

**CUMBERLAND COUNTY IMPROVEMENT AUTHORITY**  
**MINUTES OF REGULAR MEETING**  
**WEDNESDAY, NOVEMBER 16, 2016**

**Meeting Opening**

The meeting was called to order at approximately 4:01 p.m. by Mr. Nedohon. The notice of the meeting was read by Mr. Nedohon.

Roll call of the Board Members of the Improvement Authority was taken. Mr. Olivio-Present; Mr. Jones-Absent; Mr. Lopez-Present; Mr. Nedohon-Present; Mr. Kelly-Absent.

**The Pledge of Allegiance was recited.**

Freeholders present: Mr. Joseph Derella
---

**Approval of Agenda**

Mr. Nedohon asked for a motion to approve the agenda. The motion was made by Mr. Olivio, seconded by Mr. Lopez.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent.  
The motion was approved by a 3-0 Vote.

**Approval of Minutes**

Mr. Nedohon asked for a motion to approve the October, 2016, Regular Meeting, Public Session Minutes and the October, 2016 Executive Session Minutes. The motion was made by Mr. Olivio, seconded by Mr. Lopez.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent  
The motion was approved by a 3-0 Vote.

**Executive Director's Report**

Operations continue to move along very well at CWED, DMV and 1<sup>st</sup> Floor of 275 N. Delsea Drive. Phase II and III are completed. The balance of the tenants are moving in on Monday, November 14<sup>th</sup>. A ribbon cutting ceremony was held on October 27<sup>th</sup> and was well attended. We continue to operate as expected/budgeted. We have revised our parking strategy to be placed on our current site, rather than on adjacent property. Our revised site plan has been approved by the City Engineer and the City has allowed the CCIA to submit as a capital review. I am attending Planning Board meeting on November 9<sup>th</sup> for formal approval. Bids are out and we expect to award during our December

meeting. The balance of the site and exterior painting is coming along very well and looks substantially better.

Our roofing contractor has completed and this contract has been closed out.

Final punch list for CWED is almost complete. It has been delayed by the work on 275 N. Delsea as well as the Arts and Innovation Center facility. Honeywell provided an additional year warranty for the HVAC and controls system.

Now that rents are up to date, we are experiencing net positive operations. However, because we continue to self-finance subsequent renovation phases, the monthly reports are sometimes showing a net decrease. This strategy will result in a positive net revenue by avoiding interest expense. We expect developer fee revenue to kick in mid-year to offset the administrative costs associated with the economic development operations/staffing.

I continue to meet with Capital Bank and our Bond Counsel to discuss potential financial mechanisms that would allow the CCIA to provide pre-development financing for our projects. I am also meeting with Bond Counsel next week.

Jeannine has completed a draft no smoking policy and should be completed in time for November Board approval. We will provide proper notice and directives for implementing this policy. I would expect to implement in January 2017.

The Technical High School operations are going well. Punch list items are being completed and we are working through final CO with the City of Millville. Millville is requiring a "fair share" payment to compensate for impacts to the Millville Shopping Center on the South Side of Delsea Drive.

The Arts and Innovation Center is moving along very well. Steel, walls and exterior brick are completed and brick are complete. Interior studs, sheetrock, flooring, painting are completed on the 2<sup>nd</sup> floor and the contractor is moving down to the first floor to complete these items. Site work is also being completed and asphalt should arrive shortly. The magnitude of the building on High Street has become evident. Various data, technology, furniture and alarm modifications are complete. Costs for these modifications are being absorbed by the CCIA and will be repaid over time via annual operations. Monthly construction report was forwarded under separate cover.

E-Waste collection issues continues to progress very well. See Tony's report for additional information. The City of Millville is paying out of pocket for disposal of E-Waste, rather than agree to the proposed MOU.

FY 2017 Budget has been submitted to DCA for final approval. We will have Budget presentation at the December meeting.

Our 2015 Audit was forwarded to DCA for formal approval. Still waiting for their approval.

We continue to utilize both recycling vendors to maximize efficiencies and pricing. Tonnage continues to increase. Pricing/Market is turning around. We no longer hauling residual waste from RE Communities. However, due to the quality of our single stream and the positive change in the market, we were able to work out a contract with RE to process single stream and deliver residual waste to the landfill. This allows us to reduce the use and therefore the wear and tear on our tractor and trailers. We hired a part time driver to handle our single stream recycling transportation OMNI.

We have continued to receive NON-Flow Controlled type 10 trash to offset the loss of residual waste revenue. This waste stream is more conducive to landfill operations as well as gas production. This will also help to provide the initial lift for the new cell (#7) when completed.

Our Fleet Maintenance operation continues to move along productively. The Shared Service Agreement with LSA is moving forward. We expect a few vehicles shortly to get the process started. Bridgeton and the City of Vineland have also expressed an interest. Fleet Maintenance showed a positive cash flow for the month based upon County volume.

CATS has yet to commit to the Fleet Maintenance program/Shared Services commitment. **We are still awaiting feedback from the County on this issue.**

The design and development of the new car/truck wash is complete and we will be out to bid during the week of 11/14. We have a final coordination meeting on the 10<sup>th</sup>. Construction will begin as soon as possible in 2017. Construction is expected to take 6-8 months.

After review of financial projections and costs, I do not believe that the facility will break even. Even though I don't think it will be profitable, I believe in the long run, the facility will benefit our fleet and benefit the CCIA and the County, but will not break even.

We expect to receive 3 additional CNG vehicles by the end of November. This will support Energy HUB and cost saving objectives. We are discussing the purchase of CNG buses with the County. Additionally, we are still hopeful that the State DOT will approve the purchase of CNG buses for the CATS program. I met with Constellation Energy to move the Energy HUB project forward. We are working on 4 significant initiatives. 1; the development of a Combined Heat Power Plant on the College Campus that would service the College, (Feasibility was approved during our October meeting) 2; a solar initiative that would be located at the SWC that would service all the electrical needs of the SWC, 3; the CNG facility and 4; a potential solar array on the former Bridgeton Municipal Solid Waste Complex. We also continue to meet/discuss/clarify issues/studies with BPU, ACE and on PJM to move these initiatives forward.

I have initiated discussions with Constellation for the Operating Agreement of the CNG facility. I hope to provide a general scope during our December meeting.

We are expecting SJI to provide a final estimate to supply natural gas to the landfill in the next week. This will allow the conversion of our current diesel and propane systems as well as the CNG facility. EPP is also investigating the use of natural gas to supplement its electric generation.

Impound lot is completed and we continue to receive vehicles from the County. Repairs and camera installation are complete. We average 10-15 cars per month.

Tire recycling is continuing to move along very well.

Still no response from Deerfield regarding the current redevelopment plan to incorporate our Energy HUB projects and strategy. Deerfield has also requested to option to create a shared service for the use of our well for their fire trucks. This could be mutually beneficial to both entities.

Our Bridgeton efforts continue to be redirected to focus on the redevelopment of the Bank Building/adjacent properties as well as the expansion of the Food Commercialization Center. The funding pre-application for the Commercialization Center was formally submitted. At least 3 different entities contacted us regarding the possibility of providing private equity for the various projects that we are currently developing.

Treatment enhancement project is completed and the system is operational. We continue to treat 50% of the previously rejected effluent and discharge directly into the basin. Our operational and cleaning issues have been resolved at the plant and we are now treating more than 1.3 million gallons of leachate per month. We had an issue with the new RO filtration system that is being repaired. We have also identified a cleaning solution for the UF filter system that we hope will expedite the cleaning time.

Off-site hauling of leachate was utilized this month as a result of the rain events on the new cell construction. This was only temporary. Our tank levels back down to acceptable operational levels. We are once again utilizing residual reject/leachate as a component of dust control at the face of the landfill. This strategy will be somewhat diminished in the cold season due to the lack of sun and evaporation times of the leachate.

The new gas system construction is complete and is positively impacting gas/generation operations. Energy generation is higher than it has been in the past two years. We are operating 3 engines daily. We are holding steady with these production levels. We also demonstrated an infrared camera that could assist with the regular maintenance as well as the detection of gas leaks on the gas field. We are researching the value versus cost and will provide updates as we progress.

Our Class B Facility has finally received formal DEP approval. We have asked our engineer to lay out the site so we can begin site clearing and initial site work.

The GPS system that was installed on our large equipment has also made a significant impact to the overall operations on the landfill and associated dirt work for the cover, landfill earthwork and side slopes. Now that the gas system construction is completed, we can now manage delivery of cover material efficiently and effectively.

Construction of cells 7, 8 and 9 is progressing very well. We are approximately 2 months ahead of schedule. The change order on the agenda is for the installation of temporary cover on the mined area of the current cell and will allow for rain water to be collected as storm, rather than leachate.

## **Resolutions**

Mr. Nedohon requested a motion to approve the Resolutions by consent.

Mr. Nedohon called for a motion to approve the Resolutions 2016-156 through 2016-162.

The motion was made by Mr. Olivio and seconded by Mr. Lopez.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent.

The motion was approved by a 3-0 Vote.

Mr. Nedohon requested that the Solicitor handle Resolutions on the Agenda. Resolutions were read by Solicitor Weinstein.

Mr. Nedohon called for a motion to approve the Resolutions 2016-156 through 2016-162. The motion was made by Mr. Olivio and seconded by Mr. Lopez.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent.

The motion was approved by a 3-0 Vote.

## **Treasurer's Report**

### 1. Monthly Year over Year Tonnage:

15,897 tons were brought into the Solid Waste Complex; in-county municipal waste (type 10) decreased by 244 tons or 3%. Total in-county tons decreased by 256 tons and out-of-county tons received decreased by 99 tons; this represents a net decrease year over year of 355 tons or 2%.

### 2. General Fund:

The General Fund balance is variable based on cash needs for the month which include payments to be reimbursed from various sources of funds for closure projects, landfill equipment, other activities budget, and short-term loans for development activities. There was a net increase in the general fund of \$240,954 for the month and an ending balance of \$9,560,036. Amounts owed back to the General Fund totaled \$5,217,585.

### 3. Cash and Investments:

Interest earned on the local and trustee accounts for the month amounted to \$10,966 as noted on the schedule of bank account balances.

### 4. Landfill Operations Summary – Profit and Loss Statement:

Landfill operations generated revenues of \$1,022,981 which included total tipping fees of \$986,752 and revenues from other landfill activities of \$36,229. Total revenues of \$1,043,801 less total expenses for the month of \$822,269 resulted in a net excess of \$221,532

### 5. Economic Development Operations Summary – Profit and Loss Statement:

Economic Development operations generated revenues of \$219,502 which included rental income of \$184,849, Fleet Maintenance revenue of \$14,354, and other income of \$20,299. Total revenues less total expenses of \$157,801 resulted in a net excess of \$61,701.

**Old Business** – No old business.

**New Business** – No new business.

**Freeholder Liaison Remarks** – Mr. Derella commented that he had visited the new Division of Motor Vehicle at 9 W. Park Drive and was impressed at how orderly and efficient the new building is.

**Open Public Comment Session**

Mr. Nedohon called for a motion to go into Open Public Comment Session. A motion was made by Mr. Olivio, seconded by Mr. Lopez to go into Open Public Comment Session.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent.  
The motion was approved by a 3-0 Vote.

**Nancy Ridgeway** – Ms. Ridgeway thanked Mr. Velazquez for the update regarding the State of the County Event in regards to the revenue made from the event. She inquired if the amount stated was gross or net and was told by Mr. Velazquez that it was net after event expenses had been paid.

**Close Public Comment Session**

Mr. Nedohon called for a motion to close Public Comment Session. A motion was made by Mr. Olivio, seconded by Mr. Lopez to close Public Comment Session.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent.  
The motion was approved by a 3-0 Vote.

**Executive Session**

At approximately 4:24 p.m. Mr. Nedohon called for a motion to go into Executive Session. Prior to the resolution, Solicitor Weinstein provided proper notice and indicated that discussion during the closed session would include the discussion of matters involving the purchase, lease or acquisition of real property, pending or anticipated litigation or contract negotiation where the public body is a party or may become a party. Solicitor Weinstein read Resolution #2016-156 and noted that further business could be conducted after the conclusion of the Executive Session.

The motion was made by Mr. Olivio, seconded by Mr. Lopez.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent.  
The motion was approved by a 3-0 Vote.

## **Adjournment**

Mr. Nedohon called for a motion to adjourn the meeting. A motion was made by Mr. Olivio, seconded by Mr. Lopez.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Absent.  
The motion was approved by a 3-0 Vote.