

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

Meeting Opening

The meeting was called to order at approximately 4:04 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-
Absent; Mr. Jones-Present; Mr. Lopez-Present; Mr. Nedohon-Present; Mr. Kelly-Present.

The Pledge of Allegiance was recited.

Freeholders present: Carol Musso

Approval of Agenda

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

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

The motion was approved by a 4-0 Vote.

Approval of Minutes

Mr. Nedohon asked for a motion to approve the December 16, 2015, Regular Meeting, Public Session Minutes and the December 16, 2015 Executive Session Minutes. The motion was made by Mr. Jones, seconded by Mr. Kelly.

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

The motion was approved by a 3-0 Vote with one abstention.

Executive Director's Report

Things are going extremely well. January has provided a good end to 2015 and a great start to 2016. Operations continue at CWED, DMV and 1st Floor of 275 N. Delsea Drive. We are working through systems balancing, final closeout and operational training for the new facilities. Mobilization and demolition are complete for the interior and exterior of 275 N. Delsea Drive. Due to unexpected issues and poor workmanship associated with site work prior to acquisition, site costs were higher than expected. That being said, construction is well underway and final paving is expected during the week of January 25th. Final seeding, grading and line striping will be completed in early spring.

Treasury will move in on March 1st. Phase 3 design is now underway and we hope to start construction in February along with the final closeout of phase 2. We continue to operate as expected/budgeted.

All Leases with NJ Treasury have been finalized and a formal move in date of March 1, 2015 has been confirmed. As noted above, Treasury has approved phase 3 and plans and specifications are being developed. Cost estimates are expected in the next couple weeks.

The Technical High School is moving along very well. Site work for Phase I is completed and will resume in the spring. Steel erection is almost complete, roof decking and roof are almost complete and roof systems are being installed. Brick is almost completed and windows and doors are being installed. Interior HVAC, electric, sheet rock and painting are moving along very well. We are working with the contractor to finalize current schedule. Security measures are going well. No major issues to date. Construction report was forwarded under separate cover.

The Arts and Innovation Center is under construction. Site work is moving forward and we expect footings to begin during the week of January 25th. Unanticipated underground concrete footings were encountered during excavation. We are moving through NMTC financing and have a closing scheduled for March 2016. In the interim, CCIA will provide predevelopment and construction financing.

LED lighting installation is complete. Rebates were received.

E-Waste collection has become a serious concern. The Governor vetoed a bill that would have continued funding for OEMs to recycling entities. This has created a situation where we now have to pay for recycling of electronics. Preliminary estimates based upon historical tonnage would place the annual cost of electronic recycling in the \$150 to \$200,000 range. Our Household Hazardous Waste RFP is still being finalized. This will be for the 2016 HHW events. Our shared service agreement is on the agenda for approval. This agreement provides partial funding from Vineland, Millville and Bridgeton to assist with HHW events.

Recycling Agreements were modified so that the terms were consistent for all municipalities. All agreements have been returned except for Millville. 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. We are negotiating a renewal with our current vendor. The new agreement's objective will be to minimize potential losses.

Our Fleet Maintenance operation continues to move along very well. Volume continued to be an issue during December and January as a result of the holidays and because maintenance of the overall fleet is reducing the need for return repairs. Our new staff person has been charged with follow up and marketing efforts with County Department Heads.

For every hour worked by our staff, the County saves \$25 per hour. 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.

Impound lot is ready and we will begin operation in February. Camera was installed and Craig is coordinating with the Prosecutor's office.

Tires collection has increased substantially as a result of assistance provided to the County Mosquito Commission and Public Works. We collected more than 1200 tires as a result of this effort. The tires were collected at NO COST to the County and Municipalities. We now have secured two tire vendors and 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. The Center provides a great opportunity to incubate food processing business in Bridgeton and throughout the County. At least 2 of the Latino businesses have indicated a desire to be operational in the facility in 2016. This is a great opportunity that can be replicated with other countries.

We had several meetings with Constellation Energy to move the Energy HUB project forward. Our Sludge Dryer Developer short list is on the agenda for approval this month. Additionally, we continue to discuss substantial implementation and expansion efforts to our energy HUB project.

Treatment expansion construction is well underway. Tank is erected and the piping work is moving forward. We expect operation to begin in January.

Off-site hauling of leachate continues very well; our water levels have been reduced by more than 4 feet. The impacts of this hauling and dewatering is already showing a positive impact on the methane gas operations, the treatment facility and the overall landfill operations. However, the cold weather is negatively impacting the landfill gas production. Condensation and freezing of meters and other measuring devices are caused by cold weather conditions.

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. The top of the

landfill is flat and we have eliminated ponding water and increased our compacting and cover efficiencies. We have approximately 2 more lifts (20-25 feet) remaining on the current cells.

First phase of the cell construction is well underway and moving along quickly. Significant progress has been made with the earthwork. Our application for phase II has been submitted to NJEIT. Unfortunately, we are experiencing delays with our application, but are pushing the state to move the application along. We hope to be out to bid in late January, early February.

As you are aware, I had asked DEP to allow the CCIA to utilize closure funds to repay NJEIT financing, rather than to pay for project implementation up front. DEP denied our request, but we will still apply for NJEIT funding and simply repay the loan over time.

The Class B and Gasification facility were approved by the Freeholder Board. This allows the project to move forward at the state level, but the Gasification project must still go through the local planning and zoning approval process. Unfortunately, there has been a high level of misrepresentation regarding the approval process.

Resolution to the PILOT and MOU issues have been on hold while the reorganization process took place in the City of Millville. We hope to get these talks back on track.

Resolutions

Mr. Nedohon requested that the Solicitor handle Resolutions on the Agenda. Resolutions were read by Solicitor Gibson. Mr. Gibson stated that Resolution 2016-013 would be removed. Mr. Nedohon called for a motion to approve the Resolutions 2016-002 through 2016-025, excluding 2016-013. The motion was made by Mr. Jones and seconded by Mr. Kelly.

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

The motion was approved by a 4-0 Vote

Treasurer's Report

1. Monthly Year over Year Tonnage:
16,890 tons were brought into the Solid Waste Complex; in-county municipal waste (type 10) increased by 95 tons or 1%. Total in-county tons increased by 920 tons and out-of-county tons received decreased by 2,747 due to a prior year special project; this represents a net decrease year over year of 1,827 tons or 9.7%.
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 \$1,253,531 for the month, primarily due to the landfill construction projects. The ending balance of the General Fund is \$6,961,675, with \$6,118,000 owed back to the General Fund. A subsequent transfer from Cell Construction of \$1,773,000 in January 2016 reimbursed the General Fund for Phase I construction costs incurred to date.
3. Cash and Investments:
Interest earned on the local and trustee accounts for the month amounted to \$6,932 as noted on the schedule of bank account balances.
4. Landfill Operations Summary – Profit and Loss Statement:
Landfill operations generated revenues of \$1,067,085 which included total tipping fees of \$1,022,679 and revenues from other landfill activities of \$44,406. Total revenues of \$1,108,996 less total expenses for the month of \$1,056,404 resulted in a net excess of \$52,592.
5. Economic Development Operations Summary – Profit and Loss Statement:

Economic Development operations generated revenues of \$251,653 which included \$137,297 of rental income, project management fees of \$105,071, and other income of \$9,285. Total revenues less total expenses of \$307,729 resulted in a net deficit of (\$56,076). This was primarily attributed to accounting adjustments for maintenance and debt service reserves.

Old Business –

No Old Business

New Business –

No New Business

Freeholder Liaison Remarks

Carol Musso introduced herself as the new Freeholder Liaison and expressed that she is glad to be back working with the Authority. Ms. Musso conveyed a message from Freeholder Derella that he was not able to make tonight's Board Meeting.

Open Public Comment Session

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

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

The motion was approved by a 4-0 Vote.

Ms. Nancy Ridgeway requested the date for the upcoming Reorganization Meeting. Mr. Nedohon replied that it would be February 24, 2016. Ms. Ridgeway thanked Mr. Velazquez for clarification regarding the Gasification plant's status. Ms. Ridgeway also inquired as to the status of E-Waste removal and how it pertains to the Municipalities. Mr. Velazquez stated that once the new Vendor was in place Residents would be made aware.

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. Kelly to close Public Comment Session.

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

The motion was approved by a 4-0 Vote.

Executive Session

At approximately 4:38 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 #2016-001 and noted that further business could be conducted after the conclusion of the Executive Session.

The motion was made by Mr. Jones, seconded by Mr. Kelly.

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

The motion was approved by a 4-0 Vote.

Resume Public Session

Mr. Nedohon called for a motion to come out of Executive Session and resume Public Session at approximately 5:13 p.m. The motion was made by Mr. Jones, seconded by Mr. Lopez.

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

The motion was approved by a 4-0 Vote.

Adjournment

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

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

The motion was approved by a 4-0 Vote.