

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
MINUTES OF REGULAR MEETING
WEDNESDAY, JANUARY 24, 2017

Meeting Opening

The meeting was called to order at approximately 4:02 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-Present; Mr. Nedohon-Present; Mr. Kelly-Present. Mr. Kelly arrived at 4:03 pm.

The Pledge of Allegiance was recited.

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| Freeholders present: Joe Derella |
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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 Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 5-0 Vote.

Approval of Minutes

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

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes
The motion was approved by a 5-0 Vote.

Executive Director's Report

Operations continue to move along very well at CWED, DMV, 275 N. Delsea Drive and W. Park Ave. We continue to operate as expected/budgeted. We made it through the recent snow storms pretty well. Snow Removal RFP will be approved during our March meeting. We are utilizing our sweeper and staff to maintain parking lot cleanliness.

All leases with Treasury have formally approved by the State. Occupancy is scheduled for May 1st. City of Vineland to lease 100% of the office space. Occupancy is scheduled for April 1st, for the first phase of the project. Demolition is underway. All Treasury floor plans have been finalized and approved by the tenants. CCIA has been selected by the City to implement the renovations. We are finalizing plans and

specifications for the interior work and MEP design. We will be utilizing our service contracts for construction, HVAC/Plumbing and Electric.

Other budget is continues to include an increase as a result of new rents from 71 W. Park acquisition. As expected, rents and project development fees have started to increase. We continue to enhance our capacity to provide in-house construction management services. This will significantly decrease project costs to our customers, while generating an opportunity to reimburse the CCIA for our construction management staff. 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. New Market Tax Credit program was incorporated into the new tax law, so financing is available. We are working with the City to obtain final approvals and Redevelopment Agreement execution.

Redevelopment Plans for both the Downtown and the Florida Ave. are approved. Planning Board approval is scheduled for January 24th. Redevelopment Agreement will be presented to City Council in February. The County approved a development agreement with the CCIA to provide support for the project.

USEDA is requiring the CCIA to rebid the Food Specialization project. Bid documents are being revised and we expect to go out to bid in Mid-February. This project will be constructed under a PLA. All financing is in place. TD Bank financing closed on December 29th. NMTC closing will be completed by March 1, 2018. We expect to begin construction in March as well.

Our county-wide equipment financing is not progressing as well as we had hoped. I am following up with TD Bank to work on a plan to better market and follow up with our municipalities.

We met with the Personnel Committee to review modifications to our personnel manual. The changes are on the agenda for approval.

The Technical High School operations are going well. The track phase of the project is completed and the college is utilizing the fields for men's and women's soccer games.

We continue to implement the planning, financing and pre-development phase of the School of Health and Science and Medicine. We are working through this process with the Tech School and the College. The DOE application has been finalized and will be formally submitted. We expect to be out to bid in April/May 2018.

The Arts and Innovation Center is complete and operations are moving along. College utilization and programming are increasing. 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.

The City of Millville election results have created a significant modification to the composition of the Commission. We continue to meet with Millville to discuss economic and redevelopment initiatives for the next 4 years. We are also working to finalize a redevelopment agreement with MURC.

Our auditor is scheduled to begin his work in February. They will be conducting their on-site review.

Market fluctuation continues with regard to our Single Stream recycling. In order to mitigate market uncertainty, we continue to utilize two recycling vendors. 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.

Our Fleet Maintenance operation continues to progress well and volume increasing as Vineland's department directors become more comfortable with the process and the system. The City of Vineland is preparing to provide fleet services from our West Ave. This will assist with coordination between the CCIA and the City. The Fire Department is utilizing services on a regular basis. Staff continues to utilize down time to support CCIA vehicle repairs and maintenance. Staff has been heavily involved in repairing our heavy equipment and trailers. This month's net revenue from Fleet Maintenance operation was over \$16,000.

We continue to work with GPC, the parent company of NAPA to implement a parts, equipment and supplies distribution facility on site. This will allow us to enhance our shared services to the County and County Municipalities by creating an opportunity to purchase parts and supplies at wholesale pricing. We continue to upgrade our staff capacity and attending training opportunities to improve our effectiveness and efficiency.

Truck Wash is complete and operational. Final adjustments and modifications to the building HVAC/Plumbing equipment and car wash system is almost complete. We experienced a few issues during the freeze. We are also working with Fuel Master to finalize upgrades to the kiosk to allow for credit card billing.

We created a pricing schedule. Cars will be charged \$11, Small buses \$22, Large buses \$33 and Trucks \$44. After running our vehicles through the wash, I am confident that our fleet and our customers' fleets by enhancing useful life of vehicles.

Our Energy HUB/Micro Grid Initiative continues to move forward.

We are working on an initial strategy to service the entire landfill and Data Center PILOT operation via our current methane gas to energy facility. By connecting our current engines to the newly installed natural gas lines, we will be able to provide a reliable energy source to the landfill and F&S produce. We will also install the new generator at the EPP site to allow for the emergency generation to support the entire facility, rather than one building. Removing this generation from the grid will also allow the CCIA to free up space on the grid.

Our Data Center developers have contacted our Department of Workforce Development to identify the first 20 employees of the new facility.

In addition to the short term solution noted above, We continue to implement 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; 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.

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 received initial approval and are working with the college to finalize implementation.

DCA denied our request to modify the procurement process for the CNG facility. We have initiated the plans and specifications for the facility and expect to be out to bid by April 2018.

SJI completed the gas line installation. This project will allow the conversion of our current diesel and propane systems as well as the CNG facility. We should be fully converted in 90 days.

Construction of the new county jail facility will allow us to relocate the County 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.

We were able to identify an alternate tire recycling facility. This has allowed us to resume a more aggressive and predictable schedule. Tire recycling is progressing very well.

We will be issuing a new RFP for ASR recycling and Gasification in February. Our hope is to remove recyclable materials from our waste flow, and generate additional revenue for the CCIA.

Redevelopment Plan and Redevelopment Agreement are fully approved and allow us to implement the Redevelopment Plan.

We are waiting Deerfield to finalize the financial arrangement with the CCIA to upgrade the CCIA well. 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.

The Treatment Plant continues to be the focus of discussions and attention over the past several months. Operating deficiencies have caused us to increase our hauling and associated hauling fees. In order to avoid this circumstance, we have been working to replace existing deficient components with new ones. Staff is still working to develop an effective cleaning and maintenance protocol that will allow the system to remain operational while being cleaned and/or maintained. We purchased and installed three new UF

tubes that have increased our efficiency. 3 additional tubes will be delivered during the week of January 22nd, so that the system can get back originally specified capacity. This upgrade in efficiency will reduce the reliance on hauling leachate. I have explained to staff that hauling should not be the solution. We need to increase our efficiency and capacity in the treatment plant.

The new compactor was delivered and is operational. Unfortunately, the back-up compactor is receiving a motor replacement. This equipment is expected to be back on line during the week of January 29th. All landfill operations have moved to Cell 7. Our initial objective is to reach the “wedge” so we can lower the berm on the slope and reduce leachate in cell 7.

Temporary tarp installation of the higher slopes is complete. The new cover will assist in the reduction of leachate, and help to increase gas production and reduce erosion into the swales on the side slopes. Makes a big difference aesthetically as well. We will be placing additional cover on top of the original cells and creating a roadway for wells and other infrastructure. See Landfill report for a list of scheduled projects and enhancements.

F&P Engineering continues to do a great job monitoring and adjusting the gas system. They have begun to work more closely with EPP to maximize efficiency of the overall system. 2 engines are consistently running at capacity.

F&P has completed the draft design for the next phase of our landfill gas infrastructure. We will be going out to bid in March so we can maximize gas collections and revenue.

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...Still waiting...Still waiting...Still waiting...hope to receive before the new commissioner is named.

We finalized shared agreement develop for recycling wood waste. The agreement provides free recycling of wood waste for all municipalities, the county and the CCIA. The operator is also waiting for final DEP approval. Still waiting...still waiting...hope to receive before the new commissioner is named.

We have purchased the kiosks for the implementation of the central fueling and fleet management program. We have provided cost breakdown to the shared service participants for reimbursement. Fuel Master System will be utilized by the City of Vineland, the County and the CCIA to allow for centralized fueling and vehicle repair management. Initial talks with Dossier have begun to ensure a smooth transition and integration with our existing fleet maintenance software. 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). The county CFO has asked that the CCIA handle purchasing and invoicing for the county-wide fueling program.

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

DEP is requiring the CCIA to revise our Closure Plan to include the modified DEP funding and interest rate structure. This modification will require an increase in our tipping fee. We are now evaluating how much and how that will impact the overall fee. Increase will be implemented in 2019. If DEP implements the new policy, we expect a pretty significant increase; perhaps \$3-\$5 per ton. This will impact all landfills significantly. We are in a better position than most to work through this change. Many landfills will experience much higher increases and liabilities.

Construction of cells 7, 8 and 9, as well as the cell 7 berm enhancements are complete.

Bids for the Administrative offices on Lebanon Road/SWC were received. Ogren was the low bidder and we have a resolution on the agenda to award contract. We also have a resolution on the agenda to approve a Redevelopment Agreement with the CEZC for the development of the building. 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 October 2018. We are investigating the option of issuing a concessionaires license to perspective food/restaurant entities.

Airport development initiatives continue to progress. The CCIA/County, along with Cape May and Atlantic County submitted a proposal to the Federal Government to be named one of the first 10 Drone

PILOT locations in the Country. The application includes the Coast Guard, State Police, Rowan/Stockton/NJIT, private businesses and many others. We are the only application from the state of NJ. DRBA representatives indicated that they have had preliminary discussions with Amazon regarding the potential for utilization of the airport facility. We are hopeful that our new relationship with the City of Millville will provide a new platform for enhancing the development opportunities at the landfill. Ground Breaking ceremony for the New City of Vineland Police Headquarters is scheduled for Wednesday, January 24th at 1:00pm. 620 E. Plum Street.

Resolutions

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

Mr. Nedohon called for a motion to approve the Resolutions 2018-001 through 2018-025.

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

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

The motion was approved by a 5-0 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 2018-001 through 2018-025. The motion was made by Mr. Jones and seconded by Mr. Kelly.

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

The motion was approved by a 5-0 Vote.

Mr. Nedohon abstained from #2018-004 and #2018-024.

Treasurer's Report

1. Monthly Year over Year Tonnage:

14,059 tons were brought into the Solid Waste Complex including 7,108 tons of municipal solid waste generated in county. Total tonnage decreased by 1,430 tons, or 9%, 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 \$686,049 for the month and an ending balance of \$1,613,659. Amounts owed back to the General Fund totaled \$12,209,471.

3. Cash and Investments:

Interest earned on the local and trustee accounts for the month amounted to \$14,690 as noted on the schedule of bank account balances.

4. Landfill Operations Summary – Profit and Loss Statement:

Landfill operations generated revenues of \$985,031 which included total tipping fees of \$942,350 and revenues from other landfill activities of \$42,681. Total revenues of \$1,252,810, including \$237,558 from the sale of surplus property, less total expenses for the month of \$920,499 resulted in a net excess of \$332,311.

5. Economic Development Operations Summary – Profit and Loss Statement:
Economic Development operations generated revenues of \$386,108 which included rental income of \$334,235, Bond Transaction fee of \$27,419, Fleet Maintenance revenue of \$16,790, and other income of \$7,664. Total revenues less total expenses of \$351,760 resulted in a net excess of \$34,348.

Old Business – No old business.

New Business – No new business.

Freeholder Liaison Remarks – Mr. Derella remarked that the public doesn't always realize the impact the projects have on the County regarding the Lincoln Avenue Development Project and the new jobs and opportunities it brings. Looking forward to working with Cape May and Camden Counties in regards to Fleet Maintenance. Other Counties are looking at Cumberland and mirroring our programs.

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 Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 5-0 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. Jones to close Public Comment Session.

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 5-0 Vote.

Executive Session

At approximately 4:32 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. Solicitor Gibson read Resolution #2018-001 and noted that further business could be conducted after the conclusion of the Executive Session.

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

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Yes; Mr. Nedohon Yes; Mr. Kelly Yes.
The motion was approved by a 5-0 Vote.

Resume Public Session

Mr. Nedohon called for a motion to come out of Executive Session and resume Public Session at approximately 5:24 p.m.

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

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

The motion was approved by a 5-0 Vote.

Adjournment

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

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

The motion was approved by a 5-0 Vote.