

**SOUTH JERSEY TRANSPORTATION AUTHORITY
EXECUTIVE SESSION MINUTES**

MAY 17, 2011

Commissioner April called the Executive Session Meeting to order at 10:23a.m. and noted that this Executive Session was being conducted in accordance with Resolution 2008-14 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 and contractual matters authorized pursuant to N.J.S.A. 10:4-12(b)(8).

Present

Commissioner Jeffery April
Commissioner Joseph Devine
Commissioner Maurice B. Hill
Commissioner C. Robert McDevitt
Commissioner Joseph Ripa
Commissioner Timothy J. Lizura (participated via teleconference)
Brandon Minde, Governor's Authorities Unit (participated via teleconference)
Bart R. Mueller, Executive Director

Absent

Chairman James S. Simpson
Vice-Chairman Mark A. Summerville
Commissioner Louis Toscano

Also Present

Stephen F. Dougherty, Chief of Staff
Samuel L. Donelson, Deputy Executive Director
Sharon Gordon, Deputy Executive Director (contractual discussion only)
Kathleen M. Sharman, Director of Finance (personnel discussion only)
Dennis Culnan, Director of Business Administration (personnel discussion only)
Carole Miller, Director of Transportation Services (personnel discussion only)
Brenda Pierce, Director of Tourist Services (personnel discussion only)
Joel Falk, Director of IT (personnel discussion only)
Timothy Kroll, Deputy Airport Director (personnel discussion only)
George R. Gilmore, General Counsel
Jean Cipriani, General Counsel
Susan Lubrano, Authority Board Secretary

Personnel Matter

Mr. Dougherty discussed the "Schedule A" attachment to the personnel action resolution, Resolution 2011-43. He described a few changes made to the schedule subsequent to his discussion with the Personnel Committee members, such as the names of the individuals recommended for employment actions and salaries for the firefighter positions which were revised so as to reflect the first step firefighter rate. Mr. Dougherty then discussed the employee selection sequence and stated that typically the Authority seeks to fill positions from within due to the employee already participating in the pension system. He advised that, in this case, the four full-time employment selections were not from within the Authority. He stated that the firefighters needed to be experienced and certified, thus outside applicants were selected. He further stated that as, currently and in the past, the Authority has experienced significant issues with the HVAC systems and therefore, it was important that the individual selected have vast HVAC experience. He then discussed the Accountant III position. He stated that the individual being recommended currently works for the Authority in a part-time capacity and therefore was not previously in the pension system. Mr. Dougherty advised that this individual is well qualified and had

proven herself over the past year while working for the Authority. He advised that these four hires would change the full-time headcount from 314 to 318, but that this number is still under the 323 positions approved in the 2011 budget. He asked if there were any questions. No questions were asked.

Mr. Gilmore then briefed the Commissioners on the status of a request for information regarding employment practices that was received from the Governor's Authorities Unit to which the Authority had previously provided a response. The Authority has since been notified that, due to the high costs of benefits and to keep the Authority employment practices in line with those governing State employees, the GAU is requesting that all employees not covered under an active bargaining agreement contribute 1.5% of their salary to health care costs. Mr. Gilmore advised that a similar contribution would be included in all future negotiations for collective bargaining agreements. Mr. Gilmore asked Mr. Minde what the GAU's expectation was relating to Board action (May or June Board). Mr. Minde responded that either month would be fine as long as the policy change was accomplished. The Commissioners asked Mr. Gilmore to prepare a resolution effectuating this policy change for inclusion on the agenda.

Lastly, Mr. Gilmore discussed the possible privatization of toll collectors and the necessary process at this juncture for exploring same. He said that the NJTA had issued an RFP to privatize toll collection services but had since decided to amend the current agreement with the employee collectors. He counseled that although NJTA is not moving forward, SJTA may choose to continue moving in this direction.

Mr. Gilmore stated that 21 employees have or are preparing to retire from the Authority, most from Maintenance. He advised of pending legislation revising healthcare retiree entitlements that could take effect in June, possibly prompting additional retirements. He said that the Authority has 28 full-time toll collectors that could possibly be placed in the positions that will become available after such retirements take effect. Mr. Dougherty clarified that there are presently 31 toll collectors, with three scheduled to retire sometime this summer. Mr. Gilmore advised that if the Authority goes to All Electronic Tolling in the future, the Authority may not have the opportunity of placing these full-time collectors in alternate positions. Commissioner McDevitt asked what the new duties would be for the transitioning collectors. Mr. Donelson advised that as maintenance employees generally retire after many years of service that the open positions would likely be higher level positions. He stated that those positions would likely be filled by experienced maintenance employees, which would leave entry level maintenance positions available for the transitioning collectors. Such positions would likely have duties such as cutting grass, litter patrol, etc. Commissioner McDevitt advised that he is not a proponent of privatization and suggested the use of the part-time collectors until a possible transition into AET. The Commissioner also stated that he would want to ensure that the positions that become available to the transferring collectors would be suitable for their age and skill sets. Mr. Dougherty advised he would have an appropriate summary prepared that would not violate information protected by HIPAA. Mr. Gilmore advised that if the Commissioners chose to proceed with the issuance of a new RFP for toll collection privatization to be issued solely by the

Authority, they would have the opportunity to consider the advisability of toll collection privatization based on the responses received. All Commissioners present expressed that proposals should be received for evaluation and due diligence purposes; however no decision would be made until this was accomplished.

Mr. Gilmore asked if there were any further questions. 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 10:45 a.m.

Submitted by:

A handwritten signature in cursive script, appearing to read "Susan Lubrano", written in black ink.

Susan Lubrano, Authority Board Secretary