

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
2018 ORGANIZATIONAL BOARD OF DIRECTORS MEETING
WEDNESDAY, JANUARY 3, 2018**

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 3, 2018 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)
Shannon McManus (Treasury)
Loren Lemelle
Lester Lewis-Powder
Michael Maloney
Robert Nixon
Mario Vargas

being a quorum of the Board. Ms. Lemelle, Mr. Lewis-Powder, Mr. McManus and Mr. Piaia participated in the meeting by telephone conference.

At the Chairman's request, Charles McKenna, chief executive officer, Andrew Yosha, executive vice president; Jane F. Kelly, vice president & assistant secretary; Donald Guarriello, vice president & chief financial officer; Manuel Da Silva, vice president; and Albert Barnes, chief counsel, of the SDA participated in the meeting. Tyler Yingling of the Governor's Authorities Unit also participated in the meeting.

The meeting was called to order by the Chairman of the Board, Mr. Walsh, who requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and a meeting notice had been duly posted on the Secretary of State's bulletin board at 33 West State Street in

Trenton, New Jersey. Ms. Kelly then conducted a roll call and indicated that a quorum of the Members was present.

Mr. Walsh welcomed the Members, SDA staff and the public to the SDA's 2018 Annual Organizational meeting. He then presented the matters on the agenda for Board consideration. Referencing the Organizational Meeting materials that staff 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 2018. At the Chairman's request, Ms. Kelly announced the names of the individuals put forward 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 were set forth in the meeting materials and just announced. Upon motion duly made by Mr. Luckie and seconded by Mr. Vargas, the Board approved the slate of SDA Officers proposed for 2018. The resolution approved by the Board is attached hereto as **Resolution 3a**.

Mr. Walsh then advised the Board that Ms. Kelly would identify those Board Members that he is appointing to serve as Committee Chairs and Members for 2018. He advised that there would be no changes in the composition of the Committees or their Chairs. He said that he would anticipate that the incoming Administration would make changes moving forward but that it made sense to maintain the *status quo* particularly as all Board Committees currently 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 2018. Upon motion duly made by Mr. Nixon and seconded by Mr. Vargas, 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 2018 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 Board meeting schedule as proposed. Upon motion duly made by Mr. Vargas and seconded by Mr. Nixon, the Board approved the Board meeting schedule for 2018 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 Mr. Frank Faras, a resident of the City of Trenton, to step forward and address the Board. Mr. Faras reminded the Members that, at the Authority's last Organizational meeting in January 2017, he had questioned Mr. McKenna's fitness and qualifications to serve as the Authority's Chief Executive Officer. He said that, since then, he has continually reported to the Board regarding early construction crew arrivals at the TCHS project site and the spewing of carcinogenics into the neighborhood. He said that Mr. McKenna has done nothing to address these issues. Mr. Faras expressed the view that Mr. McKenna remains inappropriate for the position of SDA Chief Executive Officer.

ADJOURNMENT

There being no further business to come before the Board, Mr. Walsh asked for a motion to adjourn the 2018 Annual Organizational meeting and open the regular Public Meeting of the Board.

Upon motion made by Mr. Vargas, seconded by Mr. Luckie 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 2018 Annual Organizational meeting held January 3, 2018.

/s/ Jane F. Kelly
Assistant Secretary