HUDSON COUNTY IMPROVEMENT AUTHORITY

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

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WEDNESDAY, JUNE 22, 2016
830 BERGEN AVENUE, 9TH FLOOR
JERSEY CITY, NEW JERSEY 07306
COMMENCING AT 5:45 P.M.

BOARD MEMBERS:

FRANK PESTANA, CHAIRMAN
JAMES DORAN, VICE CHAIRMAN (NOT PRESENT)
STEPHEN J. GALLO, TREASURER
FRANK LORENZO, SECRETARY
MARTIN T. MARTINETTI, COMMISSIONER
FRED M. BADO, COMMISSIONER
JOHN PENERA, COMMISSIONER (NOT PRESENT)
NICHOLAS GOLDSACK, COMMISSIONER (NOT PRESENT)
JEFFREY DUBLIN, 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:

AMIT JANI, VISION MEDIA
MARY-ELLEN GILPIN, HCIA
ELIZABETH RAMOS, EXECUTIVE ASSISTANT
JAMES POLICASTRO, HCIA
JAY DE DOMENICO, TMA
JEFF LANTIGAN

Chairman Pestana: Here.

MS. LOZANO: We have a quorum with six board members present, three not present.

Chairman Pestana: Mr. Netchert.

Mr. Netchert: Yes, Mr. Chairman. This is a public meeting. Notice of this meeting was forwarded for publication to both the Jersey Journal and Star-Ledger on February 11th, 2016. Notice was also forwarded for posting on the public information bulletin boards of the Clerk of the Board of Chosen Freeholders and the Clerk of the County of Hudson, and notice was also posted on the bulletin board outside of this meeting hall.

These notices are all in compliance with the requirements of the Open Public Meetings Act.

Chairman Pestana: Thank you, Mr. Netchert.

At this time I would like a motion for approval of the meeting minutes from May 9th. I wasn't here.

Commissioner Dublin: Motion.

Commissioner Gallo: Second.

Chairman Pestana: Motion by Commissioner Dublin second by Commissioner Gallo.

Ms. Lozano: Commissioner Bado.
Commissioner Bado: Abstain.

Ms. Lozano: Commissioner Dublin.
Commissioner Dublin: Present.

Ms. Lozano: Commissioner Doran. Not present.

Commissioner Dublin.
Commissioner Dublin: Here.

Ms. Lozano: Commissioner Gallo.
Commissioner Gallo: Here.

Ms. Lozano: Commissioner Goldsack.

Not present.

Commissioner Lorenzo.
Commissioner Lorenzo: Here.

Ms. Lozano: Commissioner Martinetti.
Commissioner Martinetti: Here.

Ms. Lozano: Commissioner Peneda. Not present.

Ms. Lozano: Chairman Pestana.

Ms. Lozano: Commissioner Bado.
Commissioner Bado: Abstain.

Ms. Lozano: Commissioner Dublin.
Commissioner Dublin: Present.

Ms. Lozano: Commissioner Doran. Not present.

Commissioner Dublin.
Commissioner Dublin: Here.

Ms. Lozano: Commissioner Gallo.
Commissioner Gallo: Here.

Ms. Lozano: Commissioner Goldsack.

Present.

Ms. Lozano: Chairman Pestana.

Commissioner Dublin.
Commissioner Dublin: Here.

Ms. Lozano: Commissioner Martinetti.
Commissioner Martinetti: Here.

Ms. Lozano: Commissioner Peneda. Not present.

Ms. Lozano: Chairman Pestana.
expenses of the Authority for the month of June 2016.

CHAIRMAN PESTANA: Do we have a motion?
COMMISSIONER GALLO: I'll move the motion.
CHAIRMAN PESTANA: Motion by Commissioner Gallo.
COMMISSIONER LORENZO: Second by Commissioner Lorenzo.
MS. LOZANO: Commissioner Bado.
COMMISSIONER BADO: Yes.
MS. LOZANO: Commissioner Dublin.
COMMISSIONER DUBLIN: Yes.
MS. LOZANO: Commissioner Gallo.
COMMISSIONER GALLO: Yes.
MS. LOZANO: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.
MS. LOZANO: Commissioner Martinetti.
COMMISSIONER MARTINETTI: Yes.
MS. LOZANO: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS. LOZANO: Resolution 6-2016-5 passes in the affirmative by six board members voting yes, three not present.

MR. GUERRA: Item number six is Resolution 6-2016-6 of the Hudson County Improvement Authority authorizing the purchase of property and casualty insurance for the Skyway Golf Course through Sirocco Financial Group, Inc.
Again, this resolution authorizes the renewal of the property and casualty insurance for our golf course known as Skyway Golf Course. Our current provider is Selective Insurance Company.
The quoted premium is $35,486 which is $849 higher than the expiring contract, and that's due primarily to the property limits. But it's $849 higher, which is still a good price. And this is for one year.
CHAIRMAN PESTANA: Are there any questions?
COMMISSIONER DUBLIN: So we have to provide insurance even to Skyway?
MR. GUERRA: Skyway is a management contract, so we kind of work with them setting the budget, funding it. And then once it generates enough revenue on its own, then it is totally or its own. So we just pay them a management fee.
COMMISSIONER DUBLIN: Okay.
MR. GUERRA: This is part of the insurance that's in that budget.
COMMISSIONER DUBLIN: Okay.
COMMISSIONER LORENZO: Is that the same?
MR. GUERRA: Item number seven is Resolution 6-2016-7 of the Hudson County Improvement Authority concerning review of the findings of the Local Finance Board made at a meeting of said board on June 8th, 2016 in accordance with the provisions of N.J.S.A. 40A:5A-7 with respect to the issuance of County Guaranteed Pooled Loan Notes, Series 2016B. The Local Finance Board had issued positive findings on this matter.

CHAIRMAN PESTANA: Does anybody have any questions?

(No response)

CHAIRMAN PESTANA: Do we have a motion?

COMMISSIONER LORENZO: Motion

CHAIRMAN PESTANA: Is there a second?

COMMISSIONER GALLO: Second.

CHAIRMAN PESTANA: Motion by Commissioner Lorenzo, second by Commissioner Gallo.

MS. LOZANO: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. LOZANO: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. LOZANO: Commissioner Gallo.

MS. LOZANO: Resolution 6-2016-7 passes in the affirmative by six board members voting yes, three not present.

MR. GUERRA: Item number eight, Resolution 6-2016-8 of the Hudson County Improvement Authority authorizing execution of an Agreement with North Jersey Transportation Planning Authority, New Jersey Institute of Technology, Hudson TMA and Hudson County Improvement Authority for the Regional Coordinated Human Services Transportation Plan.

I will call upon Jay just to give you a little overview.

MR. DE DOMENICO: This is a new contract for the TMA, one that all TMAs in New Jersey are getting. It's the same amount of money. Basically we'll be assisting a consultant hired by the NJTPA to be looking to strategies and ways in
which the transportation needs of seniors and
those with disabilities are going to have their
needs met. So we'll be doing outreach and
providing focus groups for the consultant for
Hudson County.

CHAIRMAN PESTANA: Thank you, Jay.
Are there any other questions?
(No response)

CHAIRMAN PESTANA: Is there a motion?
COMMISSIONER LORENZO: Motion.
CHAIRMAN PESTANA: Motion by
Commissioner Lorenzo.
COMMISSIONER GALLO: I'll second it.

CHAIRMAN PESTANA: Second by
Commissioner Gallo.

MS. LOZANO: Commissioner Bado.
COMMISSIONER BADO: Yes.

MS. LOZANO: Commissioner Dublin.
COMMISSIONER DUBLIN: Yes.

MS. LOZANO: Commissioner Gallo.
COMMISSIONER GALLO: Yes.

MS. LOZANO: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.

MS. LOZANO: Commissioner Martinetti.
COMMISSIONER MARTINETTI: Yes.

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MS. LOZANO: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. LOZANO: Resolution 6-2016-8 passes
in the affirmative by six board members voting
yes, three not present.

MR. GUERRA: Item number nine,
Resolution 6-2016-9 of the Hudson County
Improvement Authority authorizing an amendment to
the Hudson County District Solid Waste Management
Plan by Administration Action for inclusion of an
extension of the Solid Waste Disposal Agreement
with the New Jersey Sports and Exposition
Authority for the provision of non-processible
waste disposal services at the Keegan Landfill.

The contract with the New Jersey
Sports and Exposition Authority, it used to be the
New Jersey Meadowlands Commission, was to expire
on or about June 30th.

In October of 2015 the DEP had notified
the Authority that the Sports Authority Solid
Waste Permit would expire at the end of June 2016.
The DEP further stated that at that time that the
Authority should take steps to procure disposal
services for that Type 3 waste. As a result, we
had gone out to bid and, if you recall, we awarded

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a contract to Waste Management.

Shortly thereafter we were made aware
that the Sports Authority intended to begin
condemnation procedures against the Town of Kearny
to keep that Keegan Landfill open. And both
parties have now begun to litigate the matter.
We also became aware that the Sports
Authority had filed an application with the DEP
for the renewal and modification of their expiring
operating permit, which they did submit their
application, and the DEP has found it to be what
they refer to as administratively complete. And on
June 14th they issued a letter providing
authorization for the Sports Authority to continue
operating the Keegan Landfill while they finalize
their permit.

As a result of all of that, especially
the litigation, he believe at this point that it's
in our best interest, and we talked to the Sports
Authority and we talked to the DEP, to extend our
Shared Service Agreement for a period of six
months while all of the litigation played out.
We also spoke with Waste Management,
and Waste Management is still willing to hold that
price firm for six months.

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And just so that you know, the price
that Waste Management gave us is actually
14 percent higher than the price we have going to
the Keegan Landfill for the Sports Authority
because they're keeping their prices the same as
the expiring contract.

So with all of that said, still have
to amend the plan, and they are permitting us to
do that by administrative action rather than a
formal plan amendment, which requires two public
hearings, only because this is short-term, again,
to see the litigation between the Town and the
Sports Authority. So then at that point we would
make the final determination. And my intent is to
sit with - because we do the plan amendment,
the full blown plan amendment, we need to do that
with the Freeholders and the Freeholder Committee.
So I'm going to be looking to meet with the
Freeholder Committee and put all of this on the
agenda so that they're aware of it and see how this
all shakes out.

Right now we're still at the same price
and the Sports Authority is willing to enter into
this extended agreement and Waste Management is
willing to also hold their price firm.
So the purpose of this resolution authorizes this Amendment to the Plan By Administrative Action to extend the contract for a six-month period at the same cost per ton as the expiring contract, which is $60 a ton for that type of waste.

COMMISSIONER LORENZO: After six months, if the litigation continues, what happens after that?

MR. GUERRA: I think at that point we're going to have to make a decision. I don't know if the State -- I don't know if Waste Management will hold the price any more, and I don't know if the State will go along with that. So a decision would have to be made. We're either going to stay with Keegan or we're going to go with Waste Management. This is just buying us a little more time because the whole plan amendment process could take three or four months because it requires two public hearings of the Freeholders, a meeting of the SWAC Committee, Solid Waste Advisory Committee, and the County even before you get to the Freeholders. And then after the Freeholders then it goes down to the DEP to get certified, and that takes time too. So this is buying us a little time.

CHAIRMAN PESTANA: Are there any questions?

(No response)

CHAIRMAN PESTANA: Any motions?

COMMISSIONER LORENZO: Motion. CHAIRMAN PESTANA: Motion by Commissioner Lorenzo.

COMMISSIONER GALLO: Second.

MS. LOZANO: Second by Commissioner Gallo.

MS. LOZANO: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. LOZANO: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. LOZANO: Commissioner Gallo.

COMMISSIONER GALLO: Yes.

MS. LOZANO: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. LOZANO: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. LOZANO: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. LOZANO: Resolution 6-2016-9 passes in the affirmative by six board members voting yes, three not present.

MR. GUERRA: Item number ten, Resolution 6-2016-10 of the Hudson County Improvement Authority authorizing the First Amendment to the Purchase and Sale Agreement with Morris Koppers Urban Renewal Associates, LLC for the disposition of the Koppers Seaboard site consisting of Block 287; Lots 32.01, 54, 55, 56, 60, 61.02 (also known as 61B), 6103 (also known as 61C), 62, 62.01 (also known as 62R), 63, 70, 70.01 (also known as 70R), 71, 71.01 (also known as 71R), and 80 as designated on the Tax Map of the Town of Kearny, Hudson County, New Jersey. I'm going to defer to counsel who will provide you with a little background of this extension.

MR. NETCHERT: And before we get started, I'm looking at the Resolution and in paragraph three it has a reference to the effective date of the Purchase and Sale Agreement as January 15, 2015. I think that's a typo. I think the contract date was January of 2016. So I would, for the record, correct the date in paragraph three to show an effective contract date of January 15th, 2016 for the Purchase and Sale Agreement.

As the Director said, we have been meeting constantly both with Morris and with Transit, and then sometimes together with Transit and Morris, and have been diligently working towards a resolution over all of the outstanding issues regarding access, regarding drainage, regarding utilities, regarding shared costs, and despite our best efforts to get to that point within the time period set forth in the original Purchase and Sale Agreement for due diligence, it was absolutely necessary to extend the period of time. The extension will be until September of 2016. It was due to expire in June. One of the latest things that have developed, which puts a kind of hurdle towards us getting to final completion, is that as of two or three weeks ago the Director was advised that the Town of Kearny has designated someone in that peninsula parcel different than the person that we have designated as a favored developer for the site. That was done without our knowledge and/or participation. So obviously if we didn't know about it, Morris and Transit didn't know about it. So it kind of has set things back a little bit.
We feel comfortable that this is a real deal and we're going to get there and we're going to get there as soon as we can. Transit is anxious to get there.

I think Transit probably has a deadline of the end of this year in order to pull the trigger with value for the 20-acre piece that they're going to take from us and the six-acre parcel outside.

We're kind of encouraged by some of the things we're seeing, by the appraisals that are coming in, and by the progress that we have made so far. But the latest I think is Norman has been involved in trying to put a meeting together between New Jersey Transit Rail Division and the Morris Companies because --

MR. GUERRA: They are actually going under the main rail digging through the -- well, they don't have to dig through the embankment.

There are columns that support the main line and they're actually going to run their road in there.

There is extensive work being done on both Transit's part and Morris's part in terms of the access road, and there will be two, one is on the east side and the other will be on the west side. And then there is all of the infrastructure that they have been working on together, which they have to share. And then there will be the easements related to Transit. So there is a tremendous amount, and both of them have been working really well together both with the common goal of getting this done.

MR. NETCHERT: And the other thing that the amendment does, just so that it's on the record, is that during the course of the due diligence we recognized that some of the paragraphs were inconsistent with some of the descriptions of the property, and so the metes and bounds descriptions were not including the block and lot descriptions. So the amendment also cleans up the issue of what properties are included in the purchase and sale by description.

MR. GUERRA: There has also been meetings with the DOT as it relates to the access roads both on the western portion and the eastern portion. So there is a lot that has really gone into this to date.

MR. NETCHERT: And if you are wondering, the Director received numerous phone calls today from the dust police, so the site is back right now.

MR. GUERRA: When PDM dries it's very light, and when that wind has been blowing we have had numerous complaints from the Public Service power station on the other side of the river and also, at times, Owens Corning, and also at times, although we are working closely with New Jersey Transit because their main line is right there.

And no matter how, even if you put water on it, the air is so dry that it immediately just dries up. So we had Clean Earth come up with an extra one or two water trucks. Probably by the time they got there with it this afternoon it probably died down a bit. But that's always an issue when it's windy. Tomorrow there is supposed to be rain, so --

CHAIRMAN PESTANA: When I was coming back on the turnpike this morning I could see it.

MR. GUERRA: You could see it. You probably could see it from here from the window.

You just got to look west.

CHAIRMAN PESTANA: I was wondering what that was. Now I know.

MR. GUERRA: Now you know.

It is very difficult to control. It is 138 acres. So once the closing takes place, then it is Morris's headache.

CHAIRMAN PESTANA: Are there any other questions?

CHAIRMAN PESTANA: Second.

CHAIRMAN PESTANA: Second by Commissioner Gallo.

MS. LOZANO: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. LOZANO: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. LOZANO: Commissioner Gallo.

COMMISSIONER GALLO: Yes.

MS. LOZANO: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. LOZANO: Commissioner Martinetti.
COMMISSIONER MARTINETTI: Yes.
MS. LOZANO: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS. LOZANO: Resolution 6-2016-10 passes in the affirmative with six board members voting yes, three not present.
MR. GUERRA: I would just defer to Mary-Ellen first if you have anything on the recycling.
MS. GILPIN: I just want to say that we finally finished our last event last Saturday. We had to do -- we did the last shredding event in Secaucus.
Next meeting I'll have all of the reports. Shredding was very popular this year. It increased like one-third over last spring. Rain barrels and compost bins were good, but not as good as last year. And HHW numbers were way down, but -- so next month I'll have a lot more information for you.
CHAIRMAN PESTANA: Thank you.
MS. GILPIN: You're welcome.
MR. GUERRA: Jay, do you have anything?
I know you had a successful Ride and Stride in North Bergen.

Mr. DeDOMENCO: I want to thank the Authority and its divisions for always being our partner in team making decisions in the Stride and Ride Bike Rodeo. Again, we had a record number of children participating with their parents and family members.
We were a success in Braddock Park. And next year we will be up in Jersey City, and we'll be doing that for two years, and then back to Bayonne after that.
This weekend we'll be working only with adults. We have got quite a large number of people signed up for program where we'll be teaching them how to ride in an urban environment safely.
CHAIRMAN PESTANA: Thank you, Jay.
MR. GUERRA: That's all.
MR. NETCHERT: Just an item regarding - I see litigation is on the agenda. I'll give you a quick update. If you recall, some months ago we came to you and asked for authorization to, if necessary, to file a lawsuit against one of the haulers by the name of Allegro, who was, in our opinion, circumventing the system significantly and depriving the Authority of certain revenues and putting the entire system in jeopardy. We think we have resolved that to our satisfaction and we'll be bringing a settlement proposal and agreement to you at the next meeting. The gist of it is that they finally have recognized that they have to sign the agreement that we have been saying they have to, that they can't do what they said they could do, and they will be paying us a significant amount of money as well.
So we should have that, barring lawyers getting in the way of success. It should be back to you, and I say that lovingly. But we can find I'm sure ten words in the agreement to argue about for three more months. But we should be back here next month.
CHAIRMAN PESTANA: Thank you, Bill. Is there anything else?
MR. NETCHERT: That's it.
MR. GUERRA: I think that's it.
CHAIRMAN PESTANA: Do we have a motion to adjourn the meeting?
COMMISSIONER GALLO: Moved.
CHAIRMAN PESTANA: Motion by Commissioner Gallo.
Is there a second?
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.

Signed

Sharon Palmer, C.C.R.

Dated: June 23, 2016