

**CUMBERLAND COUNTY IMPROVEMENT AUTHORITY**  
**MINUTES OF REGULAR MEETING**  
**WEDNESDAY, MAY 23, 2018**

**Meeting Opening**

The meeting was called to order at approximately 4:09 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-Present; Mr. Kelly-Present.

**The Pledge of Allegiance was recited.**

Freeholders present: None Present
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**Approval of Agenda**

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

**Approval of Minutes**

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

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**

Plans and specifications are being completed for the CNG facility and expect to be out to bid in June 2018. We 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. Regular maintenance, landscaping and cleaning continue. Roofs and drainage are holding up very well. We are integrating the college facilities management into our overall property management portfolio. During our initial 2 week transition at the college, more than 75% of the staff resigned/quit without notice. Our staff stepped up to make the campus look even better than when we got there. You should be very proud of our staff. Landfill staff stepped up to allow for their colleagues to handle the college's graduation week.

All leases with Treasury are approved and fully executed. Occupancy was pushed back to early July for the first floor and September for the 2<sup>nd</sup> floor. City of Vineland to lease 100% of 57 W. Park Renovations

are well underway at both 71 and 57 W. Park Ave. Budgets for 71 W. Park and phase I of 57 W. Park are finalized. CCIA is overseeing all aspects of the renovations via the utilization of our service contracts for building, HVAC/Plumbing and Electric. We expect occupancy immediately after the 4<sup>th</sup> of July holiday. 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. The Economic Development budget is showing a net operating increase. Our Construction Management Division is fully staffed and implementing our projects very effectively. 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. Final plans and specifications are being finalized, and we expect to go out to bid in early July. New Market Tax Credit application was resubmitted after a two year hiatus. We are working on the required private acquisitions. We are also proceeding with our environmental clean-up assessments needed to move forward. Vapor intrusion testing went much better than expected. We are going to formally solicit a tenant via an RFP process for the non-County space in the building. The HDSRF grant application has been submitted. This will provide funding for the professional fees related to the environmental clean-up of this project.

Food Specialization Center bids were received and a recommendation to award to Ogren Construction is on the agenda for approval. This project will be constructed under a PLA. All financing is in place and closing is scheduled for May 24<sup>th</sup>.

Our county-wide equipment financing is expected to have its first closing very soon. Per TD Bank this closing will take place in June. We are hopeful that once we get this program going, others will follow. The CCIA will be applying for equipment financing for several projects including vehicle purchases for facilities management staff, the CHP at the college, toters for curb side pick-up and HVAC equipment throughout the portfolio.

The School of Health and Science and Medicine continues to progress through predevelopment and design. Our architect is working with DOE to finalize the application and approval. 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. Bidding for the project will be pushed back to July 2018.

The Arts and Innovation Center is complete and operations are moving along. College utilization and programming are increasing. We are now managing this property as part of our shared service agreement with the college.

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 have made significant progress with regard to economic and business development in Millville. The first of several new businesses was approved by the City on Tuesday, May 15<sup>th</sup>. We are meeting with at least 3 additional businesses that want to locate in the City of Millville. We are also working through redevelopment plans and initiatives along with City staff and solicitor. Our working relationship with the City has changed drastically.

Our auditor has completed his review of our records. Unfortunately, we are continue to wait for the state to provide pension calculations necessary to finalize our audit.

Single Stream collection continues to increase, but the recycling market continues to decline. The market has collapsed and China has implemented new restraints. We utilize two recycling vendors to mitigate market volatility. We are currently receiving \$0 per ton due to the severe market conditions. We are attempting to seek out alternative solutions, but this will be a long term situation. See recycling report for additional information.

Our Fleet Maintenance operation continues to progress well as volume increases. Staff continues to utilize down time to support CCIA vehicle repairs and maintenance. Fleet operations continue to produce

a net revenue. The Vineland School Board agreement begins on July 1<sup>st</sup>. Our Fuel Master system is almost implemented for fleet maintenance, the truck wash and centralized fueling. We held a very productive meeting with GPC, the parent company of NAPA to move the implementation of our parts and equipment “store” forward. NAPA has assured us that their local retailers are aware of the anticipated structure and do not expect any issues or concerns. Truck Wash is complete and operational. Kiosk upgrades to allow for credit card billing will be completed by the end of May. 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 expect to be fully integrated by the end of 2018. The Energy HUB will allow the entire landfill operation as well as the Lebanon Road Redevelopment Area Initiatives to run all electricity via the existing ACE infrastructure and our methane gas to energy facility. This would create a behind the meter, micro-grid. 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. We are working through proposed amendments with EPP to implement this strategy. Our Data Center developers are working through final approvals, state incentive package and final budgets and hope to be operational by the end of the year. We are working with the Department of Workforce Development to recruit potential employees. 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, 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. will be performing the initial site work for this project. Site will be pad ready for selected contractor. SJI completed the gas line installation and building conversions are completed. Construction of the new county jail facility will allow us to relocate the County Impound lot. The College Board to approve the facilities shared service agreement. Savings to the college will be in excess of \$850,000 per year. As of May 1<sup>st</sup>, the CCIA has transitioned facilities management including landscaping, custodial and maintenance. Tech will handle security under a separate agreement. Our proposal to the Vineland Board of Education to provide Trash pick-up for all of its facilities was accepted and will begin on July 1<sup>st</sup>. 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 we want to conduct additional due diligence and evaluate financial proforma and budget. 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. We are still waiting for Deerfield to finalize the arrangement necessary to upgrade the CCIA well. I was contacted by a Township Committee member, asking us to proceed. I requested a letter guaranteeing repayment prior to commencing the work. I did not receive that commitment from the Township. 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. The high rainfall levels has further complicated operations. However, we seem to have solved our foaming and operating deficiencies of the UF and RO systems.

UF systems have been replaced and we are operating at full capacity. In an attempt to implement a short term solution, we are considering installation of an additional RO system. This will support the increased capacity of the UF system. In order to avoid off site hauling, we will need to increase our treatment plant capacity. We are implementing key modifications that will allow us to better evaluate the current operations and develop a more effective expansion plan.

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. We have reached the wedge and are moving toward the outer limits of cell 7 with the first lift.

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. This phase will be implemented during the summer and fall. Due to DEP regulations, we will not be able to implement the proposed 2MW solar array on top of the current cells. We will revisit after the implementation of the initial phases of our Lebanon Road Redevelopment efforts.

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. Staff has been repositioned and has made significant progress with the required repairs and upgrades to the gas system.

Well drilling and gas parts and supply bids were received and are on the agenda for approval. We will 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.

Hard to believe, but after more than 18 months, we have received our official Class B approval.

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 are included in 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.

We continue to finalize the details and equipment installation of the county-wide centralize fueling and fleet management program. After many delays and miscommunication, Fuel Master Executive staff has stepped in and started to move this process forward very effectively. The centralized process 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). We are evaluating potential fueling locations in the City of Vineland.

Cumberland County has the lowest tip fee in the state. We have still not received DEP's revised 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 experiencing some water issues at the cell 7 berm. We expect to repair in August in hopes that the weather will be dryer.

The new Administrative Offices on Lebanon Road are moving along very well. Floor is poured and steel will be on site week of May 21<sup>st</sup>. 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. Unfortunately, the UAB initiative was not one of the PILOT programs selected for approval. However, we will continue to seek out opportunities for unmanned aviation research and development. 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 Headquarters, phase I is almost complete. The rain has delayed completion to Mid-June. Phase II was awarded and we expect mobilization in early June. Value Engineering continues as does the building evaluation for the existing building demolition.

We received formal Opportunity Zone approval for Vineland, Millville and Bridgeton. Final regulations are being finalized and should be issued by the end of 2018. 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 2018-102 through 2018-127.

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

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

Mr. Jones called for a motion to approve the Resolutions 2018-102 through 2018-127. The motion was made by Mr. Nedohon 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. Lopez abstained from Resolutions #2018-125.

## **Treasurer's Report**

1. Monthly Year over Year Tonnage:

15,973 tons were brought into the Solid Waste Complex including 7,577 tons of municipal solid waste generated in county. Total tonnage increased by 380 tons, or 2%, 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 \$524,030 for the month and an ending balance of \$1,118,174. Amounts owed back to the General Fund totaled \$12,418,896.

3. Cash and Investments:

Interest earned on the local and trustee accounts for the month amounted to \$42,397 as noted on the schedule of bank account balances.

4. Landfill Operations Summary – Profit and Loss Statement:

Landfill operations generated revenues of \$1,074,184 which included total tipping fees of \$1,043,209 and revenues from other landfill activities of \$30,975. Total revenues of \$1,096,836, less total expenses for the month of \$1,036,066 resulted in a net excess of \$60,770.

5. Economic Development Operations Summary – Profit and Loss Statement:  
Economic Development operations generated revenues of \$379,436 which included rental income of \$303,336, Interest Income of \$31,506, Project Management fee of \$10,178, Fleet Maintenance revenue of \$21,407, and other income of \$13,009. Total revenues less total expenses of \$292,778 resulted in a net excess of \$86,657.

**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. Nedohon, seconded by Mr. Olivio 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. Jones called for a motion to close Public Comment Session. A motion was made by Mr. Olivio, seconded by Mr. Nedohon 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 4:33 p.m. Mr. Jones 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 with public funds, pending contract negotiation where the public body is a party or may become a party and matters involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the 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 #2018-102 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 Nedohon.

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. Jones called for a motion to come out of Executive Session and resume Public Session at approximately 5:06 p.m.

The motion was made by Mr. Olivio, 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.

### **Adjournment**

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