

**CUMBERLAND COUNTY IMPROVEMENT AUTHORITY**  
**MINUTES OF REGULAR MEETING**  
**WEDNESDAY, JULY 25, 2018**

**Meeting Opening**

The meeting was called to order at approximately 4:03 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. 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.

**Approval of Minutes**

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

**Executive Director's Report**

Operations continue to move along very well at CWED, DMV, 275 N. Delsea Drive, the College and W. Park Ave. Revenues continue to increase as new tenants move in. Our projections continue as budgeted. Regular maintenance, landscaping and cleaning continue. Roofs and drainage are holding up very well. We have integrated the college facilities management into our overall property management portfolio. New hires are on board and we are fully staffed for current facilities. Additional custodial staff is being interviewed for positions at 71 and 57 W. Park Ave. Seasonal staff continues to supplement our full-time staff. We continue to receive positive response and accolades from the college staff.

All leases with Treasury are approved and fully executed. State Police are expected to begin occupying their space over the next couple of weeks. Final safety related equipment and furniture will be installed during that time. September occupancy for the 2<sup>nd</sup> floor is still on schedule. City of Vineland to lease is

fully executed initial payments for rent and project management fees have been paid. CO inspections are scheduled and should be completed by the end of July. Construction costs for 71 W. Park are higher than expected due to unforeseen conditions and enhancements needed by State Police tenant. All specialized renovations will be reimbursed by NJ Treasury. We received approval for LFB to execute additional bond financing for those costs. We continue to work with Capital Bank to finalize.

Project development fees have started to increase as projects progress. Economic Development budget continues to show a net operating increase. Our Construction Management Division is fully staffed and implementing our projects very effectively. Now that several projects are under construction, we will utilize part time inspectors to supplement our full-time 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. We had hoped to go out to bid in July, but we are still finalizing utility site relocation and plans and specifications for environmental clean-up. We are finalizing the New Market Tax Credit application and financial structuring. The RFP process for the large tenant is completed and a formal recommendation is on the agenda for approval. We are working on the required private acquisitions. No mitigation is required on the opposite side of Laurel St. HDSRF grant will provide funding for the professional fees related to the environmental clean-up of this project.

Food Specialization Center contract was awarded in May. We are working with at least 4 different food processors that are interested in moving into the building. We are evaluating the modifications needed to accommodate these tenants. We received final approval from USEDA to proceed with construction and we expect contractor to mobilize in the next week to 10 days.

Equipment Financing RFP was re-advertised as a result of a typographical error on our initial RFP. The RFP indicated that the agreement terminated on December 2017 instead of December 2018. In order to avoid any challenges, we re-advertised and included a termination date of December 2019. A formal recommendation is on the agenda for approval. Additionally, a resolution for CNG station, HVAC and Electrical equipment at Park Ave, Treatment Plant RO enhancements and vehicle purchase financing are on the agenda for approval. Utilization of this resource allows us to avoid costly bond fees for this short term, specialized funding.

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 finalized we are working through the Dept of Education and Office of State Comptroller simultaneously to obtain final approvals. Bidding for the project will be pushed back to August 2018. I met with the College Board of Trustees and we are working through the final details of the development agreement. We expect approval during the College's July 19<sup>th</sup> Board meeting. We received site plan approval from the City of Vineland and the County. Millville Planning Board is scheduled for August 2<sup>nd</sup>. College has provided its consent to allow the applications to proceed while we finalize the agreement.

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. We are working with the college to increase building utilization.

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. Two additional (total 3) new businesses were approved by the City. In addition to business development, we are working with the City on several Downtown Redevelopment activities that will integrate with the re-use efforts of our 2 N. High Street building. We are also working through redevelopment plans and initiatives with City staff and solicitor. Our working relationship with the City has changed drastically.

Once again, we have received a clean audit with no findings. ALL required documentation has been submitted and confirmed receipt has been obtained from DCA/LFB.

Single Stream collection continues to increase, but the recycling market continues to decline. Market stress continues and has been exasperated by the recent tariffs. 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. Enhanced sorting, cleaning and/or Gasification is once again being investigated as an option for cleaning the material and making it more marketable. See recycling report for additional information.

Our last HHW event of the year is planned for September. We had more than 550 cars attend our June event. 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. We completed the installation of our AIM units in our vehicles to facilitate centralized fueling and vehicle maintenance. Fleet operations continue to produce a net revenue. The Vineland School Board is on board and has started sending us buses for repair. Our Fuel Master system operational at the truck wash and our fueling station.

We have had a series of very productive meetings 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. Our General Counsel has approved the concept and associated agreements. A formal recommendation for approval is on the agenda for approval. We should be operational in the 4<sup>th</sup> quarter of 2018. The parts “store” will be located in the maintenance garage and provide low cost parts to all of our county/municipal partners.

Truck Wash is complete and operational. Kiosk upgrades are completed.

Our Energy HUB/Micro Grid Initiative continues to move forward. We expect to be fully integrated by the end of 2018. A formal recommendation to authorize a second agreement with EPP is on the agenda for approval.

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 will be contributing 30% of the overall costs of the micro-grid per the agreement. The 30% contribution is less than the planned cost to install a new generator and associated infrastructure upgrades to our current electrical configuration.

Our Data Center developers are working through final approvals. We have developed a strategy that will allow the data center become operational by October 1<sup>st</sup>. We are working with the Department of Workforce Development to recruit potential employees. Authorization to execute an agreement with the Data Center Developer is on the agenda for approval.

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, and 3; the CNG facility.

The Combined Heat and Power Plant grant application was approved. We expect to save the College approximately \$90,000 per year in utility costs. Final bid package is almost finalized and is expected to be released in early August. Relocation of the facility is complete and will actually be more efficient than initially proposed.

The CNG facility bids were returned and a formal recommendation is on the agenda for approval. We 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.

As of July 1<sup>st</sup>, the CCIA has transitioned facilities management including landscaping, custodial and maintenance. Tech will handle security under a separate agreement. We successfully worked through the formal hiring and benefits process to allow the staff to transition on July 1<sup>st</sup>. Special thanks to Janet for making this happen in a very short time frame. Our overall staffing has increased to approximately 85; 75 year round and 10 seasonal employees.

The College Shared Services Agreement includes Capital Projects Implementation. We have finalized a strategy for bidding roof repairs, as well as an overall plan for security, access and CTV cameras. We are also working with the college to implement miscellaneous upgrades to campus facilities. Our focus will be on updating, enhancing and making more effective and efficient use of existing buildings, rather than build new on campus. As part of our development agreement for the new Tech School addition, we will be working with the College to finalize its Master Plan. This arrangement will allow us to be directly involved in the long-term Capital Plans for the College.

Tire recycling is progressing very well.

ASR recycling and Gasification response was evaluated and is on the agenda for approval. The objective is to remove recyclable materials from our waste flow and generate additional revenue for the CCIA. A PILOT gasification system is also incorporated into the proposed agreement.

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

We finalized the transfer the old vocational school in Deerfield to the CCIA for \$1. We have finalized an LOI with a proposed developer and have made a formal recommendation for approval. The Redevelopment initiative will place the building back in service and create a ratable for the Township. The Township authorized its planner to add the building and adjacent lots to the current Redevelopment Area and Plan. CCIA would be the named redeveloper for this and adjacent Township property.

We have finalized our agreement with Deerfield to finalize the arrangement for the 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. Our RO and UF systems have experienced technical deficiencies over the past month. Our UF modules failed and have caused a significant drop in performance. We have included an extensive evaluation memorandum from our engineer outlining options for a modification to our treatment system. In the short term, we are considering installation of an additional RO system. This will support the (previous) increased capacity of the UF system. In order to avoid off site hauling, we will need to increase our treatment plant capacity. Key modifications allowing us to better evaluate the current operations and develop a more effective expansion plan have been completed.

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 have installed well pits in cell 7 that will allow for future installation of gas wells to the bottom of the cell while avoiding trash and debris infiltration. Cell operations are moving along extremely well.

Our strategy to cover the final side slopes and top of cells 1 through 6 while we fill cells 7 through 9 is completed and we expect to install the cover in late August. 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 have recently been introduced to a potential solar solution for the top of cells 1 through 6. We will revisit after the implementation of the Phase IX gas expansion and 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. We are working with F&P to modify/adjust the implementation of Phase IX gas expansion.

Well drilling and gas parts have been delivered and are being fabricated on site by our staff. This will save us significant \$ and allow us to directly monitor and implement the new wells. Well drillers are on site and have completed 5 wells as of 7/17/2018.

We received our Class B approval from DEP.

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. 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 centralized 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 CCIA install is completed and we are working with the system to ensure all functions work as desired before we 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.** The County Health Department submitted a request for an increase in their fee from \$0.30/ton to \$0.70 per ton. This will also require an increase to our tipping fee. I am not happy with the fact that the Health Department forwarded a budget to DEP without our knowledge or input. For much of the year, the inspector position was vacant. Additionally, the fee we pay to the health department includes a vehicle that is replaced every 5 years. This vehicle is not offered back to the CCIA after being taken out of service.

Repairs to the clean water side of Cell 7 will begin in August to take advantage of the warm/dry season. This will be dependent upon the installation of the pipeline to the rear basin, modifications to the fire basin and the gas expansion.

The new Administrative Office building on Lebanon Road is moving along very well. Floor is poured and steel is completed. Underground piping and wall layout is completed. Roof is almost complete. The move will significantly enhance our operational efficiencies and create a synergy with the proposed Data Center Office Building. USDA has expressed interest in financing our project via its Community Facilities Program. The program provides long-term, low interest financing. We would hope to receive final approvals in September 2018. This is for permanent financing only, so construction financing will move forward through the CEZC as currently proposed.

We are finalizing Letters of Intent with several interested tenants to backfill our space in Millville. Move expected by the end of 2018. We continue to evaluate the option of issuing a concessionaires license to perspective food/restaurant entities. Letters of Intent have been drafted and are going through legal review prior to sending to the tenants for their review and approval.

Vineland Police Headquarters, phase I is substantially complete. Phase II was awarded and mobilization is underway. 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. We continue to attend seminars and trainings related to this funding. Unfortunately, there is only speculation at this point because final regulations and statutes are not approved.

## **Resolutions**

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

Mr. Jones called for a motion to approve the Resolutions 2018-159 through 2018-187.

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 2018-159 through 2018-187. The motion was made by Mr. Olivio and 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.

Mr. Kelly abstained from Resolutions #2018-171.

Resolution #2018-183 was withdrawn from the Agenda until further notice.

### **Treasurer's Report**

1. Monthly Year over Year Tonnage:

17,750 tons were brought into the Solid Waste Complex including 8,438 tons of municipal solid waste generated in county. Total tonnage increased by 435 tons, or 3%, 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 increase in the general fund of \$634,270 for the month and an ending balance of \$1,381,892. Amounts owed back to the General Fund totaled \$11,958,760.

3. Cash and Investments:

Interest earned on the local and trustee accounts for the month amounted to \$46,180 as noted on the schedule of bank account balances.

4. Landfill Operations Summary – Profit and Loss Statement:

Landfill operations generated revenues of \$1,294,218 which included total tipping fees of \$1,263,802 and revenues from other landfill activities of \$30,416. Total revenues of \$1,335,790, less total expenses for the month of \$1,022,701 resulted in a net excess of \$313,089.

5. Economic Development Operations Summary – Profit and Loss Statement:

Economic Development operations generated revenues of \$621,101 which included rental income of \$333,425, Project Management fee of \$202,563, Interest Income of \$32,487, Property Management fee of \$9,338, Fleet Maintenance revenue of \$25,309, and other income of \$17,979. Total revenues less total expenses of \$417,431 resulted in a net excess of \$203,670.

**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. Nedohon 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 4:32 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. Solicitor Gibson read Resolution #2018-159 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 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 5:10 p.m.

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