

**CUMBERLAND COUNTY IMPROVEMENT AUTHORITY**  
**MINUTES OF REGULAR MEETING**  
**WEDNESDAY, DECEMBER 21, 2016**

**Meeting Opening**

The meeting was called to order at approximately 4:07 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-Present; Mr. Lopez-Absent; Mr. Nedohon-Present; Mr. Kelly-Present.

**The Pledge of Allegiance was recited.**

Freeholders present: Mr. Joseph Derella was unable to attend the meeting but met with Mr. Velazquez earlier in the day to review the December Resolutions and the 2017 Budget Presentation.
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**Approval of Agenda**

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

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Absent; 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 November, 2016, Regular Meeting, Public Session Minutes and the November, 2016 Executive Session Minutes. The motion was made by Mr. Jones, seconded by Mr. Olivio.

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

Mr. Jones abstained from the November Meeting Minutes as he was not present at the meeting

**2017 Budget Presentation** – Presented by Jerry Velazquez

**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. All tenants have moved into the building. We are finalizing lease

arrangements with the State. They have not fully vacated previous space and have asked us to modify the terms of the lease until September, 2017.

We continue to operate as expected/budgeted. Exterior Building and Site looks great.

Parking lot modification bids were received and are on the agenda for approval.

Final punch list for CWED is almost complete.

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 have also discussed alternative strategy with TD Bank to provide a leasing program to our municipalities. This program will NOT require County or CCIA guarantees.

Jeannine has completed a draft no smoking policy and is on the agenda for 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 has received its "fair share" payment from the Tech School.

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 almost completed on the first floor. Site work is also being completed; curbing and paving is completed. Striping will be completed during week of 12/19. Planting, sidewalks and pavers are being installed. The Building looks great. 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.

I forwarded a recent news story highlighting E-Waste issues in other counties. Our staff is really doing a great job.

FY 2017 Budget has been approved by DCA and is on the agenda 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 haul 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.

Our Fleet Maintenance operation continues to move along productively. LSA has formally approved the Shared Service Agreement with the CCIA. Hopewell is also bringing their vehicles in. Bridgeton and the City of Vineland have also expressed an interest. Fleet Maintenance showed a positive cash flow for the past 2 months 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 new car/truck wash is currently out to bid. We expect to recommend awarding of the contract during our January meeting. Construction will begin as soon as possible in 2017. Construction is expected to take 6-8 months.

After review of financial projections and costs, we believe the operations will create a positive cash flow. However, the revenue collected will not provide full repayment of capital investment. 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.

We expect to receive 3 additional CNG vehicles shortly. The delivery has been delayed but they should arrive by the beginning of January. 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 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, and 5; the development of a Data Center and related solar field. BPU, ACE and PJM have been terribly negligent in finalizing the various studies that are underway. I initiated negotiations with Constellation and Air and Gas for the Operating Agreement of the CNG facility.

We are still waiting for SJI to provide a final estimate to supply natural gas to the landfill. 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 continues to operate and save the County money.

Tire recycling is continuing to move along very well.

We had meeting with Deerfield Planning Board to request that they modify the redevelopment plan to incorporate our Energy HUB projects and strategy. The meeting went well and they are in favor of us moving forward. They also agreed that the CNG Station and the Car Wash would be approved via Capital/Courtesy Review, rather than a full Board Review process.

Deerfield requested that we create a shared service for the use of our well for their fire trucks. This could be mutually beneficial to both entities, but they have not followed up with Craig.

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. USEDA has invited us to submit a full application for funding. 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 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 will expedite the cleaning time. Treatment Plant is operational, but not at 100% due to repair and maintenance issues.

Off-site hauling of leachate has been substantially reduced and is being used on an as needed basis. Our tank levels back down to acceptable operational levels. The cold season reduces our ability to utilize site application 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. Key operational milestones are holding steady along with production levels.

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. This proposal is on the agenda for approval.

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. Due to the end of the year budgets and holiday delays, cover soil volumes have been low.

Construction of cells 7, 8 and 9 is progressing very well. We continue to be approximately 2 months ahead of schedule.

## **Resolutions**

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

Mr. Nedohon called for a motion to approve the Resolutions 2016-163 through 2016-220.

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

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Absent; 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 Gibson.

Mr. Nedohon called for a motion to approve the Resolutions 2016-163 through 2016-220. The motion was made by Mr. Kelly and seconded by Mr. Olivio.

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

Note: Resolution #2016-187 was withdrawn from the vote and Mr. Nedohon abstained from voting on Resolution #2016-207.

### **Treasurer's Report**

1. Monthly Year over Year Tonnage:  
15,741 tons were brought into the Solid Waste Complex; in-county municipal waste (type 10) increased by 60 tons or .8%. Total in-county tons increased by 1,015 tons and out-of-county tons received decreased by 133 tons; this represents a net increase year over year of 882 tons or 5.9%.
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 \$57,386 for the month and an ending balance of \$9,502,650. Amounts owed back to the General Fund totaled \$5,302,109.
3. Cash and Investments:  
Interest earned on the local and trustee accounts for the month amounted to \$9,888 as noted on the schedule of bank account balances.
4. Landfill Operations Summary – Profit and Loss Statement:  
Landfill operations generated revenues of \$931,894 which included total tipping fees of \$923,529 and revenues from other landfill activities of \$8,365. Total revenues of \$951,634 less total expenses for the month of \$648,844 resulted in a net excess of \$302,790.
5. Economic Development Operations Summary – Profit and Loss Statement  
Economic Development operations generated revenues of \$200,526 which included rental income of \$184,849, Fleet Maintenance revenue of \$14,080, and other income of \$1,597. Total revenues less total expenses of \$180,992 resulted in a net excess of \$19,534.

**Old Business** – No old business.

**New Business** – No new business.

**Freeholder Liaison Remarks** – None present

**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. Jones to go into Open Public Comment Session.

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

**Nancy Ridgeway** – Ms. Ridgeway thanked Mr. Velazquez for the 2017 Budget Presentation and expressed her interest in him presenting it at the County Freeholder Meeting so it can be viewed by the public on television.

**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. Kelly to close Public Comment Session.

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

**Executive Session**

At approximately 4:50 p.m. Mr. Nedohon called for a motion to go into Executive Session. Prior to the resolution, Solicitor Gibson 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 and matters involving the employment, appointment, termination, of employment, evaluation of performance of, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body. Solicitor Gibson read Resolution #2016-163 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. Jones.

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Absent; 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 5:17 p.m.

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

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

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