HUDSON COUNTY IMPROVEMENT AUTHORITY

IN THE MATTER OF : TRANSCRIPT OF
THE REGULAR MONTHLY MEETING : PROCEEDINGS

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WEDNESDAY, AUGUST 26, 2015
830 BERGEN AVENUE, 9TH FLOOR
JERSEY CITY, NEW JERSEY 07306
COMMENCING AT 5:35 P.M.

BOARD MEMBERS:

FRANK PESTANA, CHAIRMAN
JAMES DORAN, VICE CHAIRMAN (ABSENT)
STEPHEN J. GALLO, TREASURER
FRANK LORENZO, SECRETARY
MARTIN T. MARTINETTI, COMMISSIONER
FRED M. BADO, COMMISSIONER (ABSENT)
OREN K. DABNEY, COMMISSIONER (ABSENT)
JOHN PENEDA, COMMISSIONER
NICHOLAS GOLDSACK, COMMISSIONER

APPEARANCES:

NORMAN M. GUERRA, CHIEF EXECUTIVE OFFICER

KURT CHERRY, EXECUTIVE DIRECTOR/CFO

WILLIAM J. NETCHERT, ESQ.
GENERAL COUNSEL TO THE BOARD
CARMEN LOZANO, EXECUTIVE ASSISTANT/ASSISTANT SECRETARY TO THE BOARD

SHARON PALMER
CERTIFIED SHORTHAND REPORTER
R.J. O'CONNELL ASSOCIATES,
P.O. BOX 277
CEDAR GROVE, NEW JERSEY 07009
(973) 239-7252
ALSO PRESENT:

MARY-ELLEN GILPIN, HCIA
ELIZABETH RAMOS, EXECUTIVE ASSISTANT
JUNIOR MALDONADO, FREEHOLDER LIAISON
JAY DeDOMENICO, TMA
MAURICIO CANTO, DONOHUE, GIRONDA & DORIA
JUAN ESCOBAR, VISION MEDIA

board members present, three not present.

CHAIRMAN PESTANA: Mr. Netchert.
MR. NETCHERT: Thank you, Mr. Chairman.
This is a public meeting. The required
notice for this meeting was forwarded to both the
Jersey Journal and Star-Ledger for publication in
their respective newspapers on February 26th,
2015. Notice was also forwarded to the Clerk of
the County of Hudson and the Clerk of the Hudson
County Board of Freeholders for posting on the
information bulletin boards outside of those
respective offices. Notice was finally posted on
the bulletin board out of this meeting hall and on
the official website.
These notices are all in accordance
with the requirements of the Open Public Meetings
Act.

CHAIRMAN PESTANA: Thank you, Mr.
Netchert.

At this time I would like to recognize
Freeholder Maldonado, the liaison to the Board.

FREEHOLDER MALDONADO: Thank you,
Chairman.

CHAIRMAN PESTANA: At this time I would
like to take comments from the public on anything
on the agenda.

Seeing none, the public portion is now
closed.

MR. GUERRA: Item four is Resolut on
8-2015-4 of the Hudson County Improvement
Authority authorizing payment of certain costs and
expenses of the Authority for the month of
August 2015.

CHAIRMAN PESTANA: Is there a motion?

COMMISSIONER GALLO: Moved

CHAIRMAN PESTANA: Motion by
Commissioner Gallo.

COMMISSIONER LORENZO: Second.

CHAIRMAN PESTANA: And seconded by
Commissioner Lorenzo.

MS. LOZANO: Commissioner Gallic.
COMMISSIONER GALLO: Yes.
MS. LOZANO: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Yes.
MS. LOZANO: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes
MS. LOZANO: Commissioner Martineti.
COMMISSIONER MARTINETTI: Yes.
MS. LOZANO: Commissioner Peneda.
COMMISSIONER PENEDA: Yes.

CHAIRMAN PESTANA: We have a quorum by six
MS. LOZANO: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.
MS. LOZANO: Commissioner Martinetti.
COMMISSIONER MARTINETTI: Yes.
MS. LOZANO: Commissioner Peneda.
COMMISSIONER PENEDA: Yes.
MS. LOZANO: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS. LOZANO: The minutes of July 22nd, 2015.
CHAIRMAN PESTANA: The minutes of July 22nd, 2015.

Krieger as the Director of the program.
MS LOZANO: I think they gave us the
full amount for the whole year.
MR. GUERRA: No. I thought me and Kurt
went through this, right Kurt? It is 86.
MR. CHERRY: It’s the final half.
MR. GUERRA: It’s the other half.
right.
CHAIRMAN PESTANA: Is there a motion on
this resolution?
COMMISSIONER GALLO: I’ll move it.
CHAIRMAN PESTANA: Motion by
Commissioner Gallo.
COMMISSIONER LORENZO: Second.
CHAIRMAN PESTANA: Seconded by
Commissioner Lorenzo.
MS LOZANO: Can we also put on the
record that it says on the agenda the 26th,
July 26th. It is actually July 22nd, 2015.
CHAIRMAN PESTANA: Yes.
MS. LOZANO: Commissioner Gallo.
COMMISSIONER GALLO: Yes.
MS LOZANO: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Yes.

COMMISSIONER PENEDA: Yes.
MS LOZANO: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS LOZANO: Resolution 8-2015-5 passes
in the affirmative by six board members voting
yes, three not present.
MR. GUERRA: Item number six is
Resolution 8-2015-6 of the Hudson County
Improvement Authority making application to the
Local Finance Board pursuant to N.J.S.A.
40A:5A-6.

Again, this resolution provides for the
authorization of a submission of an application to
the Local Finance Board as it relates to our
Pooled Note Program.
The towns participating in this round
of funding are the City of Jersey City, Town of
Weehawken, Town of West New York, City of Union
City, and the Weehawken Parking Authority.
The total amount of the financing for
this whole transaction is $75,501,000. Some of
this is notes that are rolled over. The other is
new monies that these towns are borrowing. The
new money is for the town of West New York and
also the Town of Weehawken. The total amount

The resolution provides for renewing
the sub-contract with the County under the Ryan
White Program. It’s partial funding for the
period from September 1st, 2015 through
February 28th, 2015, which is a six-month period
in the total amount of $86,300. And it also
provides for the continued employment of Marvin
again is $75,501,000.

CHAIRMAN PESETANA: Does anybody have any questions on this resolution?

Hearing none.

Is there a motion?

COMMISSIONER GOLDSACK: Motion.

CHAIRMAN PESETANA: Motion by Commissioner Goldsack.

COMMISSIONER LORENZO: Second.

CHAIRMAN PESETANA: Second by Commissioner Lorenzo.

MS. LOZANO: Commissioner Gallo.

COMMISSIONER GALLO: Yes.

MS. LOZANO: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. LOZANO: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. LOZANO: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. LOZANO: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. LOZANO: Chairman Pestana.

CHAIRMAN PESETANA: Yes.

MS LOZANO: Resolution 8-2015-6 passes in the affirmative by six board members voting yes, three not present.

MR. GUERRA: Item number seven is Resolution 8-2015-7 of the Hudson County Improvement Authority authorizing an Agreement with Key Environmental for Hydroseeding Services at the Kopkers Seaboard site. Now that a portion of the Kopkers site has reached the required elevation of our Remedial Action Work Plan, the Hudson Essex Passaic Soils Conservation District is requiring that we implement the appropriate soil control measures, which now they are requiring that we hydroseed approximately - it is only 7.10 acres of the site. Our engineers and our LSRP felt it was best that we retain the services of Key Environmental. Key, as you know, has done pretty much all of our remedial action work that's been done out there on behalf of Beazer. Key has amended our Remedial Action Work Plan on numerous sites, so they know this site in and out. So our thought is to retain their services to provide for the hydroseeding. The proposal that they have submitted is in the amount of $19,930, and that's to seed approximately seven acres of the site. And this resolution provides the authorization for us to enter into such an agreement.

CHAIRMAN PESETANA: Does anybody have any questions on this resolution?

(No response)

CHAIRMAN PESETANA: Is there a motion?

COMMISSIONER PENEDA: I'll make a motion.

CHAIRMAN PESETANA: Motion by Commissioner Peneda.

COMMISSIONER GALLO: Yes.

MS. LOZANO: Commissioner Gallo.

COMMISSIONER GOLDSACK: Yes.

MS. LOZANO: Commissioner Goldsack.

COMMISSIONER LORENZO: Yes.

MS. LOZANO: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. LOZANO: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. LOZANO: Chairman Pestana.

CHAIRMAN PESETANA: Yes.

MS LOZANO: Resolution 8-2015-7 passes in the affirmative by six board members voting yes, three not present.

MR. GUERRA: Item number eight is Resolution 8-2015-8 of the Hudson County Improvement Authority accepting the calendar year Audit for the period ended December 31st, 2014 prepared by Donohue, Gironda, & Doria, in accordance with the provisions of N.J.S.A. 40A:5A-15 and N.J.S.A. 40A:5A-17. At this time I would ask Kurt if he would just address the Board on the findings of the audit.

MR. CHERRY: Thank you.

The two most important pages in the Audit is usually the list of officials and the second one is the comments or recommendations. The first one is in there, the second one isn't. There are no comments or recommendations again this year.

There has been a lot of hard work that the Finance Department has put into this, especially Jim Policastro, Joe Cappazzoli, and Amina Ghoul. So it's a nice department, it's a good working department, and the Audit reflects...
Tonight with us is Mauricio Canto, and I'm going to turn it over to him to make some comments.

MR. CANTO: Thank you, Kurt.

Mauricio Canto from Donohoe, Gironda & Doria.

I'm just going to briefly go over what Kurt went over.

I do verify confirm that you really do have a very well functioning Finance Department here at the Authority. The report is reflective of that. There is actually no finding and no comments or recommendations in the Audit, and that's pretty rare even for an Authority. So I want to reiterate that they do a great job in the Finance Department.

The report we issue is also part of the Comprehensive Annual Financial Report. It includes management's discussions and analysis. We put some new tables in there to show a little bit more of the operation of solid waste. Our tonnage has gone up slightly.

And just to paint a better picture of why the Solid Waste Fund or actually the

Commissioner Goldsack.

Is there a second?

COMMISSIONER GALLO: Second.

CHAIRMAN PESTANA: Seconded by Commissioner Gallo.

MS. LOZANO: Commissioner Gallo.

COMMISSIONER GALLO: Yes.

MS. LOZANO: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. LOZANO: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. LOZANO: Commissioner Marinetti.

COMMISSIONER MARTINETTI: Yes.

MS. LOZANO: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. LOZANO: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS LOZANO: Resolution 8-2015-8 passes in the affirmative by six board members voting yes, three not present.

MR. GUERRA: Commissioners, I believe in your packet, item number nine, we had a resolution in your packet, however, that is replaced with the resolution that's in front of you. It's Resolution 8-2015-9 of the Hudson

Authority, as a whole, has a very healthy income in the past year is because of some of the miscellaneous income that we have seen come from the Koppers site. So it is just a little bit to -- I just wanted to reiterate that a little bit.

If there is any other questions from the Board?

CHAIRMAN PESTANA: Any questions?

(No response)

CHAIRMAN PESTANA: Thank you, Maurice.

MR. GUERRA: I would just like to concur with Kurt. First of all, Kurt has done a fabulous job sort of directing the old Finance Department and his whole staff, Jim Poficastro, Joe Pazzazzio, and Amina.

CHAIRMAN PESTANA: What I was going to do as well was congratulate Kurt, Amina, and the HCIA as to there being no recommendations on the Audit. Good job.

COMMISSIONER GOLDSACK: Which is very rare.

CHAIRMAN PESTANA: Do we have a motion on this?

COMMISSIONER GOLDSACK: Motion.

CHAIRMAN PESTANA: Motion by

County Improvement Authority authorizing the extension of the negotiation period with Morris Realty Associates, LLC for Purchase and Sale Agreement as to the Authority's property located in the Town of Kearny, Hudson County, New Jersey, and designated on the Tax Map of the Town of Kearny as Block 287, Lots 32.01, 54, 55, 56, 61B, 61C, 62, 62R, 63, 70, 71R, 73 and 80, all known as the "Property."

I'll turn this over to Bill and he'll tell you where we are with the negotiations. I believe we're very close. We did not manage to get it on for this evening's meeting.

MR. NETCHERT: There are two things I'll say. During the course of our negotiations I think it has been brought up that we may be missing one lot in this caption, so at some point, when we come back for a final, we may have to amend this or we may have to add another lot or subtract a lot.

Initially, when the packet went out, it had been our hope and anticipation, Norman, myself, Glenn Scotland, and special counsel. that we would be able to present to you what we believe was the final negotiated Agreement.
Certain differences arose, as well as we have been negotiating with PSE&G for an easement on the property. That didn't get finalized as quickly as we had hoped. We finally had gotten the appraisals on the value that we're going to receive for that. So rather than bring to you a --

MR. GUERRA: Transit.

MR. NETCHERT: And, as you know, we have been dealing with Transit, and we're still dealing with Transit.

Rather than bring to you what we felt was a substantially complete, but not a complete package or a Purchase and Sale Agreement, we decided to simply extend for one more meeting. And we expect to bring to you to with a recommendation of the Purchase and Sale Agreement at the next meeting.

Now, along with that, there still remains outstanding a requirement that once we have a Purchase and Sale Agreement in place and worked out, we need to return to the Board of Freeholders because it's anticipated that the Purchase and Sale Agreement price will be less than what the County has calculated to be due them based upon the financing. So the Board of Freeholders will be asked to approve what is called an unrecaptured grant of funds between the difference in the purchase price and the amount that they have calculated would make them whole as a result of their lending us the $32 million years ago.

So the long and short of it is we expect to be here next month, next meeting, with an agreement, which still have to then go over to be, not approved, but in order for it to work the Freeholders need to approve what, in effect, becomes a grant of the difference between what the County has spent and what we're receiving for the property.

MR. GUERRA: It will be presented to this Board and then we're going to have, Junior, a Contracts Committee meeting with the Freeholder's Committee. And then once that's over, I guess it goes to the whole Board. We were hoping to have that for this meeting but, like Bill said, there are one or two issues that are pretty close with Public Service, New Jersey Transit, and I think we're real close to getting this done. So it will definitely be on for the next meeting.

CHAIRMAN PESTANA: Does anybody have any questions?

COMMISSIONER GOLDSACK: I just have one question.

CHAIRMAN PESTANA: Go ahead.

COMMISSIONER GOLDSACK: Which one of the resolutions that we had in our packet and the resolution, and I know Bill you just mentioned a second ago --

MR. GUERRA: The one that you just mentioned?

COMMISSIONER GOLDSACK: Yes. Which one is the more accurate so far as the description as to the block and lots?

MR. NETCHERT: They are both the same.

COMMISSIONER GOLDSACK: Both good?

MR. NETCHERT: Yes.

COMMISSIONER GOLDSACK: Because it looks like there are subdivisions or something that occurred here. There are some missing and some added.

MR. NETCHERT: There shouldn't be. It shouldn't be. Actually it should be the same. It should be the same caption.

COMMISSIONER GOLDSACK: Because you have 62, 62.01, and then you have 62 and 62R, 63, 70, 70.01 as compared to 71R, and 73 is not on there.

MR. NETCHERT: Okay. Let me take a look.

COMMISSIONER GOLDSACK: And 80.

MR. GUERRA: It's the whole hundred, and I want to say 40 plus acres. There is all little different lots. So they will have it, we'll make sure, in the final one.

MR. NETCHERT: You know, I can't tell you at this point which is the right one. I'll tell you why the difference. The one that you have in front of you right now is a copy of the initial resolution that we approved to extend. The one that was in the packet was a resolution prepared by special counsel. And honestly I don't think any of us sat here and compared the blocks and lots that he listed in that. And that's why I started by saying once a title search is done that identifies the actual blocks and lots we'll probably have to come back with some type of an amendment or a resolution that specifically identifies the lots and blocks that are being conveyed.
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<td>1 COMMISSIONER GOLDSACK: But the one in the packet looks like there was subdivisions of certain lots that are identified in the resolution. 2 MR. GUERRA: Plus by then the Transit piece will possibly, at lease -- no, because there's going to be a piece that's on the inside, 20 acres, that's going to be carved out, and that's probably going to have its own block and lot number. So it's still somewhat of a moving target, if you will. 3 MR. NETCHERT: Yes. I thinking like a lawyer, I guess. What we'll probably do is do it more than once, because we're going to approve a Purchase and Sale Agreement that's going to then end up with further subdivisions with further designations of blocks and lots. So we're probably going to have to come back and further identify those lots and blocks. Transit isn't concerned, because I raised that issue with Transit, and Transit believes that they're bigger than the world and they can create their own lots simply by drawing lines and you don't need subdivisions, and they can. The fact is that they can. They can draw lines and file a map and say that's ours, and then you can give it a - a tax assessor can give it a lot number, but they don't need to go for a formal subdivision. They can just create their own lots. At least they can today. I don't know. Transit seems to be in the news lately. 7 COMMISSIONER GOLDSACK: Thank you. 8 MR. NETCHERT: I didn't give you a quick answer -- 9 COMMISSIONER: No. 10 MR. NETCHERT: -- because I don't have one. 13 COMMISSIONER GOLDSACK: That's okay. 14 MR. NETCHERT: I don't know the real ones. 16 COMMISSIONER GOLDSACK: It looks like there were subdivisions. 18 MR. NETCHERT: Yes. 19 COMMISSIONER GOLDSACK: I thought that took place. 20 MR. NETCHERT: Yes, that's probably what took place. 23 CHAIRMAN PESTANA: So this could be subject to further revisions? 24 MR. GUERRA: In terms of block and lot, yes. 1 MR. NETCHERT: The block and lot designations, yes. 3 COMMISSIONER LORENZO: I have a question. Should we table it or should we vote on it? 7 MR. NETCHERT: You can't table this because this extends the negotiation period. 9 MR. GUERRA: To let us finish to get contract. 11 MR. NETCHERT: If you are troubled with the designation of lot, you could say whatever the lots are at Koppers Koke, and that covers it. So the materiality of the resolution is not what we're calling it, it's the extension of the negotiation period until the next meeting, because that negotiation period maintains its confidentiality and gives us the right to maintain those discussions as confidential until such time as it becomes a public document, at which point it's in the public domain and anybody can see it. 21 MR. GUERRA: And as an attorney you probably shouldn't even list all of those lot numbers, and you should just refer to it as the Koppers Seaboard property. And then at the time when the title search is done you will clearly identify each block and lot, and it will be accurate. 4 CHAIRMAN PESTANA: Are you okay with that? 5 COMMISSIONER LORENZO: Yes. 7 CHAIRMAN PESTANA: Are there any motions? 9 COMMISSIONER GOLDSACK: Motion. 10 CHAIRMAN PESTANA: Motion by Commissioner Goldsack. 12 COMMISSIONER PENEDA: Second. 14 CHAIRMAN PESTANA: Seconded by Commissioner Peneda. 15 MS. LOZANO: Commissioner Gallo. 16 COMMISSIONER GALLO: Yes. 17 MS. LOZANO: Commissioner Goldsack. 18 COMMISSIONER GOLDSACK: Yes. 19 MS. LOZANO: Commissioner Lorenzo. 20 COMMISSIONER LORENZO: Yes. 21 MS. LOZANO: Commissioner Martini. 22 COMMISSIONER MARTINETTI: Yes. 23 MS. LOZANO: Commissioner Peneda. 24 COMMISSIONER PENEDA: Yes. 25 MS. LOZANO: Chairman Pestana.</td>
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CHAIRMAN PESTANA: Yes.
MS LOZANO: Resolution 8-2015-9 passes in the affirmative by six board members voting yes, three not present.
MR. GUERRA: Also, commissioners, there is item number ten. It is Resolution 8-2015-10 of the Hudson County Improvement Authority authorizing the execution of Change Order No. 1 to the Agreement with New Jersey Transit Corporation for Professional Services.
This is related to our TMA, so I'm going to ask Jay just to provide an overview of the resolution.
MR. DeDOMENICO: Thank you. Basically this is just a continuation of what we did back in May.
Prior to this NJ Transit did give a contract for $25,000. It was a one-year contract every year for 15 years at least that I'm aware of. And this year they decided to only do six months at a time because internally they had things that they wanted to change, but not change our money or change our work order or our work program or anything else like that. So last May we approved the contract for the first six months and now we're here to have you approve the next six months, which would be year ending December 31st of this year. So it is $12,500 for the first six months and $12,500 for this one.
They changed the contract number.
That's why the change order number is different.
I just wanted to explain that to you.
CHAIRMAN PESTANA: Thank you, Jay.
MR. GUERRA: Is there a motion on this?
CHAIRMAN PESTANA: Is there a motion?
COMMISSIONER GALLO: Motion.
CHAIRMAN PESTANA: Motion by Commissioner Gallo.
COMMISSIONER PENEDA: Second.
CHAIRMAN PESTANA: Seconded by Commissioner Peneda.
MS. LOZANO: Commissioner Gallo.
COMMISSIONER GALLO: Yes.
MS. LOZANO: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Yes.
MS. LOZANO: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.
MS. LOZANO: Commissioner Martinetti.
COMMISSIONER MARTINETTI: Yes.
MS. LOZANO: Commissioner Peneda.
COMMISSIONER PENEDA: Yes.
MS. LOZANO: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS LOZANO: Resolution 8-2015-10 passes in the affirmative by six board members voting yes, three not present.
MR. GUERRA: Under eleven, recycling, Mary-Ellen, do you want to touch upon the programs that are around the corner. Fall is almost upon us.
MS. GILPIN: There was no report in the packet this month because it is too short a time since vacation.
In two weeks the shredding starts already. And we're doing six shredding locations and then HHW in October. The shredding starts on the 12th in North Bergen and we continue from there. We have been getting a lot of requests, a lot of phone calls, so we expect the numbers to go up for as well this year.
CHAIRMAN PESTANA: September 12th is the first?
MS. GILPIN: September 12th is the first one in North Bergen, Braddock Park in North Bergen. And then the next week is Secaucus at the Rec Center on the 19th. The 26th is Kearny.
Those are the September dates.
MR. GUERRA: Thank you.
Other than that, Chairman, I don't have anything else.
CHAIRMAN PESTANA: If there is no more business is there a motion to adjourn this meeting?
COMMISSIONER GALLO: So moved.
COMMISSIONER PENEDA: Seconded.
CHAIRMAN PESTANA: Motion by Commissioner Gallo and seconded by Commissioner Peneda.
All in favor.
COMMISSIONER GALLO: Aye.
COMMISSIONER GOLDSACK: Aye.
COMMISSIONER LORENZO: Aye.
COMMISSIONER MARTINETTI: Aye.
COMMISSIONER PENEDA: Aye.
CHAIRMAN PESTANA: Aye.
Thank you.
(Whereupon the meeting is concluded.)
CERTIFICATION

I, Sharon Palmer, C.C.R., License Number X100796, a Certified Court Reporter of the State of New Jersey, do hereby certify that the foregoing is a true and accurate transcript of my stenographic notes of the within proceedings to the best of my knowledge and ability.

[Signature]
Sharon Palmer, C.C.R.

Dated: August 28, 2015