

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
MINUTES OF REGULAR MEETING
WEDNESDAY, AUGUST 23, 2017

Meeting Opening

The meeting was called to order at approximately 4:10 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-Present.

The Pledge of Allegiance was recited.

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| Freeholders present: Mr. Joseph Derella |
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Approval of Agenda

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

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.

Approval of Minutes

Mr. Nedohon asked for a motion to approve the July 2017, Regular Meeting, Public Session Minutes and the July 2017 Executive Session Minutes. The motion was made by Mr. Olivio, seconded by Mr. Kelly.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes
The motion was approved by a 4-0 Vote.

Executive Director's Report

Operations continue to move along very well at CWED, DMV and 1st Floor of 275 N. Delsea Drive. We continue to operate as expected/budgeted.

We are planning for the next phase of building enhancements. We are installing new floor finishes in the first and second floor lobbies.

Other budget is showing a net decrease for this month. As a result if our self-financing strategy; year end and monthly reports are sometimes showing a net deficit. Developer fee and other miscellaneous project revenue is expected to significantly increase at the end of 2017 and 2018. This revenue source will be used to offset the administrative costs associated with the economic development operations/staffing.

Our Bridgeton efforts continue to focus on the redevelopment of the Bank Building/adjacent properties as well as the expansion of the Food Specialization Center.

We seem to be back on track with the City of Bridgeton. The City's Planner completed Redevelopment Plans for both the Downtown and the Florida Ave. locations. The Plans have been submitted to the Planning Board for formal approval on August 22, 2017. Once approved by the Planning Board, they will go to City Council for Ordinance adoption. Because this is an Ordinance, it will require two Council Meetings.

We have received both our investor and lender commitments for the Food Specialization project. We hope to have the full bid package completed and out by the end of August.

Mary and I met with another investment company to discuss possible investment alternatives and strategies for our general funds and reserves. We have received two proposals and will be making a recommendation shortly.

Our county-wide equipment financing continues to move forward. Several municipalities are working with TD to finance equipment purchases.

Our No Smoking Policy was put on hold to revisit the policy language. We have been extremely busy with our development projects, and as a result, this project has been delayed.

The Technical High School operations are going well. The track phase of the project is moving along very well and will be completed by September 6th.

We have initiated the planning, financing and pre-development phase of the next phase of the Tech School, the School of Health and Science and Medicine. We are working through this process with the Tech School and the College. We have a general understanding and agreement among the parties to move this project forward. We hope to have a final agreement completed in time for our September board meeting.

The Arts and Innovation Center is complete and operations are moving along very well. We continue to oversee Property Management aspects of the project.

E-Waste collection issues continues to progress very well. We are still covering staffing costs internally, but we are now being reimbursed for materials used to process e-waste. See Tony's report for additional information.

The City of Millville continues to pay out of pocket for disposal of E-Waste, rather than agree to the proposed MOU. The City continues to ignore our request to execute a revised agreement (same as the agreement signed by all County Municipalities), which would provide up to 150 tons of free derelict housing, free e-waste processing, free wood waste processing and an annual recycling rebate. These benefits would result in a savings/contribution of more than \$80,000 per year.

Senior staff has initiated its budgeting process for 2018. We have completed our proposed draft budget and will be meeting with the Finance Committee in September and expect to present for formal approval during our September meeting.

The 2016 Audit is complete and was presented to the Board during our July meeting. The audit is clean and includes no findings.

We continue to utilize both recycling vendors to maximize efficiencies and pricing. Tonnage continues to increase. 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. See recycling report for additional information.

We collected over 16,000 pounds of trash as a result of our roadside clean-up and clean communities program this summer. That is the good news and the bad news. Our new volunteers are working out great. Our Fleet Maintenance operation continues to move along productively. Volume is starting to ramp up as Vineland and Bridgeton become more comfortable with the process and the system. We expect to provide fleet services from our West Ave. location as well. Staff has been utilizing down time to support CCIA vehicle repairs and maintenance. Staff has been heavily involved in repairing our heavy equipment and trailers. Our walking floor trailer was recently fully renovated to replace the floor boards. This was primarily handled by our two Junior Mechanics with oversight from our senior staff. Represents a nice savings over sending out for replacement.

We are upgrading our staff capacity and attending training opportunities to improve our effectiveness and efficiency. We are meeting with Fire and Ambulance representatives to better understand their needs.

Based upon this information, Staff will be attending emergency vehicle training.

Truck Wash construction is underway. Footings and foundation work are completed. Underground utilities are installed, slab is complete and block walls are moving along very well. Project is on schedule. I believe in the long run, the facility will benefit our fleet and benefit the CCIA and the County, and will break even based upon enhanced useful life of vehicles, but not solely on cash flow from operations. I am working up operating numbers so we can determine cost per wash.

We are discussing the lease/purchase of CNG buses with the County. To that end, we initiated meetings with CNG bus vendors to discuss conversion/up fit for buses. Additionally, we are still hopeful that the State DOT will approve the purchase of CNG buses for the CATS program. We are evaluating funding opportunities for the CCIA.

Our Energy HUB/Micro Grid Initiative is making significant progress. We had another productive meeting with ACE to discuss moving the initiative forward.

We are working on 5 significant initiatives. 1; the development of a Combined Heat Power Plant on the College Campus that would service the College, 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, 4; ~~a potential solar array on the former Bridgeton Municipal Solid Waste Complex~~, 5; the development of a Data Center and related solar field, and, 6; the development of a 69kV Ring Bus and Transformer to support the overall initiative. We are working with our developers to structure contribution agreements. This will be a Public Private financing/development model that can be replicated nationally. We also met with EPP to discuss their involvement in the project. We have a lot of great options and opportunities to work together.

The Combined Heat and Power Plant grant application to the state Clean Energy Fund was completed and submitted to BPU. We hope to save the College approximately \$90,000 per year in utility costs. We met with the college and will be preparing PPA agreement.

Data Center development is moving along. Due diligence on the Data Center partners continues, but has gone a bit slower than expected. Our counsel is finalizing agreements with Data Center developer. Our agreements are contingent upon executing a Redeveloper Agreement with the Township.

A final scope of work and proposed budget for the development of the CNG Station was completed.

Procurement strategy for CNG Facility has been substantially revised. We continue working with our professionals and partners to complete plans and specifications.

SJI has initiated the gas line installation. A pre-bid meeting was held on site to review the scope with contractors. We are completing the clearing in preparation of the installation of the line. This will allow the conversion of our current diesel and propane systems as well as the CNG facility. We expect the gas lines to be completed by October 2017.

We received clean energy fund approval, under the direct install program to pay for 60% of our equipment conversion costs. We reviewed the scope and requested that modifications be made. Hope to have revised scope completed by the end of the month.

We continue to evaluate alternative locations for the Impound lot. We are providing a significant shared service to the County, but the vehicles are located in a very dusty area of the landfill.

Tire recycling continues to move along very well.

The Deerfield Township Committee formally approved the revised Redevelopment Plan. The revisions incorporate our Energy HUB projects, biosolids, our administrative office and solar strategies and name the CCIA as the Redeveloper for the site. We forwarded the Redeveloper Agreement to the Township and received comments. The agreement is on the agenda for approval.

I spoke with Deerfield representatives about the required modifications to our well/pump. The CCIA will allow the fire department to fill its tankers utilizing our wells. Deerfield in turn, will improve our well pumps and electronic timers. We are obtaining quotes for this work.

Treatment enhancement is once again fully operational. New pump and motor has been installed on the secondary RO system and is running well. The modifications also provide better efficiency (40% less reject) on the back end of the system.

Off-site hauling of leachate has been substantially increased as a result of the new cell completion and the fact that rain water is now mixing with leachate and requires treatment at our plant. We continue to treat and/or haul (off site) monthly as a result of the heavy rains. We were able to initiate trash disposal into cell, but this had to be temporarily halted until the leachate issues were resolved.

After further evaluation of our operations, the impact of the rainwater in cell 7, and the need to complete a deck for the new gas phase IX, we may need to proceed with the special rate, type 10 pilot agreement for cell 7. Elimination of the hauling and treatment fees for the leachate outweighs the loss of revenue created by the special rate to be provided.

The new gas system construction is operating fairly well. As a result of the cell construction and related sump/pump house repairs, our production has been reduced. F&P Engineering is making great progress in monitoring, evaluating and adjusting the gas infrastructure.

F&P has completed the draft design for the next phase of our landfill gas infrastructure. Our new Construction Manager will be utilized to value engineer the design. We hope to go out to bid in September and award in October. We are preparing the current cell/deck for installation in October. Our Class B Facility has received formal DEP approval to be included in the waste management plan. We are still waiting for the final approval from DEP. The process has taken almost a year. Still waiting... We are working with class B operator to finalize shared agreement develop for recycling wood waste. The plan would provide free recycling of wood waste for all municipalities, the county and the CCIA. The operator is also waiting for final DEP approval.

The purchase order has been generated following the July board meeting and a project kickoff meeting with the CCIA and vendors took place. The equipment is about 2 weeks out at this point. Concurrent with the equipment order, the project manager from Fuel Master is creating the necessary database with the vehicle list provided by CCIA for the partner agencies. Initial talks with Dossier have begun to ensure a smooth transition and integration with our existing fleet maintenance software. Installer has performed a site visit at each fuel yard and will be providing the install quote in the next week or so. The install will start at the CCIA to ensure all functions work as desired then we will move to the partner agencies (County and Vineland City).

We will be having the fiber optic cables tested at the solid waste complex between the admin building, scale house and MSF to identify and repair issues with connectivity. This will take place upon the return from the Labor Day holiday.

Additional cameras will be installed at the Solid Waste Complex to cover the convenience center. The install will take place upon return from the Labor Day holiday.

The GPS system continues to positively and significant impact to the overall operations on the landfill and associated dirt work for the cover, landfill earthwork and side slopes.

Our new cover material policy is in place and we are approving tonnage at the new \$15/ton rate.

Construction of cells 7, 8 and 9 is substantially complete. Punch list items are being satisfied and we expect final punch list completion shortly.

Design is underway for our new Administrative offices on Lebanon Road/SWC. Bid documents are being prepared and we hope to be out to bid shortly. This will be a PLA project. The move will significantly enhance our operational efficiencies and create a synergy with the proposed Data Center Office Building. We have several interested tenants to backfill our space in Millville. Move expected in September 2018. We are investigating the option of issuing a concessionaires license to perspective food/restaurant entities.

Resolutions

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

Mr. Nedohon called for a motion to approve the Resolutions 2017-157 through 2017-174.

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

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 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 2017-157 through 2017-174. The motion was made by Mr. Kelly and seconded by Mr. Olivio.

Mr. Olivio Yes; Mr. Jones Absent Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.

Treasurer's Report

1. Monthly Year over Year Tonnage:
15,140 tons were brought into the Solid Waste Complex including 7,991 tons of municipal solid waste generated in county. Total tonnage decreased by 669 tons, or 4%, over the same period last year.
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 decrease in the general fund of \$784,299 for the month and an ending balance of \$8,028,791. Amounts owed back to the General Fund totaled \$4,573,413.
3. Cash and Investments:
Interest earned on the local and trustee accounts for the month amounted to \$15,315 as noted on the schedule of bank account balances.
4. Landfill Operations Summary – Profit and Loss Statement:
Landfill operations generated revenues of \$1,169,149 which included total tipping fees of \$1,085,853 and revenues from other landfill activities of \$83,296. Total revenues of \$1,578,548 less total expenses for the month of \$1,192,082 resulted in a net excess of \$386,466.
5. Economic Development Operations Summary – Profit and Loss Statement:
Economic Development operations generated revenues of \$234,241 which included rental income of \$204,674, Fleet Maintenance revenue of \$17,350, and other income of \$12,217. Total revenues less total expenses of \$260,146 resulted in a net deficit of \$25,905.

Old Business – No old business.

New Business – No new business.

Freeholder Liaison Remarks – Mr. Derella thanked Mr. Velazquez for sharing the Monthly Staff Reports with the Freeholders. The Reports are a useful tool in keeping the County informed.

Open Public Comment Session

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

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.

There were no members of the public wishing to address the Board at this time.

Close Public Comment Session

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

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.

Executive Session

At approximately 4:38 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 #2017-157 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. Kelly.

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.

Resume Public Session

Mr. Nedohon called for a motion to come out of Executive Session and resume Public Session at approximately 5:10 p.m.

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

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.

Adjournment

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

Mr. Olivio Yes; Mr. Jones Absent; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.