

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
MINUTES OF REGULAR MEETING
MONDAY, MARCH 30, 2020

This meeting was held telephonically in accordance with the Remote Public Meeting Guidance provided by the Division of Local Government Services and pursuant to N.J.S.A. 10:4-9.1.

Meeting Opening

The meeting was called to order at approximately 4:08 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-Absent.

The Pledge of Allegiance was recited.

Freeholders present:

Approval of Agenda

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

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Yes; Mr. Nedohon Absent; Mr. Kelly Absent
The motion was approved by a 3-0 Vote.

Approval of Minutes

Mr. Olivio asked for a motion to approve the February 2020, Regular Meeting, Public Session Minutes and the February 2020 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 Absent; Mr. Kelly Absent
The motion was approved by a 3-0 Vote.

President/C.E.O.'s Report

Corona, Corona, Corona...obviously life today is a bit different than when we last met. We are working very closely with the County to ensure that we are following the most recent directives and best practices to avoid further spread of Covid-19. Our Administrative offices are closed to the public, but fully operational. All of our staff have the capacity to work from home. Our construction projects are proceeding as scheduled as are landfill operations and facilities maintenance. Nothing is operating normally, but everything is operational. Enhanced cleaning and disinfecting is being implemented at all CCIA operated facilities.

Building Operations:

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 has received its formal CO. Punch list items are almost completed. Control room will be completed by the end of March. South State continues to lease an area of our lot for mobilization and staging. Final landscaping is ongoing and should be completed shortly. 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 had no snow clearing incidents this year.

Economic Development budget shows a net decrease for the month. The Bridgeton Downtown financing closed on March 18th. CCIA received reimbursement for its expended development costs. 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.

Construction Contract has been fully executed and a Notice to Proceed has been provided to Contractor.

Jail site work phase is complete and punch list items have been addressed. Construction of the new county jail facility will allow us to relocate the County Impound lot. However, we have decided to wait until later in the year to relocate the lot and vehicles.

A recommendation to award the Building phase of the Technical High School Addition is on the agenda for approval. Site work is substantially complete and punch list items have been corrected.

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.

We are implementing renovations to 98 Market Street for Salem County. The renovations are for the County's Child Advocacy Center grant. The estimated project cost is \$750,000. We will design and manage the project from design through construction. This will be implemented via our Shared Service Agreement with Salem County.

Complete Care/Bridgeton Downtown project financing is closed and project is expected to commence construction in early April. We applied for, and received approval for additional environmental testing and evaluation beyond soil remediation.

The Food Specialization project is scheduled to be completed in mid-July. We continue to contact and work with potential tenants to fully occupy the building. Site and infrastructure work are well underway. Structural steel, roof, exterior and interior walls, utility infrastructure are being installed. 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 lease and other operating agreements are being updated to incorporate the college merger. This does not impact current or future operations. This building is currently closed pursuant to the Governor's Executive Order.

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. Our 2020-2030 planning is underway as is an update to our marketing material, website and impact analysis. Required website and marketing upgrades are on the agenda for approval.

As a result of our cooperative City partnerships, 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. The April 1st event was postponed due to the current Covid situation. Omnitrax will be holding a series of marketing events 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 also working with the County to upgrade its current fueling locations.

Synagro continues to work with DEP and Deerfield to obtain its approvals. Synagro was scheduled to meet with the DEP to discuss permitting, but that has been postponed indefinitely. They will also be scheduling a meeting with Township Land Use Board.

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 Data Center Developer to finalize a PILOT/Financial Agreement. We received subdivision approval, and we are working on final title. The Developer has received ACE approvals necessary to move forward with final BPU 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.

The following were included in the previous month's report, but worth repeating:

- 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.**

We are working with a potential investor to develop a redevelopment strategy in Millville that will include the utilization of the CCIA's 2 N. High St. facility.

We continue working with the City of Millville to develop a more cooperative economic development relationship, via our shared services agreement.

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 continue to evaluate the feasibility of implementing an on-site processing operation.

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.

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 working with County Fleet staff to implement an integrated fleet management system.

Rain cover repairs due to the windstorm are completed. The damages were reported to our insurance company and approved for reimbursement.

ACUA is prepared to commence Millville services to begin on April 1st. Revised agreement is on the agenda to increase lease payment for additional staffing on second floor of administration building.

The County BA and Assistant BA have developed a model that will increase county participation at the truck wash. 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 determine that the microgrid is complete. Going forward, individual projects located on Lebanon Rd. redevelopment area will be connected when completed. We are also discussing community solar and other solar options for the landfill redevelopment area.

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. Commercial Twp. BOE 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 have been hauled to Delcora. As a result of more effective and efficient operations, we are now able to better evaluate, 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 process has been enhanced and we are moving tires on a weekly basis. 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.

Fleet facility modifications to support our CNG repairs and maintenance are almost complete.

Administrative modifications supporting ACUA expansion, landfill operations and creating additional meeting space are complete.

Gas expansion in cell 7 is set to begin upon board approval of resolutions to award gas well drilling and equipment bids. We expect to complete the expansion and receive additional methane gas by the end of June. 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 are on the agenda for approval. Gas header bid is being rejected so that we can redesign to include additional expansion and side slope repairs.

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.

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. This partnership has allowed the CCIA to obtain mulch for landscaping of landfill and other facilities.

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-Absent.

Resolutions

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

Mr. Olivio called for a motion to approve the Resolutions 2020-046 through 2020-071.

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

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Yes; Mr. Nedohon Absent; Mr. Kelly Absent.
The motion was approved by a 3-0 Vote.

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

Mr. Olivio called for a motion to approve the Resolutions 2020-046 through 2020-071. The motion was made by Mr. Jones and seconded by Mr. Lopez.

Mr. Olivio Yes; Mr. Jones Yes; Mr. Lopez Yes; Mr. Nedohon Absent; Mr. Kelly Absent.
The motion was approved by a 3-0 Vote

Mr. Lopez abstained from #2020-049, #2020-057, #2020-067, #2020-068 & #2020-070

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-Absent.

Treasurer's Report

1. Monthly Year over Year Tonnage:
13,353 tons were brought into the Solid Waste Complex including 6,738 tons of municipal solid waste generated in county. Total tonnage decreased by 245 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 \$249,380 for the month and an ending balance of \$3,734,309. Amounts owed back to the General Fund totaled \$7,535,316.
3. Cash and Investments:
Interest earned on the local and trustee accounts for the month amounted to \$21,399 as noted on the schedule of bank account balances.
4. Landfill Operations Summary – Profit and Loss Statement:
Landfill operations generated revenues of \$1,315,501 which included total tipping fees of \$1,276,636 and revenues from other landfill activities of \$38,865. Total revenues of \$1,334,961 less total expenses for the month of \$1,050,570 resulted in a net excess of \$284,391.
5. Economic Development Operations Summary – Profit and Loss Statement:

Economic Development operations generated revenues of \$563,678 which included rental and management fees of \$499,710, Fleet Maintenance revenue of \$21,853, fuel income of \$21,589, and other income of \$20,526. Total revenues less total expenses of \$752,584 resulted in a net deficit of \$188,906. The deficit was primarily due to a decrease in Project Management and Fleet revenue as well as the payment of annual software maintenance contracts and Food Specialization Management Fee.

Mr. Kelly joined the meeting at 4:33p.m.

Old Business – No old business.

New Business – Mr. Velazquez indicated that a special meeting would be held in early April. The meeting will be held to approve VBOE Bond Rate and avoid an increase of the interest rate.

Freeholder Liaison Remarks –

Open Public Comment Session

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

Tamara Isajiw – Inquired as to reasons for modifications to Tech School Bid and information related to Millville development negotiations.

Nancy Ridgeway – Commented regarding Resolution allowing the Authority to pay bills in the event of a crisis.

Donna Sooy – Inquired regarding Data Center developer Resolution. New entity being created to allow for PILOT payment to Township.

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-Absent.

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

Executive Session

An Executive Session was not held.

Adjournment

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