

Adopted December 12, 2016

**Pinelands Development Credit Bank Board
Offices of the Pinelands Commission
15C Springfield Road
New Lisbon, NJ 08064**

September 8, 2015

1:00 p.m. by teleconference

*Note: this meeting was scheduled originally for August 31, 2015
but was canceled and rescheduled due to lack of a quorum.*

Board Members Present (by telephone):

Paul B. Macchia, Chairman, Dept. of Banking & Insurance Designee
Fawn McGee, Department of Environmental Protection Designee
Helene Chudzik, Department of Law & Public Safety Designee
Edward McGlinchey, At Large Member
Robert Shinn, At Large Member

Board Members Absent:

Susan Payne, Department of Agriculture Designee
Candace McKee Ashmun, Pinelands Commission Designee
Sam Mento, III, At Large member

Others Present:

Susan R. Grogan, Executive Director, PDC Bank
DAG Mark Collier (by telephone)
Betsy Piner, Recording Secretary for PDC Bank Board

1. Call to Order

Chairman Macchia introduced himself as the Chief of Staff for the Department of Banking and Insurance and called the meeting of the Pinelands Development Credit (PDC) Bank to order at 1:12 p.m.

Ms. Piner read the Open Public Meetings Act Statement and called the roll, declaring the presence of a quorum.

2. Adoption of Minutes of the October 1, 2014 meeting.

Chairman Macchia presented the minutes of the October 1, 2014 Bank Board meeting. Mr. McGlinchey moved the adoption of the minutes. Ms. Chudzik seconded the motion. Ms. Piner called the roll. All voted in favor except Chairman Macchia who had not been a Board member on October 1, 2014. With only four affirmative votes (McGlinchey, McGee, Chudzik and Shinn), the minutes were not adopted. Ms. Grogan said the Board could take up adoption of the minutes

at a future meeting. *(Any action by the Board requires an affirmative vote of five members of the fully constituted Board of nine members).*

3. Reoption of PDC Bank regulations

Ms. Grogan said the PDC Bank Board rules are set to expire on October 17, 2015 so the purpose of this meeting is to readopt them. She said the rules will then be sent to the Office of Administrative Law for publication. She said the only change that is being made is that of the PDC Bank web site address which appears in two places in the regulations; this address has changed since the rules were last adopted seven years ago.

Ms. Grogan said the Board may want to have further discussions on changes to the rules at another time. For instance, the current purchase price is no longer relevant and there may be other substantive issues the Board may wish to pursue. However, she said, at this time with the pressure to readopt the rules in a timely fashion, she thought it best to proceed with just this change for now.

Mr. Shinn said for at least seven years, he had been discussing making changes to the rules by conducting an auction so that the Bank can obtain the highest market value after receiving sealed bids.

Ms. Grogan said she concurred with the need to look at the rules in more detail. The Bank owns a number of credits and both sides of the equation, buying and selling, need to be examined. She said she would like to schedule a future meeting to discuss these substantive issues.

Mr. McGlinchey said he agreed with Mr. Shinn but wanted to acknowledge the heavy responsibilities that have been handed to Ms. Grogan in undertaking her position at the Bank. He said a meeting before the end of the year would be a good thing, if feasible.

Ms. Grogan said she would look at potential future meeting dates and develop some draft rule changes. Also, she wanted to provide the Board with information explaining the current status of the market. She said she hoped that as many Board members as possible would attend such a meeting.

Mr. Shinn said the Board needed to do all it could to maximize the value of PDCs.

Ms. McGee said the Bank would need a lot of information in order to move forward.

Ms. Grogan said the Bank staff have a lot of information on supply and demand and an awareness of the projects that are pending. She said this is information she wanted to share with the Board but prior to that, she would discuss potential rule changes with Mr. Collier and his office as the Bank must tread carefully in this time of relatively little market activity and little demand for PDCs.

Mr. Shinn said we know the market is recovering and he believed that the Bank must be ready to maximize the return on the value of a Credit.

Ms. Grogan said she shared Mr. Shinn's concerns and reminded the other Board members that the Bank itself owns PDCs.

Mr. Shinn said there need to be rules in place so that the Bank can sell its PDCs at the highest possible price. Currently the rules do not allow it.

Ms. Grogan said the PDC Bank may be able to secure funding to help reduce the supply by purchasing and retiring PDCs. That process should be easier than conducting an auction.

Chairman Macchia asked if there were any further discussion on the rule adoption notice. None was offered.

Mr. McGlinchey moved the readoption of the PDC Bank regulations. Ms. Chudzik seconded the motion and all voted in favor.

4. Public comment

There were no members of the public in attendance.

At 1:28 p.m., Mr. McGlinchey moved the adjournment of the meeting. Ms. Chudzik seconded the motion and Chairman Macchia thanked all for attending.

Certified as true and correct



Betsy Piner, Recording Secretary

November 17, 2016

Date