

HUDSON COUNTY IMPROVEMENT AUTHORITY

IN THE MATTER OF :
THE REGULAR MONTHLY MEETING :

WEDNESDAY JULY 22, 2015

BOARD MEMBERS:

- FRANK PESTANA, CHAIRMAN
- JAMES DORAN, VICE CHAIRMAN
- STEPHEN J. GALLO, TREASURER
- FRANK LORENZO, SECRETARY
- MARTIN J. MARTINETTI, COMMISSIONER
- FRED M. BADO, COMMISSIONER
- OREN K. DABNEY, COMMISSIONER
- JOHN PENEDA, COMMISSIONER
- NICHOLAS GOLDSACK, COMMISSIONER

APPEARANCES:

NORMAN M. GUERRA, CHIEF EXECUTIVE OFFICER

KURT CHERRY, EXECUTIVE DIRECTOR/CFO
WILLIAM J. NETCHERT, ESQ.
GENERAL COUNSEL TO THE BOARD

CARMEN LOZANO, EXECUTIVE ASSISTANT/ASSISTANT SECRETARY TO THE BOARD

R.J. O'CONNELL ASSOCIATES, INC.
P.O. BOX 277
CEDAR GROVE, NEW JERSEY 07009
(973) 239-7252

1
2 ALSO PRESENT:
3 ELLEN GILPIN, HCIA
4 ELIZABETH RAMOS, EXECUTIVE
5 ASSISTANT
6
7 MICHAEL P. COHEN, P.E., PS&S
8
9 DAVID J. MAIRO, ESQ.
10 CHIESA, SHAHINIAN & GIANTOMASI,PC
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20 R.J. O'CONNELL ASSOCIATES, INC.
21 P.O. BOX 277
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24
25

1 MS. LOZANO: We have a quorum by seven
2 board members present, two not present.
3 CHAIRMAN PESTANA: Mr. Netchert?
4 MR. NETCHERT: Yes, Mr. Chairman, this
5 is a public meeting. Notice of tonight's board
6 meeting was forwarded to the Star-Ledger and the
7 Jersey Journal for publication in those two papers
8 on February 22, 2015. Notice was also forwarded
9 to the Clerk of the County of Hudson and the Clerk
10 of the Hudson County Board of Freeholders and
11 posted on their respective bulletin boards and
12 notice was posted on the bulleting boards outside
13 of this meeting hall as well as on the authority's
14 website. These notices are all in compliance with
15 the requirements of the Open Public Meetings Act.
16 CHAIRMAN PESTANA: Thank you. At this
17 time do we have a motion for approval of the
18 minutes of the June 24th meeting?
19 COMMISSIONER GALLO: I'll move it.
20 COMMISSIONER LORENZO: Second.
21 MS. LOZANO: Commissioner Doran?
22 COMMISSIONER DORAN: Yes.
23 MS. LOZANO: Commissioner Gallo?
24 COMMISSIONER GALLO: Yes.
25 MS. LOZANO: Commissioner Goldsack?

1
2 CHAIRMAN PESTANA: Call the meeting to
3 order. Rise to pledge allegiance.
4
5 (Whereupon the Pledge of Allegiance is
6 recited by all in attendance)
7
8 CHAIRMAN PESTANA: Carmen, roll call,
9 please.
10 MS. LOZANO: Commissioner Bado is not
11 present, Commissioner Dabney is not present.
12 MS. LOZANO: Commissioner Doran?
13 COMMISSIONER DORAN: Here.
14 MS. LOZANO: Commissioner Gallo?
15 COMMISSIONER GALLO: Here.
16 MS. LOZANO: Commissioner Goldsack?
17 COMMISSIONER GOLDSACK: Here.
18 MS. LOZANO: Commissioner Lorenzo?
19 COMMISSIONER LORENZO: Here.
20 MS. LOZANO: Commissioner Martinetti?
21 COMMISSIONER MARTINETTI: Here.
22 MS. LOZANO: Commissioner Peneda?
23 COMMISSIONER PENEDA: Here.
24 MS. LOZANO: Chairman Pestana?
25 CHAIRMAN PESTANA: Here.

1 COMMISSIONER GOLDSACK: Abstain.
2 MS. LOZANO: Commissioner Lorenzo?
3 COMMISSIONER LORENZO: Yes.
4 MS. LOZANO: Commissioner Martinetti?
5 COMMISSIONER MARTINETTI: Abstain.
6 MS. LOZANO: Commissioner Peneda?
7 COMMISSIONER PENEDA: Yes.
8 MS. LOZANO: Chairman Pestana?
9 CHAIRMAN PESTANA: Yes.
10 MS. LOZANO: Minutes of June 24, 2015
11 passes by five board members voting yes, two
12 abstentions, two not present.
13 CHAIRMAN PESTANA: At this time we
14 will take comments from the public on anything on
15 the agenda. Seeing none, the public portion is
16 now closed.
17 MR. GUERRA: Item number four,
18 resolution number 7-4-2015 of the Hudson County
19 Improvement Authority authorizing payment of
20 certain costs and expenses of the Authority for
21 the month of July, 2015.
22 CHAIRMAN PESTANA: Motion?
23 COMMISSIONER DORAN: Motion.
24 COMMISSIONER GOLDSACK: Second.
25 MS. LOZANO: Commissioner Doran?

1 COMMISSIONER DORAN: Yes.
 2 MS. LOZANO: Commissioner Gallo?
 3 COMMISSIONER GALLO: Yes.
 4 MS. LOZANO: Commissioner Goldsack?
 5 COMMISSIONER GOLDSACK: Yes.
 6 MS. LOZANO: Commissioner Lorenzo?
 7 COMMISSIONER LORENZO: Yes.
 8 MS. LOZANO: Commissioner Martinetti?
 9 COMMISSIONER MARTINETTI: Yes.
 10 MS. LOZANO: Commissioner Peneda?
 11 COMMISSIONER PENEDA: Yes.
 12 MS. LOZANO: Chairman Pestana?
 13 CHAIRMAN PESTANA: Yes.
 14 MS. LOZANO: Resolution 7-2015-4
 15 passes in the affirmative as amended by seven
 16 board members voting yes, two not present.
 17 MR. GUERRA: Item No. five is
 18 resolution number 7-5-2015 of the Hudson County
 19 Improvement Authority, authorizing the appointment
 20 of Chiesa, Shahinian & Giantomasi, P.C. as special
 21 outside counsel and transfer of the contract from
 22 Sedita, Campisano & Campisano, LLC. Dave Mairo,
 23 who happens to be with us today, and is going to
 24 speak on a couple of other matters later on, has
 25 been providing legal services through the firm of

1 Sedita, Campisano & Campisano. Dave has left the
 2 firm.
 3 Dave has been providing services
 4 related to the Lincoln Park West project and Dave
 5 is also currently working on the closing out of
 6 the Persistent Construction Co. contracts for the
 7 Lincoln Park West project and Dave has worked on
 8 the agreement for the public walkway that we are
 9 doing in Secaucus and I feel it is in the
 10 Authority's best interests to transfer from the
 11 firm he had previously been with to this firm to
 12 keep the continuity in working with the contracts
 13 that he has been doing and everything relating to
 14 the golf course and also the closing out of the
 15 contract and now the public walkway.
 16 CHAIRMAN PESTANA: Good idea. Any
 17 motion?
 18 COMMISSIONER GALLO: Motion.
 19 COMMISSIONER PENEDA: Second.
 20 MS. LOZANO: Commissioner Doran?
 21 COMMISSIONER DORAN: Yes.
 22 MS. LOZANO: Commissioner Gallo?
 23 COMMISSIONER GALLO: Yes.
 24 MS. LOZANO: Commissioner Goldsack?
 25 COMMISSIONER GOLDSACK: Yes.

1 MS. LOZANO: Commissioner Lorenzo?
 2 COMMISSIONER LORENZO: Yes.
 3 MS. LOZANO: Commissioner Martinetti?
 4 COMMISSIONER MARTINETTI: Yes.
 5 MS. LOZANO: Commissioner Peneda?
 6 COMMISSIONER PENEDA: Yes.
 7 MS. LOZANO: Chairman Pestana?
 8 CHAIRMAN PESTANA: Yes.
 9 MS. LOZANO: Resolution 7-2015-5
 10 passes by seven board members voting yes, two
 11 board members not present.
 12 MR. GUERRA: Item No. 6, resolution
 13 number 7-2015-6 of the Hudson County Improvement
 14 Authority authorizing execution of Release of
 15 Cross Default Provision. Back in 2004 Baldwin
 16 asked that any Authority entering into a
 17 redevelopment agreement which was subject to the
 18 Jersey City Medical Center Redevelopment Plans,
 19 that is where the Beacon and the other buildings
 20 are, that whole redevelopment area, in 2011 that
 21 agreement had been amended by the Jersey City
 22 Redevelopment Agency and other various entities
 23 who were successors of Baldwin's assets. There
 24 are provisions in that agreement which I'll ask
 25 Bill just to summarize.

1 MR. NETCHERT: The Master
 2 Redevelopment Agreement had a clause that was a
 3 Cross Default clause, meaning if one of the urban
 4 entities, if one of the urban entities defaulted,
 5 the Jersey City Redevelopment Agency and the
 6 Authority could exercise the default provision
 7 against, all of the urban renewal entities.
 8 It also contained a clause that said
 9 upon proof that the urban renewal entity obtaining
 10 mortgage financing for purposes of going forward
 11 to redevelop a specific building, that both the
 12 Jersey City Redevelopment Agency and the Authority
 13 would execute a Release of the Cross Default
 14 provision from that particular building.
 15 In this case many of the buildings have
 16 been completed already. The Improvement
 17 Authority's involvement in this was as a result of
 18 us putting the Pollock Hospital building, the
 19 Margaret Hague Hospital building, and there might
 20 have been one other building, Murdoch Hall, into
 21 the mix and then the Jersey City Redevelopment
 22 Agency had some properties as well and they
 23 designated the developer and they set the terms of
 24 the redevelopment agreement.
 25 The long and short of it is, the

1 Margaret Hague Hospital is now ready to be
 2 redeveloped. Mortgage financing is in place but
 3 in order to close the mortgage financing, the bank
 4 was insisting for the release of the Cross Default
 5 be executed. The execution, there is probably
 6 authority for The Chief Executive Officer to do
 7 this without additional board action but when I
 8 had Norman sign it I represented to the
 9 developer's attorney that we would bring it back
 10 to the board for formal ratification and
 11 authorization and confirmation of the execution
 12 and release.

13 So basically, the release has been
 14 signed already by Norman and this is simply the
 15 board's ratification and confirmation of the
 16 authority to execute that release. So Margaret
 17 Hague Hospital will no longer be the hospital that
 18 most of us were born in, it will be something else
 19 two years from now.

20 COMMISSIONER LORENZO: Wasn't that
 21 sold before?

22 MR. NETCHERT: It was sold in 2003.

23 COMMISSIONER LORENZO: Okay.

24 CHAIRMAN PESTANA: Anybody have any
 25 questions on it? Motion?

1 Management Plan as a Class A Recycling Facility.
 2 PACE Glass has been located on Bishop
 3 Street in Jersey City for many years. They had
 4 submitted a plan for a major modification to their
 5 plant. They are proposing to accept post-consumer
 6 glass and to process that into a state of the art
 7 sorting system. The post-consumer glass does not
 8 come from the municipality's collection program,
 9 it actually comes from facility recovery and it is
 10 pure glass that comes into that facility and they
 11 do other things with that glass.

12 They have been there for many years.
 13 Marry Ellen has conducted a SWAC meeting, that is
 14 the County Solid Waste Advisory Council that
 15 consists of members of all the municipalities.
 16 I'm not sure how many attended but the company
 17 came in and our engineer was there to review the
 18 application and the next step is, once this board
 19 approves it, then the process continues where we
 20 make a submission to the Board of Freeholders and
 21 there's two hearings, two meetings, public hearing
 22 and then once that is done, it goes down to the
 23 state for certification.

24 So it is a long process but this is the
 25 first step in the process.

1 COMMISSIONER GOLDSACK: Motion.

2 COMMISSIONER LORENZO: Second.

3 MS. LOZANO: Commissioner Doran?

4 COMMISSIONER DORAN: Yes.

5 MS. LOZANO: Commissioner Gallo?

6 COMMISSIONER GALLO: Yes.

7 MS. LOZANO: Commissioner Goldsack?

8 COMMISSIONER GOLDSACK: Yes.

9 MS. LOZANO: Commissioner Lorenzo?

10 COMMISSIONER LORENZO: Yes.

11 MS. LOZANO: Commissioner Martinetti?

12 COMMISSIONER MARTINETTI: Yes.

13 MS. LOZANO: Commissioner Peneda?

14 COMMISSIONER PENEDA: Yes.

15 MS. LOZANO: Chairman Pestana?

16 CHAIRMAN PESTANA: Yes.

17 MS. LOZANO: Resolution 7-2015-6

18 passes in the affirmative by seven board members
 19 voting yes, two not present.

20 MR. GUERRA: Item No. 7, Resolution
 21 7-2015-7 of the Hudson County Improvement
 22 Authority recommending an Amendment to the Hudson
 23 County District Solid Waste Management Plan to
 24 include PACE Glass Recycling, in Jersey City, New
 25 Jersey into the Hudson County District Solid Waste

1 CHAIRMAN PESTANA: Questions? Motion?

2 COMMISSIONER DORAN: Motion.

3 COMMISSIONER LORENZO: Second.

4 MS. LOZANO: Commissioner Doran?

5 COMMISSIONER DORAN: Yes.

6 MS. LOZANO: Commissioner Gallo?

7 COMMISSIONER GALLO: Yes.

8 MS. LOZANO: Commissioner Goldsack?

9 COMMISSIONER GOLDSACK: Yes.

10 MS. LOZANO: Commissioner Lorenzo?

11 COMMISSIONER LORENZO: Yes.

12 MS. LOZANO: Commissioner Martinetti?

13 COMMISSIONER MARTINETTI: Yes.

14 MS. LOZANO: Commissioner Peneda?

15 COMMISSIONER PENEDA: Yes.

16 MS. LOZANO: Chairman Pestana?

17 CHAIRMAN PESTANA: Yes.

18 MS. LOZANO: Resolution 7-2015-7

19 passes in the affirmative by seven board members
 20 voting yes, two absent.

21 MR. GUERRA: Item number eight is
 22 resolution 7-2015-8 of the Hudson County
 23 Improvement Authority authorizing the purchase of
 24 up to seven replacement vehicles for use by the
 25 authority staff. As part of our capital equipment

1 program, the authority is looking to update the
 2 fleet. Recently we had auctioned off a number of
 3 the older vehicles and we are considering also
 4 acquiring at this time two new transit vehicles,
 5 one for recycling and one for DNA, as you know
 6 they do a lot of environmental fairs and they do a
 7 lot of transit fairs and they do a lot of the
 8 school programs and so whenever they go they would
 9 load these two vehicles and in addition we are
 10 also replacing, we had auctioned off a couple of
 11 our enforcement vehicles. So this resolution just
 12 has a cap on the amount. The contract is the
 13 amount noted here, may not be expended but that is
 14 what we are allocating in our 2015 budget and
 15 again they will be purchased under state contract
 16 so this actually authorizes us to spend up to
 17 \$250,000 which I don't see it coming close to
 18 that.

19 CHAIRMAN PESTANA: Any questions?
 20 COMMISSIONER LORENZO: Motion.
 21 COMMISSIONER DORAN: Second.
 22 MS. LOZANO: Commissioner Doran?
 23 COMMISSIONER DORAN: Yes.
 24 MS. LOZANO: Commissioner Gallo?
 25 COMMISSIONER GALLO: Yes.

1 that, the Lincoln Park West project was just the
 2 golf course, it was the last phase and then the
 3 capping of the golf course itself. But at the
 4 start of the project it started with the creation
 5 of a sand dewatering facility which Persistent was
 6 the bidder and awarded the contract to construct,
 7 maintain and operate that dewatering facility and
 8 manage the sand.

9 And the second contract then was the
 10 Earthwork Services, where approximately a million
 11 yards of silt came in and that contract called for
 12 Persistent to do a lot of the deep water drainage,
 13 to build a pond and a lot of other infrastructure
 14 work that went into the project, including that
 15 rough shaping, and then the transition/public
 16 walkway, that is the area that had to be created
 17 between the wetlands restoration and the golf
 18 course itself, and that also included the public
 19 walkway, so there were three contracts.

20 Early on with the sand, some of you may
 21 recall at a meeting, I guess a few months ago,
 22 where we settled that claim, because at that time
 23 the sand delivery started coming in and then I
 24 think it was the BP oil spill down in the Gulf
 25 where the government redirected all the dredge

1 MS. LOZANO: Commissioner Goldsack?
 2 COMMISSIONER GOLDSACK: Yes.
 3 MS. LOZANO: Commissioner Lorenzo?
 4 COMMISSIONER LORENZO: Yes.
 5 MS. LOZANO: Commissioner Martinetti?
 6 COMMISSIONER MARTINETTI: Yes.
 7 MS. LOZANO: Commissioner Peneda?
 8 COMMISSIONER PENEDA: Yes.
 9 MS. LOZANO: Chairman Pestana?
 10 CHAIRMAN PESTANA: Yes.
 11 MS. LOZANO: Resolution 7-2015-8
 12 passes in the affirmative by seven board members
 13 voting yes, two not present.

14 MR. GUERRA: Item number nine,
 15 Resolution 7-2015-9 of the Hudson County
 16 Improvement Authority closing the Containment and
 17 Dewatering Services Agreement, Earthwork Services
 18 Agreement and the Transition Area Services
 19 Agreement with Persistent Construction Co. as well
 20 as authorizing entry into a Settlement and Release
 21 Agreement with Persistent Construction Co. to
 22 resolve claims of costs incurred as a result of
 23 the temporary suspension of dredged sand delivery
 24 and other delays to the Lincoln Park West project.
 25 For those who may not be familiar with

1 vessels to go down to the oil spill. And Great
 2 Lakes through the Army Corps and Port Authority
 3 had agreements with us to put sand in there and we
 4 worked out an agreement where they would cover the
 5 costs up to \$300,000 for any time delays.

6 At that time Persistent felt they
 7 incurred more than the \$300,000. We felt it was
 8 less than the \$300,000. We settled with Great
 9 Lakes for approximately \$220,000. So, that other
 10 claim by Persistent to us, of course, they were
 11 looking for the difference. With all that said,
 12 I'm going to turn it over to Mike Cohen, because
 13 we ended up negotiating a final number with
 14 Persistent, where at some point we owed him some
 15 money for services, he owed us for money still
 16 coming into the site and then there's a credit and
 17 the settlement of the claim.

18 And Mike, I'll flip it over to you and
 19 Dave, also, for the resolution, I was just trying
 20 to give a little background.

21 MR. COHEN: Thank you, Mr. Guerra.
 22 Following up on that again, the containment and
 23 dewatering projects, the first project for the
 24 golf course that was awarded in 2009 and went
 25 through in 2010. As Mr. Guerra said, the

1 involvement of the water facility where we had
2 delivered sand and the dredged sand into the base
3 of the golf course, that ended up capping the
4 landfill.

5 Again, as mentioned, there were some
6 delays due to the BP spill as well as just the
7 general problem of having barges coming to the
8 site 24 hours a day and this contract for
9 Persistent was responsible to accept the sand, dry
10 it out and move it.

11 So he was there, in effect, 24 hours a
12 day. So the basic contract for that job started
13 out as, I believe it was about three million five,
14 and there were \$671,000 in extra fees on that.

15 So the final contract for the
16 dewatering job itself was about four million, one
17 hundred thousand, again, as Mr. Guerra mentioned,
18 the claim was for that job. And after discussing
19 this with Persistent, we agreed on a number.

20 Originally, they were asking for in
21 excess of \$500,000 and we have agreed to a
22 \$324,000 number, of which Great Lakes paid
23 \$222,000 so the net of all of that for the
24 Earthwork Services contract for the containment
25 job was the difference in those two numbers, the

1 settles the claim.

2 So, taking note, all of this is in the
3 resolution, this is the net for all three jobs,
4 the pluses and the minuses and the 195 is their
5 final payment to be paid to closing the job.

6 CHAIRMAN PESTANA: Any questions?
7 COMMISSIONER GOLDSACK: What was the
8 \$700,000 number again?

9 MR. COHEN: The transition area job.

10 MR. GUERRA: It is like a buffer
11 between the wetlands restoration and the golf
12 course and then there is the public walkway that
13 fronts the perimeter of the side.

14 COMMISSIONER GOLDSACK: And the dollar
15 amount that was owed back to us was?

16 MR. COHEN: Well, there was a \$50,000
17 credit, so the final contract ended up being
18 \$713,000. You know, of these jobs, they haven't
19 all been paid up. The authority still owes
20 \$30,000 to Persistent, all their final invoices
21 haven't been paid, we were waiting to do this as a
22 whole, rather than pay three different jobs.
23 Persistent owes the Authority for fill, the
24 authority owes Persistent --

25 COMMISSIONER GOLDSACK: And that is

1 324 and the outstanding money we owed him.

2 The next job was the Earthwork Services
3 job where we imported the one million yards of
4 fill to the site, for which the authority was paid
5 for that and again, on that job the authority was
6 to be paid a little in excess of \$2 million and
7 because we did agree to take additional fill and
8 got paid additional money so the authority
9 actually netted an additional \$800,000 on that
10 job.

11 So on that job Persistent actually owes
12 the authority a net amount of almost \$700,000.
13 The last job was the transition area job which
14 again is the area between the golf course and the
15 wetlands, that had to be planted, the walkway had
16 to be built. That job was a \$752,000 contract and
17 we actually took some work out of that contract
18 which ended up being done by the golf course
19 contract.

20 So almost \$50,000 was eliminated from
21 that job and that ended up at \$713,000. So the
22 net of the three jobs, what Persistent
23 Construction owes the authority versus the
24 \$195,000 owed by the authority to Persistent,
25 which basically closes out all three jobs and

1 what is outlined in the resolution?

2 MR. COHEN: Yes.

3 MR. GUERRA: Right, and we didn't want
4 to close this out until we knew that with Great
5 Lakes, and the claim, even though that claim, we
6 knew we had an agreement with the Port Authority,
7 which brought Great Lakes into the picture, and it
8 was Great Lakes' doing, not Persistent.

9 So Persistent did a lot of homework and
10 presented this big claim and spent a fortune on it
11 and Great Lakes kept saying no way, and we knew it
12 couldn't reach \$300,000 and so we settled for the
13 222 and he didn't feel that way, there was a
14 difference, but rather than end up in mediation
15 with an arbitrator, we sort of settled that.

16 COMMISSIONER DORAN: But when all is
17 said and done, though, with the credits and the
18 195,000, what are they getting?

19 MR. COHEN: Well, the only check that
20 is being written is the 195, that closes it out.

21 COMMISSIONER DORAN: But they have a
22 credit on two other jobs?

23 MR. MAIRO: The whole concept is
24 Persistent has an existing agreement with the
25 authority, and Earthworks and the transition area

1 and in addition to that, they also have the delay
2 claim associated with the delays because of the
3 Great Lakes situation.

4 So the whole purpose of what we are
5 trying to do with Persistent right now is to
6 resolve them all in one and when it is all said
7 and done, the Authority, when you add up the
8 credits and what Persistent owes the Authority and
9 the Authority owes Persistent, plus the
10 settlement, the Authority will be paying
11 Persistent \$195,000 and that would close all three
12 jobs as well as settle their claim.

13 COMMISSIONER DORAN: So how much of the
14 195 is their claim and how much of it is the three
15 jobs that are closing?

16 MR. COHEN: It doesn't really break
17 out like that. It is all credited within each
18 job. So that is just the net, the 195 is the net,
19 if you will. Let me put it this way --

20 CHAIRMAN PESTANA: Let me ask a
21 question. Is this all within the \$4.1 million or
22 in addition to?

23 MR. COHEN: No, no, it is not in
24 addition to.

25 CHAIRMAN PESTANA: So it is within the

1 COMMISSIONER DORAN: My concern was how
2 much on the three jobs was the credit? When all
3 is said and done, they owed us money and we owed
4 them money. There had to be a net on each one of
5 those, so I'm saying how much of that is a
6 settlement and how much of it was for what they
7 owed us and we owed them?

8 MR. COHEN: Okay. I think I know what
9 you are asking.

10 COMMISSIONER GOLDSACK: Because the
11 resolution, the addition and subtraction, if you go
12 by the resolution, it doesn't add up to that. We
13 see who owes Persistent and who owes the Authority
14 and so the 195,000 seems to be a number that you
15 have on your paper there but seems to be somewhat
16 confusing to myself.

17 MR. COHEN: Tell me if this is not in
18 the resolution on the -- it is in the resolution
19 on the CDF, the authority owes \$31,899, that means
20 of all the bills they submitted to us, that is
21 basically the retainage the Authority owes.

22 On the transition area job, again, the
23 final payment to them, the retainage and the last
24 few things, \$116,125 owed by the authority to
25 Persistent.

1 contract and the modifications?

2 MR. COHEN: Correct, so the contract
3 amount I read to you is 4.1, the 713 for
4 transition and I didn't give you this, the final
5 on the Earthwork Services was, in effect, a minus
6 \$2.8 million and if you add those three up, it's
7 4.1 plus \$700,000, minus 2.8. That would be the
8 total that the authority has paid out, if that is
9 what you are asking. That would be the total of
10 all three jobs and the claim.

11 MR. MAIRO: And, Commissioner, it is a
12 great question, and the way Persistent kept
13 approaching it was, they wanted to talk about
14 everything in total. They never really wanted to
15 talk about each individual project necessarily.
16 And at the end of the day, what they were willing
17 to accept for closing all three jobs and settling
18 the claim was \$195,000.

19 And they said we are good with that and
20 we are done. And the Authority was comfortable
21 with that as well and that is what we are seeking
22 to get authorization for, to then enter into a
23 final settlement release agreement with Persistent
24 so they can't come back and say we still have any
25 open-ended issues.

1 On the Earthwork Services job,
2 Persistent owes to the authority \$277,350 and the
3 last piece on the claim is the authority owes to
4 Persistent for the claim 324,335, and of that,
5 understand that of that 324, 222,000 has already
6 been paid by Great Lakes, so you might be asking
7 what did we pay on the claim, the difference
8 between 224 and 300.

9 COMMISSIONER DORAN: Wasn't the
10 agreement capped at 300?

11 MR. GUERRA: Initially the agreement
12 with Great Lakes and the Port Authority was that
13 they would be responsible up to 300,000, but they
14 agreed, they being Great Lakes, that they would
15 pay us 222, because they never really felt there
16 was enough to justify them paying us the \$300,000.

17 MR. NETCHERT: The answer, Jimmy, was
18 the cap was between us and Great Lakes and not
19 between us and Persistent or Great Lakes, so that
20 we began believing that the max claim that we
21 would be responsible for would be \$300,000 and we
22 thought that Great Lakes -- Great Lakes had agreed
23 to pay up to \$300,000.

24 MR. COHEN: To clarify a little, but
25 Persistent Construction Co.'s claim in excess of

1 \$500,000 wasn't totally on the gulf spill part.
2 The gulf spill part was the larger part of it and
3 it was \$330,000. Their claim on the golf part,
4 the balance is made up, the 500 I mentioned was
5 actually on delays prior to the gulf, so there
6 were two pieces to it.

7 The prior piece, as I mentioned before,
8 barges coming in on Sunday, coming in after
9 midnight, things breaking down, things that
10 couldn't be anticipated. So Persistent would gear
11 up to do work and barges just can't show up, so
12 there were a number of claims. The 330 was their
13 claim on the Great Lakes piece and about another
14 170 directed to the Authority.

15 But, again, we are looking at a claim
16 on the whole but it was made up of two pieces.

17 CHAIRMAN PESTANA: Any questions? Do
18 we have a motion on this.

19 COMMISSIONER GALLO: I'll move it.

20 COMMISSIONER LORENZO: Second.

21 MS. LOZANO: Commissioner Doran?

22 COMMISSIONER DORAN: Yes.

23 MS. LOZANO: Commissioner Gallo?

24 COMMISSIONER GALLO: Yes.

25 MS. LOZANO: Commissioner Goldsack?

1 Gallo, James Doran and Frank Lorenzo.
2 The Finance Committee is myself as the
3 chair, Steve Gallo, Nick Goldsack and John Peneda.

4 The Personnel Committee is Fred Bado as
5 the chair, Frank Lorenzo, Frank Pestana and James
6 Doran.

7 The Marketing Committee is Frank
8 Pestana, James Doran and John Peneda.

9 And the Technical Facilities Committee,
10 the chair is Marty Martinetti, James Doran and
11 Oren Dabney. Are you guys okay with that?

12 MR. GUERRA: Mr. Chairman, I have
13 nothing else. Mary Ellen?

14 MS. GILPIN: Nothing.

15 CHAIRMAN PESTANA: Do we have a motion
16 to adjourn?

17 COMMISSIONER LORENZO: Motion.

18 COMMISSIONER DORAN: Second.

19 (Whereupon there was a unanimous aye
20 vote)

1 COMMISSIONER GOLDSACK: Yes.

2 MS. LOZANO: Commissioner Lorenzo?

3 COMMISSIONER LORENZO: Yes.

4 MS. LOZANO: Commissioner Martinetti?

5 COMMISSIONER MARTINETTI: Yes.

6 MS. LOZANO: Commissioner Peneda?

7 COMMISSIONER PENEDA: Yes.

8 MS. LOZANO: Chairman Pestana?

9 CHAIRMAN PESTANA: Yes.

10 MS. LOZANO: Resolution 7-2015-9
11 passes in the affirmative with seven board members
12 voting yes, two not present.

13 MR. GUERRA: The only other item is
14 what I had discussed with you before, because I
15 don't think in February or March we
16 actually selected the committees and we need to do
17 that.

18 CHAIRMAN PESTANA: Okay, read it into
19 the record?

20 MR. GUERRA: Yes, I think that is the
21 best way.

22 CHAIRMAN PESTANA: We reorganized the
23 committees because we have new members, so we
24 wanted to let everybody know.

25 The Executive Committee is myself, Pete

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CERTIFICATE

I, ROBERT J. O'CONNELL, a Certified
Court Reporter of the State of New Jersey, do
hereby state that the foregoing is a true and
accurate transcript of my stenographic notes of
the within proceedings, to the best of my ability.

ROBERT J. O'CONNELL, C.S.R.
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