

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
MINUTES OF REGULAR MEETING
WEDNESDAY, MARCH 28, 2018

Meeting Opening

The meeting was called to order at approximately 4:00 p.m. by Mr. Jones. The notice of the meeting was read by Mr. Jones.

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

The Pledge of Allegiance was recited.

Freeholders present: None Present

Approval of Agenda

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

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

Approval of Minutes

Mr. Jones asked for a motion to approve the February 2018, Regular Meeting, Public Session Minutes and the February 2018 Executive Session Minutes. The motion was made by Mr. Kelly, seconded by Mr. Olivio.

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Yes; Mr. Nedohon Absent; 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, 275 N. Delsea Drive and W. Park Ave. We continue to operate as expected/budgeted. We have stepped up our site cleaning and sweeping to ensure that the inordinate amount of litter being thrown on site is cleaned up. Our recent roof repairs are holding up well. Until the writing of this report, we were good with snow for the winter season. So much for that after this snow storm.

All leases with Treasury are approved. Occupancy is scheduled for June 1st. City of Vineland to lease 100% of 57 W. Park Ave. Demolition is complete. All Treasury floor plans have been finalized and approved by the tenants. Budgets for 71 W. Park and phase I of 57 W. Park are finalized. Renovations are ongoing. CCIA is overseeing all aspects of the renovations via the utilization of our service contracts for building, HVAC/Plumbing and Electric.

Other budget is continues to include net revenue as a result of new rents from 71 W. Park acquisition. Rents and project development fees have started to increase as projects progress. We have fully staffed up our Construction Management Division. 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 Downtown Redevelopment Project redevelopment as well as the development of the Food Specialization Center. We have re-engaged our efforts to complete the downtown project. New Market Tax Credit application was resubmitted after a two year hiatus. Both TD Bank and NJCC have been awarded NMTC allocation. We have received all of our approvals for this project from the City of Bridgeton. We have finalized one of the two private acquisitions and are working to obtain all street vacation certifications for Church Lane. We expect to be prepared to bid this project in late May, early June. We are going to formally solicit a tenant via an RFP process for the non-County space in the building. The HDSRF grant application is being processed. This will provide funding for the professional fees related to the environmental clean-up of this project.

Fully revised bid documents and required certifications have been submitted to USEDA for final review and approval. Once we receive this approval, we will immediately go out to bid. This project will be constructed under a PLA. All financing is in place. The revised documents took a bit longer than expected. We hope to be out to bid in early April and award the contract in May.

Our county-wide equipment financing is expected to have its first closing very soon. We are hopeful that once we close that loan, we can attract additional municipal participation. We are hopeful that once we get this program going, others will follow.

We continue to implement the planning, financing and pre-development phase of the School of Health and Science and Medicine. The DOE application was formally submitted, but DOE required an updated long range plan. That plan is almost complete. We are working with our professionals to complete the RFQ and RFP documents so we can proceed with the RFQ process. Plans and specifications are almost completed as well. We are working through the Dept of Education and Office of State Comptroller simultaneously to approve the application as well as the plans and specifications. We now expect to be out to bid in June 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 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.

We continue to work with the City of Millville on its economic and redevelopment initiatives. We are also working to finalize a redevelopment agreement with MURC.

Our auditor has completed his on-site review and document collection.

Single Stream collection continues to increase, but the recycling market continues to decline. We utilize two recycling vendors to mitigate market volatility. We are currently receiving \$0 per ton due to the severe market conditions. Due to the quality of our single stream, we were able to work out a contract with RE to process single stream and deliver residual waste to the landfill. 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. 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. Fleet operations continue to produce a net revenue. The Vineland School Board has agreed to join our fleet service as of July 1, 2018. Cape May County Utilities Authority has started to bring its large trucks in for service.

We continue to work with GPC, the parent company of NAPA to implement a parts, equipment and supplies distribution facility on site. This process has gone a bit slower than anticipated due to the heavy volume of projects and other operational initiatives. Per my conversations with our Board members, the

NAPA store will be manned by NAPA staff and the inventory will be owned by NAPA. Therefore, they will be responsible for all parts and supplies. Additionally, the concept of opening this facility was discussed with NAPA directly and they assured us that the local stores would be made aware of the facility. Finally, this facility is only for County and Municipal partners. The store is not open to the public, so no private customers will be purchasing parts from our store.

Truck Wash is complete and operational. Final adjustments and modifications to the wash are complete. I am hopeful that the kiosk upgrades to allow for credit card billing will be completed shortly.

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 ACE infrastructure and our methane gas to energy facility. The engines will provide energy to the landfill, the Data Center PILOT and F&S produce. We will also install a new generator at the EPP site to allow for the emergency generation to support the entire facility, rather than individual generators.

Removal of 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. The Data Center is working on a strategy that will provide employment opportunities to high school graduates. This will create a viable and sustainable option for students who are not leaving the area to attend college and/or for those students who do not wish to attend college.

In addition to the short term solution noted above, we continue to design and/or implement the following 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 was approved and engineering/design is underway. We expect to save the College approximately \$90,000 per year in utility costs. We received are working with the college to finalize implementation.

Plans and specifications are being completed for the CNG facility and expect to be out to bid by May 2018. We will be performing all of the site work for this project.

SJI completed the gas line installation and building conversions are moving along very well. The last two buildings will be converted in May as the weather warms up.

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

I made a presentation to the College Board of Trustees regarding possible shared services with the College to transition facilities management including, security, landscaping, custodial, maintenance to the purview and oversight of the CCIA. I believe we can save the County significant \$ by integrating these operations into our current facilities management. We are working with the Technical School to subcontract the security responsibilities to become part of their campus security. There will truly be one campus designation and integration of services.

We presented a proposal to the Vineland Board of Education to provide Trash pick-up for all of its facilities. We currently pick up recyclables, but not trash.

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.

The RFP response for the proposed ASR recycling and Gasification operation were received and are being evaluated. Prior to making a formal recommendation to the Board, we are attempting to schedule a couple site visits to see similar operations. Our objective 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 for Lebanon Ave.

Deerfield contacted us to finalize the financial arrangement necessary to upgrade the CCIA well. The CCIA will allow the fire department to fill its tankers utilizing our wells.

The Treatment Plant continues to be the focus of discussions and attention over the past several months. Operating deficiencies and the bad weather have caused us to increase our hauling and associated hauling fees. UF systems have been replaced and we are operating at full capacity. We are evaluating options and strategies for upgrades to the current system. In order to avoid off site hauling, we will need to increase our treatment plant capacity. We expect to complete this evaluation and develop bid specifications by the end of May.

Staff has modified its cleaning and maintenance protocol to allow the system to reach maximum throughput shortly after cleaning. 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.

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. The trash grinder demonstration was postponed due to a CCIA equipment issue with our excavator. That has been fixed and we expect to place the grinder back in service during the week of March 26th. The grinder allows us to process large bulky trash into a more manageable layer of trash for the initial lift on top of the new cell sand/liner. The initial end product and process have proven to be very effective for this use.

Temporary tarp installation of the higher slopes is complete. The new cover will provide a 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 are now developing a strategy to cover the final side slopes and top of cells 1 through 6 while we fill cells 7 through 9. The cover will enhance treatment and gas collection. Processed concrete along with cover dirt, will be used for cover on top and to create a roadway for wells and other infrastructure.

We are also discussing the possibility of installing a 2MW solar array on top of cells 1 through 6 while we are waiting for final closure; after cells 7 through 9 are filled to capacity (approximately 2041). 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 plans and specifications for the next phase of our landfill gas infrastructure. We have decided to self-perform the gas infrastructure for this project. Well drilling will be contracted, but all piping and connections will be handled by CCIA staff. This will save us significant \$ and allow us to directly monitor and implement the new wells.

Wait for this one...We actually received our Class B Facility DRAFT approval letter!!!! The process has taken almost a year. Please keep in mind that this is a backstop for our shared service agreement with our private class B wood processor. All Municipalities and the County will be integrated into this agreement. Wood waste will be collected and processed at no cost. 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 also received final DEP approval. We expected to be on line with our private wood processor in March, but have not yet finalized the agreement. We expect to begin our shared service relationship as of April 1, 2018.

We are working to finalize the details and equipment installation of the county-wide centralized fueling and fleet management program. Fuel Master System will be utilized by the City of Vineland, the Vineland School Board, the County and the CCIA to allow for centralized fueling and vehicle repair management. 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.

We received the statewide tipping fee schedule for 2018. Cumberland County has the lowest tip fee in the state. Please remember that the DEP is expected to mandate a modification to the Closure Plan formula which is expected to effectuate an increased tip fee for Cumberland beginning in 2019. This modification will require an increase in our tipping fee. We are evaluating how much and how that will impact the overall fee. If DEP implements its proposed new policy, we expect a 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. We are experiencing some water issues at the cell 7 berm. Once the weather clears, we are going to investigate the problem and complete required repairs.

Ogren has initiated its work for the new Administrative Offices on Lebanon Road. Weather has impacted progress, but once the weather clears, we expect to move along expeditiously. 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 by the end of 2018.

We are investigating the option of issuing a concessionaires license to perspective food/restaurant entities. Airport development as well as our UAB initiative continue to progress slowly but surely. 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. 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.

Vineland Police Headquarter bids for phase II were received on Friday, March 23rd. A formal recommendation is expected during our March 28th Board Meeting.

We have unofficially received Opportunity Zone designations for Vineland, Millville and Bridgeton. The Opportunity Zone designation allows individuals with capital gains liabilities to invest those funds into local redevelopment projects and receive tax deferral and/or forgiveness of that tax liability. This will allow for significant private leveraging of resources. We hope to set up an investment fund that can be utilized to support county redevelopment projects.

Resolutions

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

Mr. Jones called for a motion to approve the Resolutions 2018-056 through 2018-078.

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

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

The motion was approved by a 4-0 Vote.

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

Mr. Jones called for a motion to approve the Resolutions 2018-056 through 2018-078. The motion was made by Mr. Olivio and seconded by Mr. Kelly.

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

The motion was approved by a 4-0 Vote.

Treasurer's Report

1. Monthly Year over Year Tonnage:
13,752 tons were brought into the Solid Waste Complex including 6,880 tons of municipal solid waste generated in county. Total tonnage increased by 51 tons 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 \$847,232 for the month and an ending balance of \$2,211,582. Amounts owed back to the General Fund totaled \$11,921,820.
3. Cash and Investments:
Interest earned on the local and trustee accounts for the month amounted to \$33,460 as noted on the schedule of bank account balances.
4. Landfill Operations Summary – Profit and Loss Statement:
Landfill operations generated revenues of \$823,083 which included total tipping fees of \$792,534 and revenues from other landfill activities of \$30,549. Total revenues of \$843,769, less total expenses for the month of \$952,245 resulted in a net deficit of \$108,477.
5. Economic Development Operations Summary – Profit and Loss Statement:
Economic Development operations generated revenues of \$386,382 which included rental income of \$296,707, Project Management fee of \$31,453, Fleet Maintenance revenue of \$30,937, and other income of \$27,285. Total revenues less total expenses of \$369,395 resulted in a net excess of \$16,987.

Old Business – No old business.

New Business – No new business.

Freeholder Liaison Remarks – No Freeholder Present

Open Public Comment Session

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

Executive Session

At approximately 4:25 p.m. Mr. Jones 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 #2018-056 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 Yes; Mr. Lopez Yes; Mr. Nedohon Absent; Mr. Kelly Yes.
The motion was approved by a 4-0 Vote.

Resume Public Session

Mr. Jones called for a motion to come out of Executive Session and resume Public Session at approximately 4:45 p.m.

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

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

Adjournment

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

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