further expenses. Mr. Burfit stated that the DAG informed them that the motion to stay is to be heard in January by the board. Mr. Burfit is urging the board to resolve that motion before board's January meeting. He stated that if this is not possible, they are requesting that if application 17-239 is to be deemed complete before motion to stay is addressed by board, that the board refrain from deeming the application complete until motion of stay is addressed.

Mr. Levy responded that the matter is being reviewed by Attorney General's office. He also explained that an item may be on next month's agenda regarding the motion for the stay. Mr. Levy explained that the application has not been deemed complete and that a public hearing has not been scheduled. Mr. Levy noted that in the event that the public hearing is scheduled prior of the motion being heard before the board, the agency will work with the parties.

VII. EXECUTIVE SESSION

Vice Chairman Buckelew stated a need for the Board to enter into Executive Session to discuss contractual matters and litigation matters.

Resolution 2017-43 Resolution authorizing the NJSEA to enter into a meeting to which the general public shall not be admitted to discuss legal matters, personnel matters and contract negotiations.

Upon motion made by Commissioner Ballantyne and seconded by Commissioner Gluck Resolution 2017-43 was approved by a vote of 11-0.

Motion was made and seconded to enter into open session.

Resolution 2017-44 Resolution Authorizing Renewal of the Account Wagering Services Agreement.

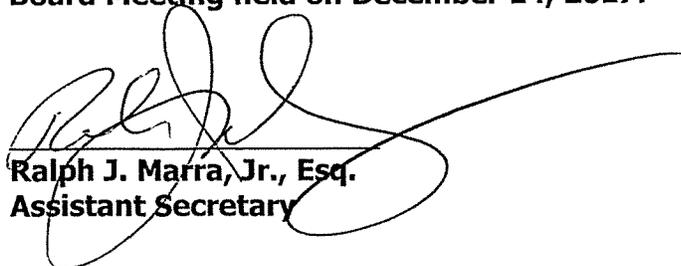
Vice Chairman Buckelew presented Resolution 2017-44. Upon motion by Commissioner Scala and seconded by Commissioner Gluck, proposed Resolution 2017-44 was approved by 10-1 vote with negative vote from Commissioner Jones.

VIII. MOTION TO ADJOURN

With no further business, motion to adjourn the meeting was made by Commissioner Scala and second by Commissioner Scardino with all in favor.

Meeting adjourned at 11:10 a.m.

I certify that on information and belief this is a true and accurate transcript of the Minutes of the Regular Session of the New Jersey Sports and Exposition Authority Board Meeting held on December 14, 2017.


Ralph J. Marra, Jr., Esq.
Assistant Secretary

December 14, 2017

Commissioner	Roll Call	2017-36	2017-37	2017-38	2017-39	2017-40	2017-41	2017-42 TABLED	2017-43	2017-44
Ferguson	P (via phone)	Y	Y	Y	Y	Y	Y		Y	Y
Buckelew	P	Y	Y	Y	Y	Y	Y		Y	Y
Hasenbalg	P	Y	Y	Y	Y	Y	Y		Y	Y
Ballantyne	P	Y	Y	Y	Y	Y	Y		Y	Y
Fontoura	P (via phone)	Y	Y	Y	Y	Y	N		Y	Y
Gluck	P	Y	Y	Y	Y	Y	Y		Y	Y
Gonnelli	--	--	--	--	--	--	--		--	--
Jones	P	A	Y	Y	Y	Y	N		Y	N
Kolber	--	--	--	--	--	--	--		--	--
Plofker	P	Y	Y	Y	Y	Y	Y		Y	Y
Scala	P	Y	Y	Y	Y	Y	Y		Y	Y
Scardino	P	Y	Y	Y	Y	Y	Y		Y	Y
Yudin	--	--	--	--	--	--	--		--	--
Treasury Rep McManus	P	Y	Y	Y	Y	Y	Y		Y	Y

P - Present A - Abstain
 -- Absent R = Recuse
 Y = Affirmative N = Negative