

THE COUNCIL OF THE CITY OF HOBOKEN

SPECIAL MEETING OF THURSDAY, AUGUST 18, 2011

President Bhalla opened the meeting at 7:00 P.M. and stated, "I would like to advise all those present that notice of this meeting has been provided to the public in accordance with the provisions of the Open Public Meeting Act, and that notice published in the Jersey Journal, City website, copies were provided in the Hoboken Reporter, The Record, The Newark Star-Ledger and also placed on the bulletin board in the lobby of City Hall

The Council President then called for the Salute to the Flag.

The Clerk then called the roll:

PRESENT: Council persons Castellano, Cunningham (via proxy), Giattino, Marsh (via proxy), Mello, Occhipinti, Russo and President Bhalla

ABSENT: Mason

President Bhalla gives an overview of tonight's meeting, acknowledges Mayor Dawn Zimmer and Chairperson Toni Tamarazo from HUMC authority and thank them to participate to the meeting

Councilwoman Castellano comments that she has a medical emergency if its possible to keep her phone on

City Clerk reads the communication from Mayor Zimmer calling the Special Meeting for tonight and three resolutions regarding Hoboken University Medical Care (HUMC)

11-61

James Farina, City Clerk
94 Washington Street
Hoboken, NJ 07030

Dear City Clerk Farina:

Please be advised that I hereby call a Special Meeting of the Hoboken City Council for Thursday, August 18, 2011 to commence at 7:00 p.m. in the City Council Chambers at 94 Washington Street, First Floor, Hoboken, New Jersey 07030 for the following purpose:

- 1. RESOLUTION TO AFFIRM AN EMERGENCY CONTRACT WITH OKIN HOLLANDER & DELUCA, LLP FOR SERVICES AS SPECIAL LEGAL COUNSEL - BANKRUPTCY FILINGS INVOLVING HOBOKEN UNIVERSITY MEDICAL CENTER**
- 2. RESOLUTION AUTHORIZING CLOSED SESSION, PURSUANT TO N.J.S.A. 10:4-12(7) AND ATTORNEY CLIENT PRIVILEGE TO DISCUSS PENDING LITIGATION RELATING TO THE HOBOKEN MUNICIPAL HOSPITAL AUTHORITY AND HUDSON HEALTHCARE, INC.**

3. RESOLUTION TO APPROVE A SETTLEMENT AGREEMENT BETWEEN THE CITY OF HOBOKEN, HOBOKEN MUNICIPAL HOSPITAL AUTHORITY AND HUDSON HEALTHCARE, INC.

No other matters may be discussed, introduced, considered or voted upon at this meeting. Action on the foregoing items may be taken at the meeting. Please notice this meeting in accordance with the Open Public Meetings Act.

Very truly yours,

Dawn Zimmer
Mayor

Received and Filed.

Council President reads off the 1st resolution and hears the speakers for resolutions

11-62

---By President Bhalla

RESOLUTION TO AFFIRM AN EMERGENCY CONTRACT WITH OKIN HOLLANDER & DELUCA, LLP FOR SERVICES AS SPECIAL LEGAL COUNSEL – BANKRUPTCY FILINGS INVOLVING HOBOKEN UNIVERSITY MEDICAL CENTER

WHEREAS, the filing of a bankruptcy suit relating to Hoboken University Medical Center made it necessary to retain bankruptcy counsel on an emergency basis in order to fully protect the City's interests throughout these proceedings; and,

WHEREAS, the Administration has chosen to appoint Paul S. Hollander, Esq. of Okin, Hollander & DeLuca, LLP to serve as Special Legal Counsel relating to any bankruptcy proceedings commencing in relation to Hoboken University Medical Center; and,

WHEREAS, the City of Hoboken has retained, on an emergency basis, Okin, Hollander & DeLuca, LLP, in the amount not to exceed Seventeen Thousand Five Hundred Dollars (\$17,500.00), to immediately begin representing the legal interests of the City related to the now pending bankruptcy litigation; and,

WHEREAS, the August 4, 2011 proposal of Paul S. Hollander, *attached hereto*, shall constitute the Agreement between Okin, Hollander & DeLuca, LLP and the City relating to the within services; and,

WHEREAS, *Okin, Hollander & DeLuca, LLP is hereby required to abide by the "pay-to-play" requirements of the Hoboken Public Contracting Reform Ordinance, codified as §20A-11 et seq. of the Administrative Code of the City of Hoboken as well as the Affirmative Action laws and policies under which the City operates; and,*

WHEREAS, there is an emergency need for said service, which is therefore exempt from the fair and open process and the public bidding requirements pursuant to N.J.S.A. 40A:11-6; and,

WHEREAS, funds are available for this purpose.

NOW THEREFORE, BE IT RESOLVED (*a majority of the whole Council concurring*) that the emergency contract be approved as awarded to Okin, Hollander & DeLuca, LLP for the services of Paul

Hollander, Esq. to represent the City as Special Legal Counsel in the pending bankruptcy litigation relating to the Hoboken University Medical Center in an amount not to exceed Seventeen Thousand Five Hundred Dollars (\$17,500.00), at the hourly rates listed in the August 4th proposal, *attached hereto*; said firm being obligated to provide prompt notice to the City when its invoicing reaches 80% of the not to exceed amount if the firm believes additional funds will be necessary; and

BE IT FURTHER RESOLVED that the City Council of the City of Hoboken specifically finds that compliance with Hoboken Ordinance #DR-154 (codified as §20A-4 of the Code of the City of Hoboken), is waived and that the City invokes N.J.S.A. 40A:11-6 for the following reason: the appointment of a reputable bankruptcy attorney was required to ensure protection of the City's interests in the now pending bankruptcy litigation, and forestalling the legal representation of the City's interests during the period of time required to comply with the fair and open process would have put the City's legal and financial positions in significant jeopardy; and

BE IT FURTHER RESOLVED the City Clerk shall publish this resolution as required by law and keep a copy of the resulting contract on file in accordance with N.J.S.A. 40A:11-1 et seq.; and,

BE IT FURTHER RESOLVED that a certified copy of this resolution shall be provided to Mayor Dawn Zimmer for action in accordance therewith and to take any other actions necessary to complete and realize the intent and purpose of this resolution; and,

BE IT FURTHER RESOLVED that this resolution shall take effect immediately.

The speakers who spoke: Scott Seigel, Helen Hirsch.

---Motion duly seconded by the Councilman Mello

---Adopted by the following vote: YEAS: 5 - NAYS: 3 -ABSENT: 1

---Yeas: Council persons Cunningham (via proxy), Giattino, Marsh (via proxy), Mello and President Bhalla

---Nays: Castellano, Occhipinti and Russo

---Absent: Mason

11-63

---By President Bhalla

RESOLUTION AUTHORIZING CLOSED SESSION, PURSUANT TO N.J.S.A. 10:4-12(7) AND ATTORNEY CLIENT PRIVILEGE TO DISCUSS PENDING BANKRUPTCY LITIGATION RELATING TO HOBOKEN UNIVERSITY MEDICAL CENTER

WHEREAS, the Council of the City of Hoboken is authorized to go into closed executive session for the reasons set forth in the Open Public Meetings Act, pursuant to N.J.S.A. 10:4-12(7) and to protect matters that fall within attorney-client privilege; and,

WHEREAS, one of these reasons is to receive legal advice and counseling relating to issues concerning pending litigation; and

WHEREAS, the City Council has been called upon to make decisions regarding the City's position in pending litigation, including but not limited to approving or rejecting a settlement agreement, and the Council wishes to obtain legal advice and counseling pursuant to N.J.S.A. 10:4-12(7) prior to acting on the proposed settlement agreement; and,

WHEREAS, the Council, therefore, has determined that it is necessary to go into closed executive session for the foregoing purpose.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Hoboken that it enter into closed session for said purpose; and,

BE IT FURTHER RESOLVED, formal action may be taken in an open public session subsequent to the closed session; and,

BE IT FURTHER RESOLVED that when the need for confidentiality no longer exists the decisions made therein will be made available to the public.

Council President Bhalla motions to go into Closed Session seconded by Councilman Mello

The Governing body votes to go into Closed Session

Corporation Counsel comments that action will be taken at the end of the Closed Session

To vote to enter into Closed Session:

---Motion duly seconded by Councilman Mello

---Adopted by the following vote: YEAS: 8 - NAYS: 0 - ABSENT: 1

---Yeas: Council persons Castellano, Cunningham (via proxy), Giattino, Marsh (via proxy), Mello, Occhipinti, Russo and Bhalla

---Nays: None.

---Absent: Mason

At 7:35 P.M. The Governing Body entered into a closed session.

Roll call for Closed Session: Council persons Castellano, Cunningham (via proxy), Giattano, Marsh (via proxy), Mello, Occhipinti, Russo and Bhalla

Mayor Dawn Zimmer

Corporation Counsel

Administrator Arch Liston

Mr. Hollander from Okin, Hollander & DeLuca, L.L.P.

The Mayor asked the City Clerk and Deputy Clerk to be excused due to the confidentiality that will be discussed.

At 8:49 P.M. The Governing Body has come out of closed session

11-64

---By President Bhalla

RESOLUTION AUTHORIZING THE CITY OF HOBOKEN TO ENTER INTO THE ATTACHED SETTLEMENT AGREEMENT BETWEEN THE CITY OF HOBOKEN, HOBOKEN MUNICIPAL HOSPITAL AUTHORITY AND HUDSON HEALTHCARE, INC.

WHEREAS, the Administration and Bankruptcy Counsel have negotiated an agreement with Hoboken Municipal Hospital Authority and Hudson Healthcare, Inc. in the form and substance attached hereto; and,

WHEREAS, the City Council, after careful consideration and with the advice of Counsel, hereby wishes to approve the terms of the agreement and authorize the Mayor to enter into the agreement to protect the bests interests of the City of Hoboken and its residents and taxpayers.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Hoboken in the County of Hudson as follows:

The City Council hereby accepts the settlement; and,
The City Council hereby directs the Mayor and Bankruptcy Counsel to notify all pertinent parties, including but not limited to the Court, of this acceptance immediately.
The Mayor, her Administration and Bankruptcy Counsel are hereby authorized and directed to proceed to execute and finalize this agreement expeditiously, and to take any steps necessary to effectuate the Agreement.

The speakers who spoke: Helen Hirsch.

---Motion duly seconded by Councilman Mello

---Adopted by the following vote: YEAS: 5 - NAYS: 3 - ABSENT: 1

---Yeas: Council persons Cunningham (via proxy), Giattino, Marsh (via proxy), Mello and President Bhalla

---Nays: Castellano, Occhipinti and Russo

---Absent: Mason

PUBLIC PORTION

All regular business concluded the following members of the public spoke at the Public Portion” of the meeting: Helen Hirsch, Mayor Dawn Zimmer .

At 9:41 P.M. the Governing Body on a motion by Council President Bhalla duly seconded by the Governing Body.

President Bhalla then adjourned the meeting at 9:41 PM

PRESIDENT OF THE COUNCIL

CITY CLERK