

**SOUTH JERSEY TRANSPORTATION AUTHORITY
EXECUTIVE SESSION MINUTES**

AUGUST 22, 2012

Commissioner April called the Executive Session Meeting to order at 9:16 a.m. and noted that this Executive Session was being conducted in accordance with Resolution 2012-90 of the South Jersey Transportation Authority, which provides for the following:

The general nature of the subject matter of this closed session meeting pertained to personnel matters and litigation matters authorized pursuant to N.J.S.A. 10:4-12(b)(8).

Present

Commissioner Jeffery A. April, Esq.
Commissioner Joseph W. Devine
Commissioner Maurice B. Hill (via teleconference)
Commissioner C. Robert McDevitt
Deputy Commissioner Joseph W. Mrozek (via videoconference)
Commissioner Joseph Ripa
Commissioner Dianne Solomon
Kerstin Sundstrom, Governor's Authorities Unit
Samuel L. Donelson, Deputy Executive Director
Stephen F. Dougherty, Chief of Staff
Sharon Gordon, Deputy Executive Director
Frank F. Frankowski, Director of Finance
George R. Gilmore, Esq., General Counsel
Lauren Staiger, Esq., General Counsel
Christopher Orlando, Esq. Special Counsel
Kevin Rehmann, Communications Manger
Susan Lubrano, Authority Board Secretary
Tim Kroll, Acting Airport Director

Personnel Matter

Mr. Donelson began by briefing the Commissioners on the personnel actions pertaining to Schedule "A" (Resolution 2012-76). He advised that a modified Schedule "A" was emailed yesterday along with revised resolutions. Mr. Donelson advised that the last few months have had an unusual amount on movements due to a cascade effect, but that all positions are being filled from within the Authority and are headcount neutral. Mr. Donelson advised that future schedules will be provided earlier to allow Commissioners more time for review and to ask questions. He advised the Commissioners of the full time movements and stated the part time positions are for various transportation services routes. Mr. Donelson asked if there were any questions pertaining to the schedule. No questions were asked.

Personnel Matter

Mr. Donelson advised that Mr. Orlando, Esq. would be briefing the board on a personnel issue/investigation and that Mr. Orlando had previously briefed the Personnel Committee on this issue during the August 7, 2012 meeting. Mr. Orlando advised the Commissioners of an employee that was currently on paid suspension, since December 2011, due to the allegations of misappropriation of funds. He advised that in or around November 2011 the Authority became aware of possible improper purchasing procedures involving fire department equipment and turned the matter over to Kevin Rehmann, Security & Operations Manager. Mr. Rehmann investigated the matter and found what appeared to be the misappropriation of funds. Mr. Rehmann then turned the investigation over to the New Jersey State Police.

Mr.

Orlando advised that following Mr. Rehmann's investigation, he and Tim Kroll instituted safeguards at the airport to prevent such improprieties from happening in the future.

Mr. Donelson advised that if criminal charges are filed, Commissioners may be contacted by press. Further he wanted to make sure they were fully aware of the situation. Mr. Gilmore directed Mr. Orlando to prepare a document that would include all facts pertaining to this investigation for the Commissioners purposes. Commissioner Devine expressed concerns about the Audit Committee not being apprised of the situation as the Committee oversees compliance issues. He asked that, if the investigation permits, the Audit Committees be briefed on such matters as they arise. Commissioner April asked Mr. Donelson to work with Mr. Gilmore on a public response.

Mr. Orlando then briefed the Commissioners on a worker's compensation proposed settlement regarding Michael Mathis. He advised that Mr. Mathis was involved in an accident in an Authority vehicle back in December 2009.

He asked if the Commissioners had any further questions. No questions were asked.

Lastly, Mr. Orlando briefed the Board on the status of contract negotiations. He advised that an initial proposal was received by the Firefighters Union Local S-18 earlier this year.

Mr. Orlando advised that Local S-18 is currently reviewing the proposals and a following up meeting is scheduled for September.

Commissioner April asked if there were any further questions on the matters discussed. There being none, Commissioner April called for a motion to adjourn the Executive Session.

Motion was moved by Commissioner McDevitt and seconded by Commissioner Devine; motion carried adjourning the Executive Session at 9:28a.m.

Submitted by:

Susan Lubrano, Authority Board Secretary