

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
MINUTES OF REGULAR MEETING
Wednesday, April 27, 2016

Meeting Opening

The meeting was called to order at approximately 4:07 p.m. by Mr. Nedohon. The notice of the meeting was read by Mr. Nedohon.

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-Absent.

The Pledge of Allegiance was recited.

Freeholders present:

Approval of Agenda

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

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

Approval of Minutes

Mr. Nedohon asked for a motion to approve the March 23, 2016, Regular Meeting, Public Session Minutes and the March 23, 2016, Executive Session Minutes. The motion was made by Mr. Olivio, seconded by Mr. Jones.

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

Mr. Kelly arrived for the meeting at 4:15pm.

Executive Director's Report

Operations continue to move along very well at CWED, DMV and 1st Floor of 275 N. Delsea Drive. Systems balancing, final closeout and operational training for the new facilities are almost finalized. Ogren still working to complete final punch list for CWED. Final paving is completed at 275 N. Delsea Drive. Top Coat and Striping are only items remaining to be completed. Exterior Signs are scheduled for week of 4/25. We received the Final CO for the interior renovations and Treasury has moved in. Final seal coating will be completed when weather stays above 50 degrees. Demolition in the Phase III area will begin week of May 2nd. We continue to operate as expected/budgeted. We continue to discuss possible parking options for phase III with the City Engineer.

All Leases with NJ Treasury have been finalized. Cost estimates have been received. We are working through parking assignments for all tenants and customers. You will note that our monthly operating

budget once again highlights a net loss. This is a result of prepaid principle and interest on our bonds. Nick's notes indicate the impact on the next several months' revenue stream as a result of the accounting in future months. I have also included an annual budget for the proposed operations for phases II and III for your review.

We have investigated a No Smoking Policy for our facilities. We plan to implement over the next month. Notice will be given and designated areas will be created.

The Technical High School is moving along very well. We are working with the contractor to finalize current schedule. Security measures are going well. After further analysis, the wireless camera system could not be installed as anticipated. The size of the building and distance between points would not allow the system to operate effectively. Construction report was forwarded under separate cover.

The Arts and Innovation Center is under construction. Site work is moving forward and footings and block walls are completed and floors are poured. Steel is expected on May 6th. We are moving through NMTC financing and have pushed back the closing to May 2016. In the interim, CCIA will continue to provide predevelopment and construction financing. DCA approved and forwarded the initial funding for expense reimbursement to both the CCIA and MURC.

We experienced some issues with LED lights installed at the SWC. The supplier and manufacturer were on site (3/17) to rectify the issue. Our electrician installed several surge/voltage controls and we are waiting for a final determination from the vendor regarding the warranty and amount to be reimbursed. E-Waste collection issues are being handled as a result of our new contract with a recycling vendor and the cooperation of all our municipal partners. We have successfully initiated the collection and handling process. Our municipal partners are working very collaboratively. We are still trying to figure out how to best handle the City of Vineland volume and facility limitations.

Our Household Hazardous Waste event went extremely well despite the snow!

Recycling Rebates were paid during the February meeting. We continue to work through issues with Millville. Each time I think we are getting closer to resolution, they ask for something different.

We will continue to utilize both recycling vendors to maximize efficiencies and pricing. Tonnage continues to increase. Pricing continues to be an issue. Our current rate has been at the floor for several months. However, due to a positive change in the market, we are now being paid for our single stream. As you are aware, we no longer are taking residual waste from RE Communities. They have contacted me to discuss alternate pricing and shipping for this material. We have started to receive NON-Flow Controlled type 10 trash to offset the loss of residual waste revenue from RE Community. This waste stream is more conducive to landfill operations as well as gas production.

Our Fleet Maintenance operation continues to move along very well. We are constantly working on volume and break even operations. We seem to be getting back on track, but not to the extent that we would like. Our new staff person has been charged with follow up and marketing efforts with County Department Heads. I will be having regular meetings with the staff to track progress.

We are investigating the implementation of a new car/truck wash to be located at the landfill. We believe this will be a great opportunity to continue to share services, provide a new resource to the county as well as our municipalities and the state. We also expect current customers to utilize the car wash. Obviously, we cannot implement unless we can make this a break even operation for the CCIA. We are working with New Road to create an estimated cost for the facility. We are still working on best location for the facility. We continue to look at CNG vehicle purchase to support Energy HUB and cost saving objectives.

Working with CATS to create CNG vehicle purchase for all new buses. We had a recent discussion with a couple interested haulers. In the meantime, and in order to handle our current fleet, we are going to install a slow fill facility. This will hold us over until a new, more robust plan can be implemented.

Impound lot is completed and we continue to receive vehicles from the County. We had to make repairs to the fence due to wind damage.

As a result of a state recycling grant, we can implement a tire amnesty program for County residents. We now have secured two vendors and tire recycling efforts are back on track.

Our Bridgeton efforts have been redirected to focus on the redevelopment of the Bank Building currently owned by the CCIA and the expansion of the Food Innovation Center. We have initiated a grant

application for the FIC. One of the South American companies that came down in September is now beginning to operate her business at the FIC. We also met with a California business that would be interested in locating in this facility. This is a great opportunity that can be replicated with other businesses and countries.

We had several meetings with Constellation Energy to move the Energy HUB project forward. We are working on two significant initiatives. One is the development of a Combined Heat Power Plant on the College Campus that would service both the College and new Technical High School, and the other is a solar initiative that would be located at the SWC that would service all the electrical needs of the SWC. Progress continues and both options appear to be viable options.

Bio-Solids RFP: We approved 2 developers to provide move forward to the RFP phase of our Bio-Solids project. We met with each of the teams prior to officially releasing the RFP. I am reviewing final RFP that was drafted by our energy attorney. I expect to formally release week of 4/25.

Treatment enhancement project is completed and the system is operational. We are working on operational modifications to tune the system in. We continue to treat 50% of the previously rejected effluent and discharge directly into the basin. UF tubes have been cleaned and we are 100% operational. We continue to explore the option of buying another UF tubing system and/or a cleaning system that will expedite this cleaning process. We received formal Treatment Works Approval from DEP for the expansion.

Now that the system is operational and the new tank is on line, we can fill tankers directly from the large on site tank much more efficiently than current pumping process. Off-site hauling of leachate continues very well; our water levels have been reduced by to approximately 2 feet.

The impacts of this hauling and dewatering continue to have a positive impact on the methane gas operations, the treatment facility and the overall landfill operations. The gas system is still not operating as efficiently as I would expect. I am going to have a couple other entities look at the operations to obtain additional insights and suggestions. I am concerned that the gas plant operators may not be running the plant as effectively as possible to substantiate their strategy of eliminating one of the engines. Removal of one engine would create long term issues as we grow the landfill operations due to the new cells.

The GPS system that was installed on our large equipment has also made a significant impact to the overall operations on the landfill and associated dirt work for the cover, landfill earthwork and side slopes.

First phase of the cell construction will be completed by May 6th. Bids for Phase II will be received on April 21st. I will have provided the results prior to the Board meeting.

The Class B and Gasification facility were approved by the Freeholder Board.

Executive Session

At approximately 4:25 p.m. Mr. Nedohon called for a motion to go into Executive Session. Mr. Nedohon indicated that this was a departure from the normal process and that the reason for going into Executive Session was to review contracts related to resolution approval. Prior to the resolution, Solicitor Gibson provided proper notice and indicated that discussion during the closed session would include the matters involving the purchase, lease or acquisition of real property, contract negotiation where the public body is a party or may become a party; Solicitor Gibson read Resolution #2016-060 and noted that further business would be conducted after the conclusion of the Executive Session. He also indicated that a second Executive Session would be held later in the meeting, but that no official business would be conducted after that closed session.

The motion was made by Mr. Jones, 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. Nedohon called for a motion to come out of Executive Session and resume Public Session at approximately 4:31 p.m.

The motion was made by Mr. Jones, 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.

Resolutions

Mr. Nedohon called for a motion to approve resolutions 2016-061 through 2016-75 via consent. The motion was made by Mr. Jones and seconded by Mr. Olivio.

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

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

Mr. Lopez indicated that he would be abstaining from Resolutions 2016-063 and 2016-065.

Mr. Nedohon called for a motion to approve the Resolutions 2016-061 through 2016-075; excluding 2016-064 which was duplicated and removed from consideration. The motion was made by Mr. Kelly and 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; with Mr. Lopez abstaining from Resolutions 2016-063 and 2016-065

Treasurer's Report

1. Monthly Year over Year Tonnage:

16,259 tons were brought into the Solid Waste Complex; in-county municipal waste (type 10) increased by 497 tons or 7% with one extra operating day as compared to 2015. Total in-county tons increased by 1,325 tons and out-of-county tons received decreased by 2,243 due to a prior year special project; this represents a net decrease year over year of 921 tons or 5%.

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 \$2,496,658 for the month and an ending balance of \$10,843,231. Amounts owed back to the General Fund totaled \$2,461,632.

3. Cash and Investments:

Interest earned on the local and trustee accounts for the month amounted to \$9,637 as noted on the schedule of bank account balances.

4. Landfill Operations Summary – Profit and Loss Statement:
Landfill operations generated revenues of \$1,265,431 which included total tipping fees of \$1,243,831 and revenues from other landfill activities of \$21,600. Total revenues of \$1,291,436 less total expenses for the month of \$966,641 resulted in a net excess of \$324,795.
5. Economic Development Operations Summary – Profit and Loss Statement:
Economic Development operations generated revenues of \$208,018 which included rental income of \$138,824, Shared Service fees of \$30,000, and other income of \$39,194. Total revenues less total expenses of \$277,688 resulted in a net deficit of \$69,670, after deducting capital expense of \$293,061. This deficit is primarily attributed to an accounting adjustment to Project Management revenue. Budgeted capital of \$293,061 was expensed for construction costs associated with 275 N Delsea Dr Phase II project to avoid the accumulation of additional debt.

Old Business – No Old Business

New Business – Mr. Jones suggested that Jeannine and Jim contact Emma in his office to discuss process, documentation, signage and other specifics regarding Smoke Free Areas at CCIA facilities.

Freeholder Liaison Remarks

There were no Freeholder Remarks

Open Public Comment Session

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

Ms. Nancy Ridgeway questioned resolution 2016-067 related to the Arts and Innovation Center project. She wanted to know if the Freeholders approved this resolution. Mr. Velazquez clarified the fact that the Freeholders had already approved the project and that this resolution was related to document execution related to closing in May. Ms. Ridgeway also indicate that she was happy to see that the Technical School agreed to utilize the services of the CCIA to market their properties. Ms. Ridgeway wanted to discuss current public comment regarding Tech School operations. Mr. Velazquez reminded her that the CCIA was responsible for the construction of the new facility, but not the operations.

No other members of the public wished to comment at this time.

Close Public Comment Session

Mr. Nedohon called for a motion to close Public Comment Session. A motion was made by Mr. Jones, seconded by Mr. Olivio 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 4:47 p.m. Mr. Nedohon 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, contract negotiation where the public body is a party or may become a party, appointment, termination of employment, conditions of employment, evaluation of performance, promotion or disciplining Solicitor Gibson read Resolution #2016-060 and noted that no further business would be conducted after the conclusion of the Executive Session.

The motion was made by Mr. Olivio, 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.

Resume Public Session

Mr. Nedohon called for a motion to come out of Executive Session and resume Public Session at approximately 5:34 p.m.

The 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.

Adjournment

Mr. Nedohon called for a motion to adjourn the meeting.

A motion was made by Mr. Olivio, 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.