

**CUMBERLAND COUNTY IMPROVEMENT AUTHORITY**  
**MINUTES OF REGULAR MEETING**  
**WEDNESDAY, FEBRUARY 26, 2020**

**Meeting Opening**

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

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: Darlene Barber
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**Approval of Agenda**

Mr. Olivio asked for a motion to approve the agenda. The motion was made by Mr. Kelly, 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. Olivio asked for a motion to approve the January 2020, Regular Meeting, Public Session Minutes and the January 2020 Executive Session Minutes. The motion was made by Mr. Nedohon, seconded by Mr. Jones.

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

**President/C.E.O.'s Report**

71 W. Park Ave. is fully leased and operations are moving along as scheduled. CCIA staff is maintaining this facility as well the entire Delsea and Park Avenue Campus. Construction for the final phase of 57 W. Park Ave. is nearing completion. The non-control room phase of the project is substantially complete and we should obtain a TCO by the end of February. Punch list is being created by professionals and CCIA staff. Control room framing and sheet rock is completed along with electrical, plumbing, HVAC, taping and spackling. South State is leasing an area of our lot for mobilization on another project. Significant improvements in the loading dock and driveway areas have been completed. Final landscaping has been rescheduled for early March. Our staff will install pea gravel in all medians and underground sleeves have been installed for irrigation. All of the buildings and parking areas remain fully accessible and are currently being utilized by the City and the State tenants. There is no change to CWED, DMV, 275 N. Delsea Drive, the College and W. Park Ave. operations. Revenues and expenses continue as budgeted. Regular maintenance, and cleaning continue. We are fully equipped and prepared for snow plowing at all managed facilities.

Economic Development budget shows a net increase for the month. Loan modification and release of collateral were negotiated and finalized in February.

Our Construction Management Division is in full implementation mode. Many projects, including the county jail, tech school, Food Specialization, Cape May Commons, County Capital projects (72 N. Pearl, Sheriff Armory, Veterans Pavilion), MILL Building, college capital projects, Vineland PD, Bridgeton & Millville downtown, Salem County Court House and 57 W. Park Ave. are all in various stages of construction/design. This revenue source sustains itself in addition to providing additional revenue to offset the administrative costs associated with the economic development operations/staffing.

Construction management revenue will continue to increase incrementally as construction progresses. Site work for both the Health and Science School and the Jail are moving along very well. Jail site work phase is complete and punch list items have been addressed. Tech School site work is more than 75% complete. Change order #3, incorporating additional scope related to the final building pad and infrastructure are on the agenda for approval. The total of change orders to date is now above the initially contracted price, but will serve to reduce the building construction costs of the overall project.

A recommendation to award the Jail bid is on the agenda for approval. After extensive discussions with the contractors, their subcontractors, and our professionals, developed a final scope and cost. Site work is substantially complete and punch list items have been corrected. Construction of the new county jail facility will allow us to relocate the County Impound lot. This has been completed as part of the initial site work contract. However, we have decided to wait until later in the year to relocate the lot and vehicles.

Cape May County continues to move forward with its renovation project at the former K-Mart retail center. Site work and building construction continues. Construction will progress through the winter and initial tenancy is scheduled for early summer. We are overseeing the site and building construction for this project.

Complete Care/Bridgeton Downtown project is expected to close during the week of March 16<sup>th</sup>. Site acquisition is complete. Brownfield remediation and demolition are completed. Our HDSRF Grant was approved and we have completed required reimbursement documentation. We applied for, and received approval for additional environmental testing and evaluation beyond soil remediation.

The Food Specialization Center is back on track and completing is scheduled for mid-July. We continue to contact and work with potential tenants to fully occupy the building. Site and infrastructure work are well underway as is steel erection. Fit out and utility/equipment requirements have been finalized for our first tenant. Freezer and refrigeration plans and specifications have been updated and we hope to begin this work in late March, early April.

The Arts and Innovation Center is complete and operations are moving along. We are now managing this property as part of our shared service agreement with the college. We have been discussing enhanced utilization with Rowan of SJ.

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. A new contract is in place with our current processor.

We continue to work with our municipal partners on their economic and redevelopment initiatives. We were one of only 5 Opportunity Zone applications approved by the state. We will receive \$100,000 to implement OZ marketing and outreach. Our 2020-2030 planning is underway as is an update to our marketing material, website and impact analysis. Initial planning and economic analysis are on the agenda for approval during our February meeting.

We submitted an Environmental Remediation grant application that will provide up to \$600,000 for testing and evaluation of potential redevelopment sites in Vineland, Millville and Bridgeton. USEPA and NJDEP have contacted us to coordinate a Southern NJ training and financing seminar for Brownfields development.

We are working closely with Omnitrax (the entity that recently acquired the Winchester Western Rail in our region) to market our county and leverage their current customer base. Omnitrax will be holding a

series of marketing events over the next several months highlighting future development opportunities and initiatives.

We are implementing our first two County Capital Projects under our enhanced Shared Service Agreements. This will expedite and make the bidding and construction payment process more efficient. County will approve and commit funding prior to execution of a contract. CCIA will manage and pay contractors directly. County will provide funds to CCIA in order to pay contractor.

We are working to coordinate the Centralized Fueling operation. The City of Vineland is building a new fueling station. We will be working together to formulate a county-wide strategy. We are speaking with a couple of school districts about the possibility of utilizing CNG vehicles.

Synagro continues to work with DEP and Deerfield to obtain its approvals. Synagro will return to the Township Land Use Board during its March meeting.

Deerfield's decision to curtail traffic on Lebanon Rd. will significantly limit development and the potential to generate additional tax ratables/revenue for the Township and its residents.

Deerfield is working with the Developer to finalize a PILOT/Financial Agreement. The Developer has initiated the creation of an Urban Renewal Entity to facilitate this process. We received subdivision approval, and we are working on final title. We held a 3 hour meeting with ACE to work through the required solar interconnection approvals and SREC certifications. When completed, the former school will be an economic contributor to the Township by creating significant jobs and becoming a rateable for Deerfield Township.

We prepared our annual Shared Service Calculation highlighting the CCIA's annual savings/contribution to the county as a result of our shared service initiatives and direct contributions. The total annual contribution/savings is now in excess of \$3.5 million.

We have also updated our economic impact analysis and private development summary. Over the past 7 years, the CCIA has/is currently implementing more than \$455 million with an overall economic impact in excess of \$927 million, while creating more than 3,600 construction jobs.

Private investment over the past 3 years (2017-2020) is in excess of \$405 million with more than 1,200 permanent jobs created.

In light of the fact that we could not reach final agreement with the City of Millville, we decided to publish an RFP for the sale of this property. No formal responses were submitted. We have had a few inquiries and will follow up with interested parties. We are working with the City to develop a more cooperative economic development relationship, and to that end, we have negotiated a Shared Service Agreement that will facilitate economic development services to the City. The SSA is on the agenda for approval.

#### Landfill Operations

Single Stream processing continues to be one of our biggest challenges. This is also a challenge nationwide. The direct cost to the CCIA for processing costs is expected to be in excess of \$900,000 in 2020. Our processing fee was below \$50/ton for the month. This does not include staffing, vehicle/transportation costs and overhead. Volume has substantially increased over the past 60 days. We are now collecting a commercial and out of county fee for single stream material. We are currently evaluating the feasibility of implementing an on-site processing operation.

Our Fleet Maintenance operation is being further evaluated to enhance efficiency and effectiveness. New control and quality control mechanisms have been implemented. We continue to work to build our service volume. We are meeting with existing and potential customers to increase volume.

We had substantial storm damage to the rain cover. Initial repair estimates came in at \$130,000. The damages have been reported to our insurance company and will be covered.

ACUA is on site and continues to be one of our best shared service partners. ACUA is gearing up for its Millville services to begin on April 1<sup>st</sup>.

We are revisiting construction specifications and equipment installation that is not performing as specified. The County BA and Assistant BA have developed a model that will increase county participation. Vacuums have been installed to the wash area to allow for more thorough cleaning. ACUA continues to utilize our Truck Wash.

Phase I (landfill, treatment plant and administrative office) of our Energy HUB/Micro Grid Initiative is completed. We are now producing our own energy that supplies the entire landfill site.

The fire at F&S has required EPP and the CCIA to reevaluate strategy and timing of the energy HUB. We have developed an alternative implementation strategy and will be meeting with ACE, F&S, LSA, Synagro and other potential users/stakeholders to implement the new plan.

We are also discussing community solar and other solar options for the landfill redevelopment area.

Lastly, we are working with SJI to evaluate and implement a methane gas processing facility. This will allow SJI/CCIA and EPP to develop mandated alternative energy strategies that can be used as a state model. This strategy will further develop our Energy HUB strategy.

CCIA has transitioned facilities management including landscaping, custodial and maintenance. We have recently been approached by several entities about the possibility of taking over their facilities. A county school district has accepted a recent proposal and we expect to commence work in early July.

CNG facility is fully operational. All ACUA and CCIA vehicles are utilizing the station. Gold Medal and Waste Management are also filling up at our station. ACUA will be increasing its utilization of the station as a result of its expansion into Millville. Federal credits were approved retroactively for 2019 and proactively for 2020.

The treatment plant continues to operate more efficiently and effectively than previous operations. Zero gallons of raw leachate were hauled to Delcora as of March 2019. As a result of more effective and efficient operations, we are now able to better maintain and adjust the overall system. Final treatment upgrades should be completed by April 1, 2020.

We have been diligently working to fill cell 7B. We created a fill plan for cells 7, 8 and 9.

The DEP continues to visit the landfill site and interact with staff regularly. Bird mitigation efforts have proven to be successful.

Tire recycling is progressing very well. Tire recycling process has been enhanced and we are moving tires on a weekly basis. The tires only remain on the ground for 2 to 3 days until we have time to load them.

We are now hauling tires to the processor to enhance recycling efficiencies and scheduling.

Our commercial convenience center has been successful. Trailers no longer utilize the residential convenience center area and reduce the number of dumpsters that have to be hauled from the convenience center to the workface. This alleviates traffic and makes the convenience center safer for residents.

Newly implemented convenience center rules commenced as of January 1, 2020. Feedback continues to be extremely positive.

Modifications to fleet and the administrative garage continue. The fleet modifications will support our CNG repairs and the administrative modifications will support ACUA expansion, landfill maintenance/operations and create additional meeting space. (see landfill report for further details)

Gas expansion in cell 7 will continue as planned, and is being designed. New wells and lines should be installed within the next year. Well pits have been installed in preparation for well installation. This will provide much needed methane to support the full operations of our 3 engines. Bids for installing new wells and the materials needed to implement the upgrade were received. Gas system bids are due shortly.

We expect to recommend award during our March board meeting.

We conducted drone testing of our methane gas system to ensure safe and effective operations. Additional testing and evaluation concluded that we have no issues.

F&P Engineering continues to work with CCIA and EPP staff with respect to monitoring and adjusting the gas system. CCIA staff is becoming increasingly proficient with gas repairs and upgrades and an internal tracking system is being documented to increase repair and collection efficiencies. EPP is also assisting the CCIA to better tune and monitor the well system.

All Municipalities and the County continue to process wood waste via Re-Nature Shared Services Agreement. Wood waste is being collected and processed at no cost. The agreement provides free recycling of wood waste for all municipalities, the county and the CCIA.

Our new tip fee went into effect on January 1, 2020. DEP's Closure Plan methodology and calculation assumptions, as well as the substantial increase in single stream disposal/processing are the major reasons

for the 2020 tip fee increase. The proposed increase of \$4.80 per ton will partially offset the increase costs. Increased operating efficiencies will help to limit additional increases for 2020.

### **Resolutions**

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

Mr. Olivio called for a motion to approve the Resolutions 2020-017 through 2020-045.

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

Mr. Olivio called for a motion to approve the Resolutions 2020-017 through 2020-045. 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. Lopez abstained from #2020-021, #2020-035 and #2020-040.

### **Treasurer's Report**

1. Monthly Year over Year Tonnage:

15,361 tons were brought into the Solid Waste Complex including 7,646 tons of municipal solid waste generated in county. Total tonnage decreased by 567 tons as compared to the prior 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 \$202,604 for the month and an ending balance of \$3,983,690. Amounts owed back to the General Fund totaled \$7,194,175.

3. Cash and Investments:

Interest earned on the local and trustee accounts for the month amounted to \$23,625 as noted on the schedule of bank account balances.

4. Landfill Operations Summary – Profit and Loss Statement:

Landfill operations generated revenues of \$1,306,376 which included total tipping fees of \$1,189,968 and revenues from other landfill activities of \$116,408. Total revenues of \$1,351,463 less total expenses for the month of \$778,693 resulted in a net excess of \$572,770.

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

Economic Development operations generated revenues of \$687,528 which included rental and management fees of \$564,848, Fleet Maintenance revenue of \$53,972, fuel income of \$24,556, and other income of \$44,152. Total revenues less total expenses of \$653,300 resulted in a net excess of \$34,228.

**Old Business** – No old business.

**New Business** – No new business.

**Freeholder Liaison Remarks** – Ms. Barber commented that it was a pleasure to be at the meeting and congratulated Mr. Olivio on his appointment. Ms Barber thanked administration for providing pertinent documents prior to the meeting and expressed her pleasure to be working with Mr. Velazquez on the County Jail Project.

**Open Public Comment Session**

Mr. Olivio called for a motion to go into Open Public Comment Session. A motion was made by Mr. Nedohon, seconded by Mr. Kelly 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.

Tamara Isajiw – Congratulated on the Shared Service Agreement with the City of Millville for Economic Development Services and hoped that the Authority would be bringing ratables to the City. Mr. Velazquez clarified that the agreement is for a \$36,000 contract to assist when businesses want to locate in the city. It is the city’s responsibility to attract the businesses. Ms. Isajiw asked where the money would be coming from to finance the Millville Library Project and who will own the building once completed. Mr. Velazquez replied that the city will own the building and lease to the library. The Authority has been engaged by the library to assist with making applications for funding. Funding is provided through library funds and some HCDC funds allocated for Millville Projects.

**Close Public Comment Session**

Mr. Olivio called for a motion to close Public Comment Session. A motion was made by Mr. Jones, seconded by Mr. Lopez 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 4:28 p.m. Mr. Olivio 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 with public funds, pending or anticipated litigation where the public body is a party or may become a party. Solicitor Weinstein noted that no further business would be conducted after the conclusion of the Executive Session.

The motion was made by Mr. Kelly, 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. Olivio called for a motion to come out of Executive Session and resume Public Session at approximately 4:55 p.m.

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.

### **Adjournment**

Mr. Olivio called for a motion to adjourn the meeting. A 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.