

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY  
2017 ORGANIZATIONAL BOARD OF DIRECTORS MEETING  
WEDNESDAY, JANUARY 4, 2017**

The Annual Organizational meeting of the Board of Directors of the New Jersey Schools Development Authority (SDA or the Authority) was held on Wednesday, January 4, 2017 at 9:00 a.m. at the offices of the Authority at 32 East Front Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman  
Maureen Hassett (EDA)  
Kevin Luckie (DCA)  
Bernard Piaia (DOE)  
Matthew Spadaccini (Treasury)  
Michael Capelli  
Kevin Egan  
Loren Lemelle  
Michael Maloney  
Robert Nixon  
Mario Vargas

being a quorum of the Board. Mr. Egan, Ms. Lemelle, Mr. Capelli, Mr. Piaia and Mr. Spadaccini participated in the meeting by telephone conference.

At the Chairman's request, Charles McKenna, chief executive officer, Jason Ballard, chief of staff; Andrew Yosha, executive vice president (by teleconference); Jane F. Kelly, vice president & assistant secretary; Donald Guarriello, vice president & chief financial officer; Raymond Arcario, vice president and Albert Barnes; chief counsel of the SDA participated in the meeting.

The Chairman of the Board, Mr. Walsh, called the meeting to order. Ms. Kelly announced that, in accordance with the Open Public Meetings Act, the requisite notice of the meeting was sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and that a meeting notice had been duly posted on the Secretary of State's bulletin board at the State House in Trenton, New Jersey.

At the Chairman's request, Ms. Kelly then conducted a roll call and indicated that a quorum of the Members was present.

### ANNUAL ORGANIZATIONAL MEETING

Mr. Walsh welcomed the Members, SDA staff and the public to the SDA's 2017 Annual Organizational meeting. He then presented the matters on the agenda for Board consideration. Referencing the Organizational Meeting materials that were provided to the Board in advance of the meeting, Mr. Walsh announced that the first matter requiring Board approval pertains to the election of the Authority's Officers for 2017. Mr. Walsh said that he is nominating the following individuals for Board consideration to serve in the following positions: Vice Chairperson—Robert Nixon; Treasurer—Ford M. Scudder; Secretary—Michael Maloney; Chief Executive Officer—Charles B. McKenna; Assistant Treasurer—Donald Guarriello; and Assistant Secretary—Jane F. Kelly. As was noted in the materials provided to the Board, the position of Assistant Secretary also is responsible for all corporate governance and compliance responsibilities of the Authority.

Mr. Walsh requested a motion to elect as the officers of the Authority those individuals whose names are set forth in the materials provided to the Board as just announced. Upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the Board approved the slate of SDA Officers proposed for 2017. The resolution approved by the Board is attached hereto as **Resolution 3a**.

Mr. Walsh then advised the Board that Ms. Kelly would announce those individuals that he is appointing to serve as Committee Chairs and Members for 2017. He advised that there will be no changes in the composition of the Committees or in the Committee Chairs as he has determined that all the Committees are functioning extremely well. Ms. Kelly then listed the following individuals as having been appointed by the Chairman to serve as Chairs and Members of the Authority's Audit, Real Estate and School Review Committees respectively:

#### Audit Committee

1. **Robert Nixon, Chairperson** (Public Member)
2. State Treasurer (or designee, as permitted by Section 2.7 of the By-Laws)
3. Michael Capelli (Public Member)
4. Loren Lemelle (Public Member)
5. Edward Walsh (Public Member)

#### Real Estate Committee

1. **Mario Vargas, Chairperson** (Public Member)
2. Commissioner of the New Jersey Department of Community Affairs (or designee, as permitted by Section 2.7 of the By-Laws)
3. Kevin Egan (Public Member)
4. Lester Lewis-Powder (Public Member)

#### School Review Committee

1. **Kevin Luckie, Chairperson** (New Jersey Department of Community Affairs designee, as permitted by Section 2.7 of the By-Laws)
2. Chief Executive Officer of the New Jersey Economic Development Authority (or designee as permitted by Section 2.7 of the By-Laws)
3. Commissioner of the New Jersey Department of Education (or designee, as permitted by Section 2.7 of the By-Laws)
4. Michael Maloney (Public Member)
5. Edward Walsh (Public Member)

Mr. Walsh then reminded the Board that the Audit Committee Charter requires that at least one member of the Audit Committee be designated by the Board as the Committee's financial expert. He said that his recommendation for Audit Committee financial expert is Loren Lemelle, Public Member. Mr. Walsh then requested a motion to approve the nomination of Ms. Lemelle to serve as the Audit Committee's financial expert for 2017. Upon motion duly made by Mr. Nixon and seconded by Mr. Maloney, the Board approved the nomination of Loren Lemelle to serve as the Audit Committee's financial expert. The resolution approved by the Board is attached hereto as **Resolution 3bi**.

Mr. Walsh next stated that a proposed 2017 Board meeting schedule, to be operative until the Authority's next Annual Organizational meeting, was included in the meeting materials as **Exhibit E**. Mr. Walsh requested a motion to adopt the proposed Board meeting schedule. Upon motion made by Mr. Luckie and seconded by Ms. Hassett, the Board approved the Board meeting schedule for 2017 as proposed. The resolution approved by the Board is attached hereto as **Resolution 3c**.

## PUBLIC COMMENT

Mr. Walsh then asked if any member of the public wished to address the Board regarding organizational-related issues. He asked Frank Faras, a resident of the City of Trenton, to step forward and address the Board. Mr. Faras expressed his opinion that public comment should be received by the Board prior to the vote. He then referenced and read from a document he had distributed to the Members at an earlier meeting which sets forth the requirements for the SDA CEO position. He said that, at previous SDA Board meetings and at meetings of the Trenton Board of Education, Mr. McKenna has publicly stated that he has no construction experience. He expressed the view that SDA's CEO should have construction experience. He then outlined what Trenton residents have lost, financially and otherwise, during Mr. McKenna's tenure as SDA CEO. He suggested that the SDA Board find someone with construction experience to serve as the Authority's CEO.

There being no further business to come before the Board, Mr. Walsh asked for a motion to adjourn the 2017 Annual Organizational meeting and open the regular Public Meeting of the Board.

Upon motion made by Mr. Luckie, seconded by Mr. Vargas and with unanimous consent, the SDA's Annual Organizational meeting was adjourned.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its 2017 Annual Organizational meeting held January 4, 2017.

/s/ Jane F. Kelly  
Assistant Secretary