

**NJ MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND
OPEN MINUTES
MEETING OF MARCH 2, 2016
JAMESBURG, NEW JERSEY
10:50 AM**

Meeting called to order by Paul Shives. The Open Public Meeting Notice was read into the record.

Pledge of Allegiance

ROLL CALL OF EXECUTIVE COMMITTEE:

Chairman:	Ocean	Paul Shives	Present
Secretary:	Central	Robert Landolfi	Present
Executive Committee:	Sub Essex JIF	Joe Catenaro	Present
	Monmouth	Thomas Nolan	Present
	Camden	Joe Wolk	Present
	Sub-Muni	Jim Gildea	Present
	PMM	Scott Carew	Absent
	Trico	Robert Law	Present
Alternates:			
	#1 South Bergen	Greg Franz	Present
	#2 Bergen	Paul Tomasko	Present
	#3 Morris	Jon Rheinhardt	Present
	#4 Burlco	Meghan Jack	Present
	#5 NJUA	Bernie Rutkowski	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	Perma Risk Management Services	James Kickham	Present
Attorney	Dorsey & Semrau	Fred Semrau, Esq.	Present
Treasurer		Charles S. Cuccia	Present
Underwriting Managers	The Danskin Agency Conner Strong & Buckelew	Chuck Casagrande Mike Avalone	Present Present
Claims Administrator	King and Petracca	Peter King, Esq.	Present
Environmental Engineering Services	First Environment PS&S Engineering	Rich Erickson Chris Gulics	Present Present
Actuary	AON	Chas Kullman	Present
Auditor	Nisivoccia, L.L.P.	Francis "Bud" Jones	Absent

OTHERS PRESENT:

David Grubb, PERMA
Steve Sacco, PERMA
Cate Kiernan, PERMA
Joe Hrubash, PERMA
Pauline Kontomanolis, PERMA
Nancy Ghani, PERMA
Jason Thorpe, PERMA
Joeen Ciannella, PERMA
William Close, Sparta Township
Cynthia Lisa, Danskin Agency
David McHale, JA Montgomery
Paul Miola, AJ Gallagher
Paul Forlenza, AJ Gallagher
Frank Covelli, RMC
Ezio Altamura, RMC
David Vozza, RMC

APPROVAL OF MINUTES: January 6, 2016

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF JANUARY 6, 2016

MOTION: Commissioner Law
SECOND: Commissioner Catenaro
VOTE: Unanimous

CORRESPONDENCE :

Mr. Sacco referred to a letter from the Department of Banking and Insurance indicating that the Fund's website was missing information. He then referred to Mr. Thorpe's response to the State informing them that the information was not missing and indicating where said information could be found.

TREASURER

Mr. Cuccia presented his report and Resolution No. 13-16 confirming the February Bill List and Resolution No. 14-16 approving the March Bill List as follows:

RESOLUTION 13-16 - FEBRUARY BILL LIST

FUND YEAR	AMOUNT
2015	\$ 15,749.26
2015	\$ 604,765.87
Total	\$ 620,515.13

RESOLUTION 14-16 - MARCH BILL LIST

FUND YEAR	AMOUNT
2015	\$ 55,984.51
2016	\$ 47,255.17
Total	\$ 103,239.68

MOTION TO APPROVE PAYMENT OF BILLS - RESOLUTION NO. 13-16 AND 14-16

MOTION: Commissioner Landolfi
SECOND: Commissioner Wolk
ROLL CALL VOTE: Unanimous

EXECUTIVE DIRECTOR/ADMINISTRATOR:

ACTUARIAL IBNR REPORT- Mr. Sacco referred to the actuarial IBNR estimates valued as of December 31, 2015 contained within the Agenda booklet. He informed the Board that the Fund Actuary, Mr. Kullman from Aon, was present and asked that he give a brief verbal report. Mr. Kullman indicated that the experience over the past 12 months has been slightly better than expected. He noted that relative to his September 30, 2015 report, the Ultimate Cost Estimate has been lowered by approximately 100,000 and relative his December 31, 2014 report the estimates have been lowered by approximately 275,000.

NEXT MEETING - The next meeting of the EJIF is scheduled for Wednesday, June 1, 2016 at the Forsgate CC, Jamesburg.

FINANCIAL FAST TRACK – Mr. Sacco referred to the Year-end Financial Fast Track enclosed within the agenda booklet. He informed the Committee that after booking the 2015 dividend of \$500,000 the Fund has a slight deficit of 71,000 for the year but noted that the fund balance all fund years combined is \$15.1 million and is in excellent financial shape.

ATTORNEY:

Mr. Semrau indicated that his report was for closed session only.

UNDERWRITING MANAGERS:

COVERAGE

Mr. Casagrande reported that the revised Environmental Impairment Liability Policy Form has been adopted as of January 1, 2016 and will be included in all member manuals. He added that the Storage Tank Policy Form will be reviewed and revised in 2016 to reflect updates since the last revision.

ENVIRONMENTAL ALERTS

Mr. Casagrande reported that the NJ Appellate Division has emphatically established that a party buying property in New Jersey must perform a preliminary assessment in accordance with NJDEP rules in order to have a chance of obtaining innocent purchaser protection. He noted that the decision was part of the ongoing situation regarding environmental

contamination at the Accutherm mercury thermometer manufacturing property in Franklin Township that later became a Kiddie Kollege Daycare. He referred to the Environmental Alert from December 2013, "The Hidden Cost of Free Property". He advised that the Alert included the actions needed to gain the protection as a bona fide prospective purchaser thereby avoiding the situation in the Kiddie Kollege Property. Mr. Casagrande indicated that It may be timely to issue an updated Environmental Alert on this subject.

CERTIFICATES

Mr. Casagrande informed the Board that all storage tank certificates of insurance have been issued to the members with approved underground storage tanks (USTs). He added that throughout the year, additional certificates of insurance are issued for USTs that have been certified for coverage by the Fund's environmental engineers.

ENVIRONMENTAL ENGINEERING:

Mr. Erickson reported that the Governor's office has announced that the National Oceanic and Atmospheric Administration (NOAA) has awarded New Jersey a nearly \$900,000 Regional Coastal Resilience Grant to help communities in 15 municipalities in northeastern Monmouth County develop a regional plan to address the impacts of coastal hazards and storm surge.

Lastly, Mr. Erickson advised that it is very important that members do their due diligence when acquiring property such as having it screened and inspected. Mr. Gulics added that it is also very important that when members relinquish a property that they are very clear as to the status of the property.

Mr. Gulics reported that NJDEP has released a pre-draft of the Tier-A Municipal Stormwater Permit. He advised that the amendments being proposed are significant relative to additional mapping requirements over the next 5 years for the member's stormwater management facilities. Mr. Gulics indicated that he will continue to update the membership as the pre-draft gets refined further into a draft. Commissioner Tomasko added that the requirement changes will include additional mapping, additional training, additional record keeping, and additional inspections. Mr. Erickson further added that there will also be new UST training requirements.

ACTUARY

Mr. Kullman indicated that he had nothing further to report.

OLD BUSINESS:

None.

NEW BUSINESS:

None.

MEETING OPENED TO PUBLIC FOR COMMENT:

No public comments were made.

PUBLIC COMMENT PORTION OF THE MEETING CLOSED

CLOSED SESSION:

MOTION FOR EXECUTIVE SESSION TO DISCUSS CLAIMS AND POTENTIAL LITIGATION.

MOTION: Commissioner Tomasko
SECOND: Commissioner Rheindhardt
ROLL CALL VOTE: Unanimous

MOTION TO RETURN TO OPEN SESSION

MOTION: Commissioner Nolan
SECOND: Commissioner Catenaro
VOTE: Unanimous

MOTION TO APPROVE THE PARS AS PRESENTED DURING CLOSED SESSION

MOTION: Commissioner Gildea
SECOND: Commissioner Wolk
ROLL CALL VOTE: Unanimous

MOTION TO ADJOURN MEETING

MOTION: Commissioner Landolfi
SECOND: Commissioner Tomasko
VOTE: Unanimous

Meeting Adjourned: 11:05 AM

Next Meeting:

**June 2016
Forsgate CC
Jamesburg, NJ**

Respectfully submitted,

Prepared by Jason D. Thorpe, Assistant Secretary

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

Resolution No. 13-16

FEBRUARY 2016

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 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000423			
000423	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 12/2015	49.64
000423	PERMA RISK MANAGEMENT SERVICES	AATRIX E-FILE - 1099 MISC FORM 2015	31.20
			80.84
000424			
000424	LOWER ALLOWAYS CREEK TWP	UNDERGROUND PIPE TESTING - 11/12/2015	2,000.00
			2,000.00
000425			
000425	BLOOMINGDALE BOROUGH	UNDERGROUND PIPE TESTING - 10/23/15	625.00
			625.00
000426			
000426	ALLSTATE INFORMATION MANAGEMNT	ACCT: 736 - ACT & STOR - 12/31/2015	19.76
			19.76
000427			
000427	FIRST ENVIRONMENT, INC.	PROFESSIONAL SERVICES 12/2015	13,023.66
			13,023.66
		Total Payments FY 2015	15,749.26

FUND YEAR 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000428			
000428	PERMA RISK MANAGEMENT SERVICES	POSTAGE FEE 01/2016	9.87
000428	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR - 02/2016	20,778.00
			20,787.87
000429			
000429	DORSEY & SEMRAU	ATTORNEY FEE 1ST QTR 2016	18,207.00
			18,207.00
000430			
000430	CHARLES CUCCIA	TREASURER FEE 02/2016	1,577.00
			1,577.00
000431			
000431	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL FEES - 1/5/16-2/4/16	3,750.00
			3,750.00
000432			
000432	DANSKIN INSURANCE AGENCY INC	UNDEWRITING MANAGER - 02/2016	17,748.00
			17,748.00
000433			
000433	DANSKIN INSURANCE AGENCY, INC.	EXCESS POLLUTION LIABILITY - 2016	542,696.00
			542,696.00
		Total Payments FY 2016	604,765.87

TOTAL PAYMENTS ALL FUND YEARS \$ 620,515.13

NEW JERSEY MUNICIPAL ENVIRONMENTAL RISK MANAGEMENT FUND BILLS LIST

Resolution No. 14-16

MARCH 2016

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 2015

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000434			
000434	T & M ASSOCIATES	PROFESSIONAL SERVICES - 12/2015	1,013.53
000434	T & M ASSOCIATES	PROFESSIONAL SERVICES - 11/18/2015	54,970.98
			55,984.51
		Total Payments FY 2015	55,984.51

FUND YEAR 2016

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
000435			
000435	PAULUS, SOKOLOWSKI&SARTOR LLC	ENGINEERING SERVICES 01/2016	3,173.22
			3,173.22
000436			
000436	PERMA RISK MANAGEMENT SERVICES	EXECUTIVE DIRECTOR FEE 03/2016	20,778.00
			20,778.00
000437			
000437	CHARLES CUCCIA	TREASURER FEE 03/2016	1,577.00
			1,577.00
000438			
000438	PRINCETON PUBLIC AFFIARS GROUP	PROFESSIONAL FEE - 2/5/16 - 3/4/16	3,750.00
			3,750.00
000439			
000439	DANSKIN INSURANCE AGENCY INC	UNDERWRITING MANAGER FEE 03/2016	17,748.00
			17,748.00
000440			
000440	ALLSTATE INFORMATION MANAGEMNT	ACCT: 736 - ACT & STOR - 1/31/2016	19.76
			19.76
000441			
000441	TOWNSHIP OF TOMS RIVER	TAX ACCT: 30406 - 2ND QTR 2016 - 5/16	104.59
000441	TOWNSHIP OF TOMS RIVER	TAX ACCT: 30406 - 1ST QTR 2016 - 2/16	104.60
			209.19
		Total Payments FY 2016	47,255.17

TOTAL PAYMENTS ALL FUND YEARS \$ 103,239.68