



# UNION COUNTY UTILITIES AUTHORITY

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RESOLUTION NO.: 47-2014

DATED: May 21, 2014

## RESOLUTION OF THE UNION COUNTY UTILITIES AUTHORITY INDEMNIFYING COUNSEL FEES IN CONNECTION WITH THE FACT- FINDING INQUIRY CONCERNING STIPEND PAYMENTS MADE TO AUTHORITY EMPLOYEES IN 2013 AND 2014.

APPROVED AS TO FORM:

Joseph C. Bodek  
Clerk of the Authority

By: Joseph C. Bodek

APPROVED AS TO SUFFICIENCY OF FUNDS

YES  NO  NONE REQUIRED  
UNION COUNTY UTILITIES AUTHORITY

By: [Signature]

	PRESENT	ABSENT	AYE	NAY	ABSTAIN	MOTION	SECOND
<i>Badri</i>	X		X				X
<i>Eastman</i>	X		X				
<i>Jackus</i>		X					
<i>Kahn</i>	X		X				
<i>Kennedy, Secretary</i>	X		X				
<i>Kulish</i>	X		X			X	
<i>People, Treasurer</i>	X		X				
<i>Erdos Vice Chairman</i>	X				X		
<i>Huff, Chairman</i>	X		X				
<i>Bonanno, Alternate No. 1</i>		X					
<i>Lombardo, Alternate No.2</i>		X					

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INDEMNIFYING COUNSEL FEES IN CONNECTION WITH THE FACT-  
FINDING INQUIRY CONCERNING STIPEND PAYMENTS MADE TO  
AUTHORITY EMPLOYEES IN 2013 AND 2014.**

**WHEREAS**, the Union County Utilities Authority (the "Authority") has been created by a resolution of the Board of Chosen Freeholders of the County of Union, New Jersey as a public body corporate and politic of the State of New Jersey, pursuant to and in accordance with County Utilities Authorities Law, N.J.S.A. 40:14B-1 *et seq.* and the acts amendatory thereof and supplemental thereto; and

**WHEREAS**, the Authority, by way of Resolutions dated February 26, 2014 and April 9, 2014, resolved to retain an independent fact-finder to conduct an appropriate inquiry into the facts surrounding the issuance of certain stipend payments to Authority employees; and

**WHEREAS**, as part of that fact-finding inquiry, it was determined that it was necessary to interview the Authority's Comptroller/Deputy Executive Director, Thomas Brennan, and Mr. Brennan was informed that he would be interviewed; and

**WHEREAS**, Mr. Brennan retained Michael Sullivan, Esq., of the firm Coughlin Duffy, LLP, to represent and defend his interests in connection with the fact-finding inquiry; and

**WHEREAS**, Article VIII of the Authority's Bylaws provides that Authority employees acting within the scope of their employment are entitled to be defended by the Authority in proceedings concerning actions taken by them within the scope of their employment; and

**WHEREAS**, based upon information provided to the Authority, and without passing upon the propriety of any such actions, Mr. Brennan's actions in connection with this matter appear to have been taken within the scope of his employment, thus entitling him to have the Authority assume the cost of his defense in this matter; and

**WHEREAS**, the New Jersey Rules of Professional Conduct preclude Authority counsel from providing for Mr. Brennan's defense in this matter as such representation would create an impermissible conflict of interest which may only be resolved by the appointment of independent counsel.

**NOW, THEREFORE, BE IT RESOLVED** by the Union County Utilities Authority as follows:

1. The Authority shall provide for the defense of Comptroller/Deputy Executive Director, Thomas Brennan, including the payment of reasonable counsel fees and expenses, regarding the pending fact-finding inquiry and requests that Mr. Brennan's above-referenced counsel submit all billing statements to the Authority's General Counsel for review and approval.
2. This Resolution shall take effect immediately.