

**The College of New Jersey  
Board of Trustees  
March 28, 2006  
3:00pm  
201 Loser Hall**

**Minutes**

Present: via telephone - Stacy Holland, Chair; Darrell Armstrong; Brad Brewster; Hazel Gluck; Wayne Griffith; Robert Kaye; Jimmy McAndrew; Anne McHugh; Tricia Mueller; Barbara Pelson, Pat Rado; Richard Schibell; Barbara Gitenstein, President; Stefanie Nieves, Student Trustee

Not Present: Susanne Svizeny, Vice Chair; Chris Gibson, Secretary

I. Announcement of Compliance

Ms. Holland announced that the requirements of the Open Public Meetings Act concerning public notice of this meeting had been met.

II. New Business

A. Report of the Executive Committee

1. The College of New Jersey Board of Trustees Resolution Approving Settlement of Pennington Road Student Apartment Project Dispute with Liberty Mutual Insurance Company – Attachment A

It was moved by Ms. Gluck, seconded by Mr. Schibell, that the minutes be approved. The motion carried unanimously.

III. Discussion Items

A. Governor's Budget Proposal and Institutional Response

IV. Adjournment

The following resolution was moved by Ms. Gluck, seconded by Jimmy McAndrew. The motion carried unanimously.

Be It

Resolved: That the next public meeting of The College of New Jersey Board of Trustees will be held on Tuesday, April 25, 2006 at a time and location to be announced.

Be It  
Further  
Resolved: That this meeting be adjourned.

Respectfully submitted,

Chris Gibson  
Secretary

**The College of New Jersey Board of Trustees  
Resolution Approving Settlement of Pennington Road Student  
Apartment Project Dispute with Liberty Mutual Insurance Company**

- Whereas:** The College of New Jersey (“The College”) entered into a contract with Cambridge Construction Management, Inc./AST Development Corp. Joint Venture (“AST/CCM”) on or about July 18, 2003 for the construction of certain dormitory facilities known as the Pennington Road Student Apartment Project, Project No. SA-101 (“The Project”); and
- Whereas:** In June 2004, The College met with AST/CCM and its surety, Liberty Mutual Insurance Company (“Liberty Mutual”), to raise and discuss certain construction defects identified on the Project and to provide AST/CCM and Liberty Mutual with copies of consultant reports identifying those defects; and
- Whereas:** AST/CCM failed to timely remedy the defects cited by The College and, on November 19, 2004, AST/CCM stopped all substantial work on The Project; and
- Whereas:** On January 21, 2005, The College of New Jersey issued a Notice of Intent to Terminate AST/CCM, forwarding a copy of same to Liberty Mutual; and
- Whereas:** AST/CCM failed to satisfactorily respond to The College’s Notice of Intent to Terminate and, on February 17, 2005, The College issued its Notice of Termination to AST/CCM, forwarding a copy of same to Liberty Mutual; and
- Whereas:** On March 10, 2005 Liberty Mutual provided a written notice to The College of its intent to takeover and complete The Project; and
- Whereas:** Over the next few months, The College and Liberty Mutual attempted to negotiate a takeover agreement that was mutually satisfactory to both parties; and
- Whereas:** In September, 2005, The College gave Liberty Mutual a deadline by which Liberty Mutual had to state in writing its intention to commit to taking over The Project; and

**Whereas:** In response to the deadline, Liberty Mutual tendered a settlement offer by which Liberty would make a monetary payment in lieu of completing The Project; and

**Whereas:** Over the next few months, The College and Liberty Mutual negotiated the terms of a monetary settlement, resulting in Liberty Mutual offering \$18.5 million to settle the dispute, and The College accepting Liberty Mutual's offer; and

**Whereas:** The Board of Trustees of The College decided to accept the settlement offer because it has determined that this settlement is in the best interests of The College and its current and future students.

**Now, Therefore,  
Be It Resolved:** The Board of Trustees of The College of New Jersey approves the settlement with Liberty Mutual in the amount of eighteen million, five hundred thousand dollars (\$18,500,000.00), and expressly authorizes the President of The College to act in the name of and on behalf of The College of New Jersey and to bind The College of New Jersey with respect to the above-referenced Settlement Agreement dated March 16, 2006, and the releases, assignments and other documents and matters appurtenant and relating thereto. The Board of Trustees hereby ratifies the President's execution of said documents and grants express continuing authority to the President to perform on behalf of The College all obligations undertaken by The College in the Settlement Agreement.