HUDSON COUNTY IMPROVEMENT AUTHORITY

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

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WEDNESDAY, MAY 16, 2018
830 BERGEN AVENUE, 9TH FLOOR
JERSEY CITY, NEW JERSEY 07306
COMMENCING AT 5:40 P.M.

BOARD MEMBERS:

FRANK PESTANA, CHAIRMAN
JAMES DORAN, VICE CHAIRMAN (ABSENT)
NICHOLAS GOLDSACK, TREASURER (ABSENT)
FRANK LORENZO, SECRETARY
FRED M. BADO, COMMISSIONER
BRIAN DELLABELLA, COMMISSIONER
JEFFREY DUBLIN, COMMISSIONER
MARTIN T. MARTINETTI, COMMISSIONER (ABSENT)
JOHN PENEDA, COMMISSIONER

APPEARANCES:

NORMAN M. GUERRA, CHIEF EXECUTIVE OFFICER

KURT CHERRY, EXECUTIVE DIRECTOR/CFO

WILLIAM J. NETCHERT, ESQ.  GENERAL COUNSEL

ELIZABETH RAMOS, EXECUTIVE ASSISTANT TO THE
BOARD

SHARON PALMER LYNCH
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
JAMES POLICASTRO, HCIA
MICHAEL O'CONNOR, HCIA
TED DOMURACKI, MAST CONSTRUCTION

COMMISSIONER PENEDA: Here.
MS. RAMOS: Chairman Pestana.
CHAIRMAN PESTANA: Here.
MS. RAMOS: Mr. Chairman, we have a quorum with six board members present, three not present.
CHAIRMAN PESTANA: Thank you, Liz. At this time we're looking for a motion for approval of the minutes from the April 11th meeting.
COMMISSIONER DUBLIN: Motion.
CHAIRMAN PESTANA: Motion by Commissioner Dublin.
COMMISSIONER PENEDA: Second.
CHAIRMAN PESTANA: Second by Commissioner Peneda.
MS. RAMOS: Commissioner Bado.
COMMISSIONER BADO: Yes.
MS. RAMOS: Commissioner Dellabella.
COMMISSIONER DELABELLA: Abstain.
MS. RAMOS: Commissioner Dublin.
COMMISSIONER DUBLIN: Yes.
MS. RAMOS: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.
MS. RAMOS: Commissioner Peneda.

CHAIRMAN PESTANA: At this time we'll call the meeting of the Hudson County Improvement Authority to order.
Would everyone please rise to salute the flag.
(At this time the Pledge of Allegiance is recited.)
CHAIRMAN PESTANA: Liz, would you call the roll please.
MS. RAMOS: Sure.
Commissioner Bado.
COMMISSIONER BADO: Present.
MS. RAMOS: Commissioner Dellabella.
COMMISSIONER DELABELLA: Here.
MS. RAMOS: Commissioner Doran. Not present.
Commissioner Dublin.
COMMISSIONER DUBLIN: Here.
MS. RAMOS: Commissioner Goldsack. Not present.
Commissioner Lorenzo.
COMMISSIONER LORENZO: Here.
MS. RAMOS: Commissioner Martinetti. Not present.
Commissioner Peneda.

COMMISSIONER PENEDA: Yes.
MS. RAMOS: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS. RAMOS: The minute of April 11th, 2018 are approved with five board members voting yes, one abstention, and three not present.
CHAIRMAN PESTANA: Okay. At this time we'll take comments from the public.
(No response)
MR. NETCHERT: There is a bit of housekeeping, Mr. Chairman.
CHAIRMAN PESTANA: Oh, yes.
Mr. Netchert.
MR. NETCHERT: We'll do the notice provision in a second.
Off the record.
(Discussion off the record.)
MR. NETCHERT: Back on the record.
Mr. Chairman, as the board knows, this is a public meeting. Notice of tonight's meeting was forwarded to both the Star-Ledger and Jersey Journal for publication in their respective newspapers on February 15th, 2018. Notice was also forwarded to the Clerk of the County of Hudson, the Clerk of the Hudson County Board of
Freeholders for posting on their respective bulletin boards outside of their offices, and finally notice was posted on the bulletin board outside this meeting room as well as on the Authority’s website. These notices are all in compliance with the requirements of the Open Public Meetings Act.

CHAIRMAN PESTANA: Thank you. So going back, are there any comments on anything relating to the agenda?

(No response)

CHAIRMAN PESTANA: Seeing none, the public portion is now closed.

MR. GUERRA: Item number four is Resolution 5-2018-4 of the Hudson County Improvement Authority authorizing payment of certain costs and expenses of the Authority for the month of May 2018.

CHAIRMAN PESTANA: Is there any questions or motions?

(No response)

CHAIRMAN PESTANA: Is there a motion to pay the bills?

COMMISSIONER PENDED: I'll make a motion.

CHAIRMAN PESTANA: Motion by Commissioner Peneda.

COMMISSIONER DELLABELLA: I'll second it.

CHAIRMAN PESTANA: Seconded by Commissioner Dellabella.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Aye.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Aye.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENDED: Yes.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 5-2018-4 passes, as amended, with six board members voting yes, three not present.

MR. GUERRA: Commissioners, item five, the packet in your resolution, is replaced by the one that we handed out earlier. I believe there was a typo in the earlier resolution.

Item number five is Resolution 5-2018-5 of the Hudson County Improvement Authority approving Change Order No. 6 to the Agreement between the Authority and Terminal Construction Corporation for Design-Build Services for a new High Tech High School.

As you know, back in April of 2016 we executed the Design-Build Agreement with Terminal Construction, and in accordance with that agreement all of the change orders and the scope of work and related services need to be authorized. Those change orders need to be authorized by this Board.

To date the Board has approved five change orders totaling $5,912,918.

Our construction manager, who is with us tonight, is seeking approval for Change Order No. 6 in the amount of $1,449,818. This is for unanticipated expenses relating to electrical work, adding emergency frequencies for the Sheriff's Office, adding additional security cameras, there is an extension of a walkway, the fitness equipment, and the environmental work that has been recently requested by the LSRP.

Ted is with us this evening. If Ted just wants to expound a little bit on the scope of work.

MR. DOMURACKI: We're in the process of cleaning up paperwork from subcontractors in order to execute these change orders. The work was proceeding by these contractors many months ago. We did not approve it until we came in front of the Board.

One of the items on it is the extension of the walkway. If you look at the project, that tan walkway that you see there, we elected to extend it all the way around the building. It was on the original design and it was reduced for value engineering. The project can support those additions and costs, so we added it back in because it would be almost impossible to do after the school opened.

In addition to that, there is additional cameras that we added specifically in the elevators, cart access in the elevators, and the school wanted coaxial cable with all of their digital SMART Boards, which was in addition to scope.

A lot of these changes in electrical and low voltage have to do specifically with the
specialty areas, the Black Box Theater, the
1 gymnasium, and it has relative to do with the IT
2 that we took on from the School of Technology.
3 Some electrical capacity had to be added from the
4 contractor that we hired for this IT work.
5 MR. GUERRA: And the total amount, and
6 I may not have said this, if I did, I'll just
7 repeat ourselves. The total amount of this change
8 order is $1,449,818. The total change orders to
9 date is $7,362,737 which is approximately
10 5.3 percent of the overall project. So the total
11 amount to date spent for the construction of the
12 school is $150,462,736.93.
13 COMMISSIONER DUBLIN: Sir.
14 MR. GUERRA: Yes.
15 COMMISSIONER DUBLIN: What was the
16 total estimated cost on it?
17 MR. GUERRA: For the entire --
18 COMMISSIONER DUBLIN: The initial
19 overall price for everything.
20 MR. GUERRA: The initial contract for
21 the whole --
22 COMMISSIONER DUBLIN: Yes.
23 MR. GUERRA: -- thing, the initial was
24 was 143, Ted?
25

MR. DOMURACKI: And the thing is we're
1 vetting and negotiating change orders. We have
2 reduced the cost over a million dollars in terms
3 of what was requested through the life of the job,
4 but we need proper paperwork to vet the
5 subcontractors' requests.
6 COMMISSIONER DUBLIN: And we're still
7 on schedule for --
8 MR. DOMURACKI: We're on schedule for
9 July 27th for a TCO.
10 COMMISSIONER DUBLIN: Okay.
11 CHAIRMAN PESTANA: Does anybody else
12 have questions?
13 (No response)
14 CHAIRMAN PESTANA: Do we have any
15 motions on this change order?
16 COMMISSIONER LORENZO: Motion.
17 MR. GUERRA: Hold on, Kurt. He just
18 asked me if we could wait ten minutes.
19 CHAIRMAN PESTANA: We have a motion by
20 Commissioner Lorenzo.
21 Do we have a second?
22 COMMISSIONER PENEDA: I'll second it.
23 CHAIRMAN PESTANA: We have a second by
24 Commissioner Peneda.
25

MR. DOMURACKI: It was $140 million and
1 it had a $3 million allowance, which we used for
2 some of this work. So we have to use this source
3 of funds from project contingencies to finance
4 these changes. And the source of funds are
5 available for these changes.
6 COMMISSIONER DUBLIN: Do we project any
7 more costs?
8 MR. DOMURACKI: Yes.
9 COMMISSIONER DUBLIN: Are they before
10 the board on any other changes orders?
11 MR. DOMURACKI: Yes. We anticipate
12 another round of change orders. We have the
13 capacity to pay for them. I just don't want to
14 disclose --
15 MR. GUERRA: We're still within the
16 budget that we have.
17 COMMISSIONER DUBLIN: Okay.
18 CHAIRMAN PESTANA: So you're aware of
19 what may be coming?
20 MR. DOMURACKI: Yes.
21 CHAIRMAN PESTANA: And you're not
22 concerned with any of it?
23 MR. DOMURACKI: No.
24 CHAIRMAN PESTANA: Okay.
25

MS. RAMOS: Commissioner Bado.
1 COMMISSIONER BADO: Yes.
2 MS. RAMOS: Commissioner Dellabella.
3 COMMISSIONER DELABELLA: Yes.
4 MS. RAMOS: Commissioner Dublin.
5 COMMISSIONER DUBLIN: Yes.
6 MS. RAMOS: Commissioner Lorenzo.
7 COMMISSIONER LORENZO: Yes.
8 MS. RAMOS: Commissioner Peneda.
9 COMMISSIONER PENEDA: Yes.
10 MS. RAMOS: Chairman Pestana.
11 CHAIRMAN PESTANA: Yes.
12 MS. RAMOS: Resolution 5-2018-5 passes,
13 as amended, with six board members voting yes,
14 three not present.
15 MR. GUERRA: Chairman, if we can just
16 move to item number seven and then we'll come back
to six. I just want to give Ryan five more
17 minutes.
18 Resolution 5-2018-7 of the Hudson
19 County Improvement Authority concerning review of
20 the findings of the Local Finance Board made at a
21 meeting of said Board on May 9th, 2018 in
22 accordance with the provisions of N.J.S.A.
23 40A:5A-7 with respect to the issuance of
On April 9th we advertised for bids.
There were four bidders who bid on the project.
On May 2nd we actually received the bids. In your package is a Letter of Recommendation. The lowest bidder was T.R. Weniger. The amount of the bid was $449,600. The second lowest bidder was $530,000 and then the other bids went up to close to $700,000.

There is a recommendation letter in there by Mott McDonald, who was our consulting engineer on that project, and his recommendation is that it is to be awarded to the lowest bidder, which is T.R. Weniger, for the repair work.

We're trying to get this work done at least by June. The Hackensack Riverkeeper has been using property, I believe a marina, on the other side of the river, and I believe it's in either East Rutherford or Rutherford, where they are using that as a boat launch ramp. The season usually starts in May, so we're hoping to have this done by June.

COMMISSIONER DUBLIN: Is that recurrent
---
MR. GUERRA: I'm sorry?
COMMISSIONER DUBLIN: Before it was there it was frequently used.
MR. GUERRA: Oh, yes. It's quite active.
COMMISSIONER DUBLIN: Yes.
MR. GUERRA: It's quite active. You get a lot of people dropping canoes in there, small boats, and what have you. It's right in Laurel Hill Park. It was a nice setup that they had, but the boat launch ramp itself was in total disrepair as was one of the piers.

COMMISSIONER DUBLIN: What was the other one?
MR. GUERRA: The original one?
COMMISSIONER DUBLIN: Yeah.
MR. GUERRA: That was done through the Parks Department years ago before we were here.
But it's a nice setup that they have there. And that's where we built that other piers. It's like a public promenade and walkway that goes out and comes back into the land.

CHAIRMAN PESTANA: It's that one there, right? It's very nice.
MR. GUERRA: Yes. That one we did.
It's pretty close to that. It's just on the other side. And there is some restoration to the
bulkhead involved with this too. And the County is funding this. I believe that they are doing it through their Green Acre Programs.

CHAIRMAN PESTANA: Are there any other questions?

(No response)

CHAIRMAN PESTANA: Are there any motions?

COMMISSIONER PENEDA: I'll make a motion.

CHAIRMAN PESTANA: Motion my Commissioner Peneda.

COMMISSIONER DELABELLA: Second.

CHAIRMAN PESTANA: Seconded by Commissioner Dellerella.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELABELLA: Yes.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 5-2018-8 passes in the affirmative by six board members voting yes, three not present.

MR. GUERRA: Item number six is Resolution 5-2018-6 of the Hudson County Improvement Authority selecting a successful proposer from the proposals received in response to the requests for proposals for the operation and management of Skyway Public Nine-Hole Golf Course at Lincoln Park West, a Hudson County Park, City of Jersey City, County of Hudson, State of New Jersey, dated February 9th, 2018.

If you recall, back in January the Board had authorized the issuance of an RFP for the operation and management of the golf course. As you know, Kemper Sports has been operating it since we opened it.

We had gone through a process, Ryan Scerbo, who was with us, had prepared the requests for proposals, and two companies participated, Kemper Sports and Billy Casper. The evaluation team reviewed and scored the proposals received.

Based on their review and scoring the team recommended a five-year contract with Kemper Sports.

Ryan is not with us right now, and I know he's at another meeting. He said to call him in ten minutes.

Kemper Sports bid for year one, year two, three, four, and five. And for year one Kemper Sports was about $66,000 for year one, whereas Casper was $93,000 for year one. Again, we fund the budget. We just pay them a management fee to operate this. And then each year thereafter --

Mike, I know you have the evaluation.

MR. O'CONNOR: Yeah.

MR. GUERRA: The total amounts.

MR. O'CONNOR: The total amounts for the contracts for Kemper, the current operator, years one through five, the total amount for operation was $350,403 and for Casper the total amount was $483,975. So it's more than $130,000 in difference over the five-year operation of the proposal. That was the primary difference in the scoring.

The others were -- one element to the scoring, if you look at the scoring sheet in the back, the scoring was on 90 points instead of 100 points because the selection committee determined that it wasn't necessary to do interviews after reviewing the proposals. So this is out of 90 points.

And the other items were, one of the notable ones was that Kemper has particular expertise here and in other locations with the operation of an urban golf course, an urban public golf course, which is a rather unique type of operation. And while Casper had some experience, Kemper was scored higher in that regard, and then I think one or two points scattered throughout the rest of the matrix.

MR. GUERRA: And I must say that we have had good experience with Kemper. If any of you have been out at the golf course, or even visiting the clubhouse, they do a really good job with it. Kurt has worked closely with them on the finance side. They keep the course in excellent shape. People that golf - golfers love it. And so our recommendation, along with our consultant, is to award it to Kemper Sports.

CHAIRMAN PESTANA: Are there any questions?
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COMMISSIONER DELABELLA: I'll make a motion.
COMMISSIONER PENEDA: And I'll second it.
CHAIRMAN PESTANA: I have a motion by Commissioner Delabella, seconded by Commissioner Peneda.
MS. RAMOS: Commissioner Bado.
COMMISSIONER BADO: Yes.
MS. RAMOS: Commissioner Delabella.
COMMISSIONER DELABELLA: Yes.
MS. RAMOS: Commissioner Dublin.
COMMISSIONER DUBLIN: Yes.
MS. RAMOS: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.
MS. RAMOS: Commissioner Peneda.
COMMISSIONER PENEDA: Yes.
MS. RAMOS: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS. RAMOS: Resolution 5-2018-6 passes in the affirmative by six board members voting yes, three not present.
MR. GUERRA: Mary-Ellen, do you have anything?
MS. GILPIN: I just want to make one comment about shredding, which is over for the spring. We have increased our participation almost 100 percent from last spring. I think most of that was due to all of our faithful advertising. We actually did two trucks at Bayonne, Jersey City and Secaucus. So we're looking to do another good event. We're in the middle of Household Hazardous Waste, which was very slow this last week. So hopefully the rain won't keep too many people away this weekend.
CHAIRMAN PESTANA: Anything else?
MS. GILPIN: But shredding went very, very well.
CHAIRMAN PESTANA: Is there anything else?
MR. GUERRA: That's it, Chairman.
CHAIRMAN PESTANA: All right. So if there is nothing else, is there a motion to adjourn?
COMMISSIONER PENEDA: I'll make a motion.
CHAIRMAN PESTANA: Motion by Commissioner Peneda.
COMMISSIONER LORENZO: Second.

CHAIRMAN PESTANA: Seconded by Commissioner Lorenzo.
All in favor.
COMMISSIONER BADO: Aye.
COMMISSIONER DELABELLA: Aye.
COMMISSIONER DUBLIN: Aye.
COMMISSIONER LORENZO: Aye.
COMMISSIONER PENEDA: Aye.
CHAIRMAN PESTANA: Aye.

(The meeting concludes at 6:10 p.m.)

CERTIFICATION

I, Sharon Palmer Lynch, 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.

Sharon Palmer Lynch, C.C.R.

Dated: May 17, 2018