

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
OPEN MINUTES
MEETING OF MARCH 6, 2013
JAMESBURG, NEW JERSEY
10:50 AM**

Meeting called to order by Thomas Nolan. The Open Public Meeting Notice was read into the record.

ROLL CALL OF EXECUTIVE COMMITTEE:

Chairman:	Monmouth	Thomas Nolan	Present
Secretary:	Camden	Joe Wolk	Present
Executive Committee:	NJUA	Jerry Cevetello	Present
	South Bergen	Peggy Thomas	Present
	Ocean	Paul Shives	Present
	Morris	Jon Rheinhardt	Present
	Burlco	Richard Brook	Present
	Central	Robert Landolfi	Present
Alternates:			
	#1 Bergen	Ken Gabbert	Present
	#2 Sub Essex JIF	Joe Catenero	Present
	#3 Sub-Muni	Jim Gildea	Absent
	#4 PMM	Scott Carew	Absent
	#5 Trico	Robert Law	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	Perma Risk Management Services	James Kickham	Present
Attorney		Fred Semrau	Present
Treasurer		Charles S. Cuccia	Present
Underwriting Managers	The Danskin Agency Conner Strong & Buckelew	Cindy Lisa Chuck Casagrande Mike Avalone Joe Hrubash	Present Present Present Present
Claims Administrator	Peter King, Esquire		Present
Environmental Engineering Services	The BSG/PMK Group	Richard Erickson	Present
Actuary	AON	Chaz Kullman	Present
Auditor	Nisivoccia, L.L.P.	Francis "Bud" Jones	Absent

OTHERS PRESENT:

David Grubb, PERMA
Steve Sacco, PERMA
Jason Thorpe, PERMA
Brad Stokes, PERMA
Cate Kiernan, PERMA
Mary Lou Doner, PERMA
Joeen Ciannella, PERMA
William Dunn, MH MUA
Dennis Henry, Actuarial Advantage
Kris Kristie, AJ Gallagher
Paul Forlenza, AJ Gallagher

APPROVAL OF MINUTES: January 2, 2013

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF JANUARY 2, 2013

MOTION: Commissioner Catenaro
SECOND: Commissioner Rheinhardt
VOTE: Unanimous

CORRESPONDENCE :

None.

TREASURER

Mr. Charles Cuccia presented his report and Resolution No. 12-13 confirming the February Bill List, Resolution No. 13-13 approving the March Bill List as follows:

RESOLUTION 12-13 FEBRUARY BILL LIST

FUND YEAR	AMOUNT
2011	\$ 821.00
2012	\$ 51,921.99
2013	\$ 411,924.51
Total	\$ 464,667.50

RESOLUTION 13-13 MARCH BILL LIST

FUND YEAR	AMOUNT
2013	\$ 43,632.00
Total	\$ 43,632.00

MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NO. 12-13 AND 13-13

MOTION: Commissioner Thomas
SECOND: Commissioner Shives
ROLL CALL VOTE: Unanimous

EXECUTIVE DIRECTOR/ADMINISTRATOR:

ACTUARIAL IBNR REPORT- Mr. Kickham referred to the actuarial IBNR estimates valued as of December 31, 2012 contained within the Agenda booklet. He asked that Mr. Kullman give a brief verbal report to the Committee. Mr. Kullman indicated that there were not many changes between the 2011 and 2012 reports. He added the corresponding ultimate loss changed by less than 200,000.

TPA - In light of on going discussion with the Fund's current TPA, the Executive Director is in the process of finalizing an RFP for TPA services. Mr. Kickham advised that Mr. King will stay in the position until his successor is appointed and will remain an active member of the Fund's defense team. He added that Mr. King has done a good job as the Fund's TPA but it is time that the Fund moves to a more structured approach in regards to third party adjusting. He referred the Committee to the sample RFP criteria enclosed in the Agenda booklet. Mr. Kickham indicated that the RFP will seek specialist in this area.

MOTION TO AUTHORIZE THE RELEASE OF AN RFP FOR THE POSITION OF TPA FOR THE EJIF USING THE CRITERIA PREVIOUSLY ESTABLISHED AND ADOPTED BY THE EJIF IN THE ISSUANCE OF PREVIOUS RFP'S

MOTION:	Commissioner Shives
SECOND:	Commissioner Thomas
VOTE:	Unanimous

ENVIRONMENTAL ENGINEER'S 2013 CONTRACT - After careful review and discussions with the Fund's Executive Director, our Environmental Engineer has agreed to revisit their annual contract. Mr. Kickham informed the Committee that the contract is on a hourly basis with a not to exceed amount. Since the Fund has been in operation for 20 years, the Executive Director felt that some of the services performed by BSG could be consolidated and in some cases eliminated (i.e. multiple seminars). After discussions with BSG, it was agreed that \$50,000 would be removed from their not to exceed number and moved into general contingency.

REVISED BUDGET- Upon conclusion of the Environmental Engineer 2013 Contract discussion, Mr. Kickham referred the Board to the revised 2013 budget enclosed in the agenda. Mr. Sacco indicated that the Budget revisions reflect new members added to the local JIF's for 2013 as well as the Environmental Engineer's reduction in their not to exceed budgeted number. The contract reduction of \$50,000 was moved into the 2013 Budget's contingency line item.

MOTION TO APPROVE THE REVISIONS TO THE 2013 BUDGET TO REFLECT THE CHANGES IN MEMBERSHIP AND THE CONTRACT REDUCTION FOR BSG.

MOTION:	Commissioner Brook
SECOND:	Commissioner Wolk
VOTE:	Unanimous

NJ SPOTLIGHT – Mr. Kickham referred to the article issued via internet news on January 23, 2013 enclosed in the Agenda booklet. The article is in regards to a bill which would end towns' liability for superfund site cleanup which environmentalists and business interests are united in lobbying against Bill A-3128. Mr. Kickham advised that Mr. Hagan, from PPAG is working with the Executive Directors and Fund Attorneys on ways to get the legislation passed.

NEXT MEETING- Mr. Sacco advised that due to the PRIMA Conference, the next meeting of the EJIF is scheduled for **Thursday, June 6, 2013** at the Forsgate CC, Jamesburg.

ATTORNEY:

Mr. Semrau indicated that his report would be given during closed session.

CLAIMS:

Mr. King indicated that his report would be given during closed session.

UNDERWRITING MANAGERS:

COVERAGE – Mr. Casagrande reminded the Committee that the deadline for the AST’s associated with UGP testing reimbursement program is July 1, 2013. He added that approximately a dozen members have responded to the program.

UST BULLETIN – Mr. Casagrande once again informed the Committee that the E-JIF issues an annual bulletin reminding members that the Fund will no longer cover 20+ year old unregulated underground tanks after January 1, 2014. He reminded the Board that 2013 will be the last year that the Fund will cover these tanks. The bulletin will be mailed to members in the upcoming week.

TOMS RIVER PROPERTY – Mr. Casagrande advised that he spoke with Commissioner Shives in regards to the Lagoon Ave property. On the advice of the Commissioner, the Fund will wait until the Summer to possibly list the property, depending on the market. He added that the Fund Attorney may have to advertise as the property is owned by a public entity.

With nothing further, Mr. Casagrande concluded his report.

ENVIRONMENTAL ENGINEERING:

RECYCLING - Mr. Erickson advised the Committee of a new State mandate requiring each town to appoint a Certified Recycling Professional (CRP). He added that if a member needed more information regarding the CRP, contact him.

RECEPTOR EVALUATIONS – Mr. Erickson stated that member towns may have received letters from the NJDEP regarding contaminated sites. The deadline for completing Receptor Evaluations was March 1, 2012 and the deadline for retaining a Licensed Site Remediation Professional is May 7, 2012. He advised that if property in a member town has a NJDEP case number, a PI number, or has a confirmed discharge, the deadlines are applicable to your site. Mr. Erickson added that failure to comply with the deadlines may result in your project with the NJDEP potentially being audited and fined.

OLD BUSINESS:

None

NEW BUSINESS:

Mr. Sacco introduced Commissioner Robert Law, from the TRICO JIF, as the newest member to E-JIF Executive Committee.

PUBLIC COMMENT:

Mr. Covelli took a moment to thank Mr. King and Mr. Semrau for the outstanding service they have done with respect to Occidental chemical issue. He added that there has been a lot of positive feedback from the member municipalities involved in the litigation regarding their assistance.

CLOSED SESSION:

MOTION TO ENTER EXECUTIVE SESSION TO DISCUSS CLAIMS/POTENTIAL LITIGATION

MOTION: Commissioner Cevetello
SECOND: Commissioner Gabbert
VOTE: Unanimous

MOTION TO RETURN TO OPEN SESSION

MOTION: Commissioner Rheinhardt
SECOND: Commissioner Wolk
VOTE: Unanimous

MOTION TO APPROVE THE PARS AS PRESENTED DURING CLOSED SESSION AND THE RECOMMENDATIONS OF THE EXECUTIVE DIRECTOR AND FUND ATTORNEY WITH REGARDS TO THE NEWARK BAY LITIGATION

MOTION: Commissioner Cevetello
SECOND: Commissioner Shives
VOTE: Unanimous

MOTION TO ADJOURN MEETING

MOTION: Commissioner Landolfi
SECOND: Commissioner Law
VOTE: Unanimous

Meeting Adjourned: 11:33 AM

Next Meeting:

**June 2013
Forsgate CC – Jamesburg**

Respectfully submitted,

Prepared by Jason D. Thorpe, Assistant Secretary

**NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
BILLS LIST**

Resolution No. 12-13

FEBRUARY 2013

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the New Jersey Municipal Environmental Risk Management Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2011

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000019			
000019	PETER J. KING, ESQ	CLAIMS ADMIN 2011 FEE BALANCE	821.00
			821.00
		Total Payments FY 2011	821.00

FUND YEAR 2012

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000020			
000020	AON RISK CONSULTANTS, INC.	ACTUARY SERVICES 4TH QTR 2012	14,860.00
			14,860.00
000021			
000021	BIRDSALL SERVICES GROUP, INC.	PROFESSIONAL SERVICES - 12/31/2012	5,127.50
000021	BIRDSALL SERVICES GROUP, INC.	PROFESSIONAL SERVICES - 11/30/2012	9,320.00
			14,447.50
000022			
000022	PETER J. KING, ESQ	CLAIMS ADMIN - 2012	22,599.00
			22,599.00
000023			
000023	ALLSTATE INFORMATION MNGMNT	DEPT: 736 - ACT & STOR 12/31/2012	15.49
			15.49
		Total Payments FY 2012	51,921.99

FUND YEAR 2013

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000024			
000024	PERMA RISK MNGMNT SRVS	POSTAGE FEE 01/2013	8.35
000024	PERMA RISK MNGMNT SRVS	EXECUTIVE DIRECTOR FEE 02/2013	20,665.51
			20,673.86
000025			
000025	CHARLES CUCCIA	TREASURER FEE 02/2013	1,490.78
			1,490.78
000026			
000026	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICE - 1/5/13-2/4/13	4,500.00
			4,500.00
000027			
000027	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 02/2013	16,960.00
000027	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 01/2013 - BAL	692.20
			17,652.20
000028			
000028	MUNICIPAL EXCESS LIABILITY JIF	REORG MTG 1/2/13 - 1/3 OF RM COST	777.67
			777.67

000029
000029

DANSKIN INSURANCE AGENCY, INC. EXCESS POLLUTION LIAB, TERRORISM, SRCHG

366,830.00
366,830.00

Total Payments FY 2013

411,924.51

TOTAL PAYMENTS ALL FUND YEARS \$ 464,667.50

**NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
BILLS LIST**

Resolution No. 13-13

MARCH 2013

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the New Jersey Municipal Environmental Risk Management Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2013

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000030			
000030	PERMA RISK MANAGEMENT SERVS	EXECUTIVE DIRECTOR FEE 03/2013	20,665.51
			20,665.51
000031			
000031	CHARLES CUCCIA	TREASURER FEE 03/2013	1,491.00
			1,491.00
000032			
000032	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL SERVICES - 2/5/13-3/4/13	4,500.00
			4,500.00
000033			
000033	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER - 03/2013	16,960.00
			16,960.00
000034			
000034	ALLSTATE INFORMATION MNGMNT	DEPT: 736 - ACT & STOR 01/31/13	15.49
			15.49
		Total Payments FY 2013	43,632.00

TOTAL PAYMENTS ALL FUND YEARS \$ 43,632.00