HUDSON COUNTY IMPROVEMENT AUTHORITY

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

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WEDNESDAY, JANUARY 8, 2020
830 BERGEN AVENUE, 9TH FLOOR
JERSEY CITY, NEW JERSEY

BOARD MEMBERS:
FRANK PESTANA, CHAIRMAN
JAMES DORAN, VICE CHAIRMAN (VIA TELEPHONE)
NICHOLAS GOLDSACK, TREASURER
FRANK LORENZO, SECRETARY
FRED M. BADO, COMMISSIONER
BRIAN DELABELLA, COMMISSIONER
JEFFREY DUBLIN, COMMISSIONER
MARTIN T. MARTINETTI, COMMISSIONER
JOHN PENEIDA, COMMISSIONER

APPEARANCES:
NORMAN M. GUERRA, CHIEF EXECUTIVE OFFICER
KURT CHERRY, EXECUTIVE DIRECTOR/CFO
MICHAEL O'CONNOR, ASSISTANT GENERAL COUNSEL

ELIZABETH RAMOS, ASSISTANT SECRETARY TO THE BOARD

R.J. O'CONNELL ASSOCIATES
P.O. BOX 277
CEDAR GROVE, NEW JERSEY 07009
(973) 239-7252

R.J. O'CONNELL ASSOCIATES, INC. (973) 239-7252
ALSO PRESENT:

MARY-ELLEN GILPIN, HCIA
JAMES POLICASTRO, HCIA
MICHAEL COMBA, HOBOKEN STRATEGY GROUP
JEFF LANIGAN
JAY DiDOMENICO
CAITLIN MOTA
MR. RIZZO, AERI
(The meeting commences at 5:45 p.m.)

CHAIRMAN PESTANA: We'll call the meeting to order. Everyone please rise to salute the flag.

(The Pledge of Allegiance is recited.)

CHAIRMAN PESTANA: Jimmy, you didn't have to stand for that, okay?

COMMISSIONER DORAN: If it was okay with you, I took a bye.

CHAIRMAN PESTANA: So, Counselor?

MR. O'CONNOR: The requirements of the Open Public Meetings Act of the State of New Jersey have been satisfied by the inclusion of the time, place, and date of this board meeting, the regular board meeting scheduled, forwarded to the Jersey Journal, and the Star Ledger published on Thursday, February 14, 2019. It was also forwarded for posting on the public bulletin board for the Clerk of the Board of Chosen Freeholders, the Clerk of the County of Hudson, and the meeting schedule is also posted on the Authority's website and the Authority's public information bulletin boards. I'd ask this notice be placed in The minutes of this meeting.

CHAIRMAN PESTANA: Thank you. Okay. So
at this time, we'll call for approval of the minutes from the December 11th meeting.

COMMISSIONER GOLDSACK: Motion.

CHAIRMAN PESTANA: Motion by Commissioner Goldsack. Second by Commissioner Dublin.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELABELLA: Yes.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Abstain.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. RAMOS: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. RAMOS: The minutes of December 11,
2019, are approved with eight board members voting yes, one abstention.

CHAIRMAN PESTANA: Okay. So at this time we'll take comments from the public on anything relating to the agenda? Seeing none, public portion is now closed.

MR. GUERRA: Item number 4, resolution number 1-2020-4 of the Hudson County Improvement Authority authorizing the payment of certain costs and expenses of the Authority for the month of January 2020.

COMMISSIONER DUBLIN: Motion.

CHAIRMAN PESTANA: We have a motion by Commissioner Dublin.

COMMISSIONER GOLDSACK: Second.

CHAIRMAN PESTANA: Second by Commissioner Goldsack.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Yes.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Yes.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.
MS. RAMOS: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 1-2020-4 passes in the affirmative, nine board members voting yes.

CHAIRMAN PESTANA: Although we do have a full board today, we never took roll call, so we should probably do that.

MR. O'CONNOR: Thank you.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Present.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Here.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Here.

MS. RAMOS: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Here.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Present.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Here.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Here.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Here.

MS. RAMOS: Mr. Chairman, we have a quorum with nine board members present.

CHAIRMAN PESTANA: Thank you.

MR. GUERRA: Item number 5, resolution number 1-2020- 5 of the Hudson County Improvement Authority concerning review of the findings of the Local Finance Board made, a meeting of said board January 8th, 2020, in accordance with the provisions of N.J.S.A. 40A:5A-7 with respect to the issuance of county guaranteed pooled notes, local unit loan program.

This matter was heard today down at the Local Finance Board and it's my understanding that positive findings were issued. And I would ask the CFO to confirm that?

MR. CHERRY: I can confirm that.
CHAIRMAN PESTANA: Okay. Is there any questions for anyone? Any motions?

COMMISSIONER DELLABELLA: Motion.

CHAIRMAN PESTANA: Motion by Commissioner Dellabella.

COMMISSIONER GOLDSACK: Second.

CHAIRMAN PESTANA: Second by Commissioner Goldsack.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Yes.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Yes.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. RAMOS: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. RAMOS: Chairman Pestana.
CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 1-2020-5 passes in the affirmative, nine board members voting yes.

MR. GUERRA: Item number 1-2020-6, 2020 subordinated supplement bond resolution authorizing the issuance of not to exceed $2.3 million subordinated waterfront improvement bonds or notes of the Hudson County Improvement Authority and determining other matters related thereto.

The resolution before you authorizes the issuance of the bonds and I believe this also -- and again, I'll defer to the CFO, relates to the hearing that took place today?

MR. CHERRY: That's correct.

MR. GUERRA: And this is for the town of Weehawken, the waterfront.

CHAIRMAN PESTANA: Anybody have any questions on this? Any motions?

COMMISSIONER GOLDSACK: Motion.

CHAIRMAN PESTANA: Motion by Commissioner Goldsack.

COMMISSIONER DORAN: Second.

CHAIRMAN PESTANA: Second by Commissioner Doran.
MS. RAMOS: Commissioner Bado.
COMMISSIONER BADO: Yes.
MS. RAMOS: Commissioner Dellabella.
COMMISSIONER DELLABELLA: Yes.
MS. RAMOS: Commissioner Doran.
COMMISSIONER DORAN: Yes.
MS. RAMOS: Commissioner Dublin.
COMMISSIONER DUBLIN: Yes.
MS. RAMOS: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Yes.
MS. RAMOS: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.
MS. RAMOS: Commissioner Martinetti.
COMMISSIONER MARTINETTI: Yes.
MS. RAMOS: Commissioner Peneda.
COMMISSIONER PENEDA: Yes.
MS. RAMOS: Chairman Pestana.
CHAIRMAN PESTANA: Yes.
MS. RAMOS: Resolution 1-2020-6 passes in the affirmative, nine board members voting yes.
MR. GUERRA: Item 7, resolution number 7, 1-2020-7 of the Hudson County Improvement Authority approving a shared services agreement between the County of Hudson and the Hudson County Improvement Authority.
This resolution authorizes the renewal of our shared service agreement with the County of Hudson. The terms and conditions remain the same as the expiring agreement for the most part. It permits the Authority to provide services to the County and permits the Authority to engage in certain services provided by the County. It covers all the reimbursement costs to the County when we do some of those projects for them, they cover all costs related to that. And at times the management fee for the Authority. For the most part, most of the services are provided through our Office of Planning and Energy and our Department of Finance. I believe this matter is on the Freeholder agenda?

MR. O'CONNOR: It was on the Freeholder agenda last -- the last one of the year in December and was adopted.

MR. GUERRA: So we're agreeing and I believe it's a ten year agreement?

MR. O'CONNOR: It is.

CHAIRMAN PESTANA: Okay. Any questions? Any motions?

COMMISSIONER PENEDA: I'll make the motion.
CHAIRMAN PESTANA: Motion by Commissioner Peneda.

COMMISSIONER DELLABELLA: I'll second.

CHAIRMAN PESTANA: Second by Commissioner Dellabella.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Yes.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Yes.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. RAMOS: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 1-2020-7 passes in the affirmative, nine board members voting yes.
MR. GUERRA: Item number 8, resolution number 1-2020-8 of the Hudson County Improvement Authority authorizing the award of contracts to Advanced Enterprises Recycling, Inc., for the disposal of processible and non-processible waste generated within Hudson County.

On December 17th, we accepted bids for the disposal of processible waste, which is also known as type 10 municipal waste, municipal/commercial waste. Non-processible waste, that's known as type 13, that's your bulky waste, your furniture, your construction and demolition waste, and soils. The bid specs required bidders to provide disposal services for about 450,000 tons of municipal commercial waste that Hudson County generates, or a portion thereof, but not less than 50,000 tons. It also required the bidders to provide disposal services for the non-processible, again that's the type 13, that's the bulky waste.

Bids were received from three companies, Advanced Environmental Recycling, Inc., who's currently for the past eight, maybe close to twelve years, have been accepting our waste. Waste Management of New Jersey and Covanta, which
is the waste energy plant right here in Essex. Covanta's bid was strictly for 50,000 tons, not the 450,000.

What I'm going to read into the record are the bid results, for once again, the processible waste, which is the municipal waste. For year one Waste Management bid $72, for year two, Advanced Environmental Recycling Company bid $74.67 and for year three, Covanta bid $73.88.

Year two, Waste Management bid $75.60; AER, which again, is Advanced Recycling, $75.16; and Covanta, $76.10. Year three, Waste Management bid $79.38, AER bid $75.65, and Covanta bid $78.38.

And what we do is we take the average of those three years. The three years, when you break it down, the first three years, the average it comes to Waste Management $75.66, AER was $75.16, and Covanta for the 50,000 tons was $76.12.

Non-processible waste, the bids were the same, for Waste Management when you average it out $75.66 for the bulky waste, AER $75.16 for the bulky waste, and Covanta did not bid on the non-processible waste.

Then we also bid for two additional
years. Typically, we award a three-year contract and we have the option, it's our option to extend it for year four and five. So I'll read into the record the average for the total five years. Waste Management five year total was $80.56, AER was $75.65, and Covanta was $78.45, again for the municipal waste.

For the bulky waste, Waste Management was $80.56, AER, Advanced Environmental Recycling $75.65. And again, Covanta did not bid on the bulky waste.

The Authority's staff, our professional consultants, have examined the submissions. In your packet was a letter from -- a recommendation from Kevin Conti and also from John Bolan who did a thorough evaluation. And they recommended that the contract be awarded to AERI as the lowest responsible complying bidder for the disposal services of about 450,000 tons of the municipal commercial waste. They also recommend that the contract be awarded for a period of three years with the Authority retaining the option to extend it again at our option for two additional one year periods. Under the award, AERI would be required to provide services for the disposal of municipal
and commercial waste effective July 1st, 2020.

With regard to the non-processible, if you recall, when Keegan closed, we went out to bid for the type 13 because we needed to have a designated facility. We issued a 12 month contract to them. So AER would be required to provide services for that type of waste commencing on December 1st, 2020. The reason for the difference again was because of the sudden closure of Keegan.

Our intent was to have both the Waste Management contract terminate on the 30th of November and at that time the contract with the successful bidder, who in this case is AERI, will commence on December 1st. So they would pick up from that point on.

The resolution before you authorizes a three year contract with Advanced Environmental Recycling, Inc. At the end of the day, the difference was about 50 cents, when you go with the average numbers between Waste Management and AER.

CHAIRMAN PESTANA: How does it compare to what we were paying?

MR. GUERRA: We're up -- Kurt, was it
sever dollars, if I recall? There's no increase to the municipalities. What we've been doing for the last, I don't know maybe six years, Kurt, every year, we automatically do 2 percent increase so it doesn't hit somebody's budget all at once. If you remember, years ago, I think when we first came in, we had like a ten dollar hit, we had no choice but to increase the rates. Then we started every year, just 2 percent increase because we knew sooner or later, it was going to go up. And this is the time they went up. And as you can see the numbers are very close between the companies, so they're all in the same ballpark.

AERI has been providing us good service, everything is railed out I believe it's in Ohio, one of the principals, Mr. Rizzo, is here with us tonight. You know, at times with rails, there's problems. But they've never turned our trucks away. Sometimes you got to wait and a lot of times the private guys will wait before us. So they've been pretty good moving the waste. And that's about it.

CHAIRMAN PESTANA: Do we have any other questions? Any motions?

COMMISSIONER GOLDSACK: Motion.
CHAIRMAN PESTANA: Motion by Commissioner Goldsack.

COMMISSIONER DORAN: Second.

CHAIRMAN PESTANA: Second by Commissioner Doran.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELABELLA: Yes.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Yes.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. RAMOS: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Yes.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 1-2020-8 passes in the affirmative, nine board members voting yes.
MR. GUERRA: Item number 9, resolution number 1-2020-9 of the Hudson County Improvement Authority recommending an amendment to the Hudson County solid management plan to incorporate new contracts for solid waste disposal services.

In accordance with the New Jersey solid waste management plan, we're required to amend the Hudson County solid waste management plan to include AERI facility as our designated facility, this is part of the process. It also incorporates the solid waste disposal agreements that we would enter into. The resolution before you recommends the amendment to the Hudson County district solid waste plan. Once we do that, then the plan amendment goes to the freeholders for their approval. Once the freeholders have a public hearing, I believe, an ordinance?

MR. O'CONNOR: Yes.

MR. GUERRA: Then all that goes down to the state for the state certification. So that's why we were anxious to keep this moving because sometimes it takes the state a little longer than we feel it should for them to certify our plan amendment. So hopefully we will have all this in place for the July, July 1st is when the type 10
waste goes into effect.

CHAIRMAN PESTANA: Any questions?

COMMISSIONER PENEDE: I'll make a motion.

CHAIRMAN PESTANA: Motion by Commissioner Peneda.

COMMISSIONER DELLABELLA: Second.

CHAIRMAN PESTANA: Second by Commissioner Dellabella.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Yes.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Yes.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Yes.

MS. RAMOS: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Yes.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Yes.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Yes.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDE: Yes.
MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 1-2020-9 passes in the affirmative, nine board members voting yes.

MR. GUERRA: One of the add-ons tonight was item number 10, resolution 1-2020-10 of the Hudson County Improvement Authority authorizing an agreement to participate in the Union County cooperative pricing system.

As you may recall, we are part of the Middlesex cooperative pricing system and we'd like to do the same with Union County. A lot of you know -- we've been doing some buying, some purchasing through Middlesex and we'd like to be part of the Union. It seems like that's what a lot of other municipalities and other entities are doing. This resolution gives us the authorization to do that.

MR. O'CONNOR: Yeah. I think a lot of the people who are involved in municipal government around table are probably familiar with this. Municipal governments are taking advantage of it, in addition to state contractors.

CHAIRMAN PESTANA: Are they that much different between the two counties, the co-ops?
MR. O'CONNOR: You know what it is, they're more -- we're just looking at it for something specific, there are a couple things. There are different service providers and vendors between the different systems. So you're able to take advantage.

MR. GUERRA: You might have X with Middlesex and another whole bank with Union that aren't here, you know. So it gives you, I think, more options when you're looking to do purchasing of certain services.

CHAIRMAN PESTANA: All right. Anybody else have any questions? Any motions?

COMMISSIONER DELLABELLA: Motion.

CHAIRMAN PESTANA: Motion by Commissioner Dellabella.

COMMISSIONER GOLDSACK: Second.

CHAIRMAN PESTANA: Second by Commissioner Goldsack.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Yes.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Yes.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Yes.
MS. RAMOS: Commissioner Dublin.
COMMISSIONER DUBLIN: Yes.
MS. RAMOS: Commissioner Goldsack.
COMMISSIONER GOLDSACK: Yes.
MS. RAMOS: Commissioner Lorenzo.
COMMISSIONER LORENZO: Yes.
MS. RAMOS: Commissioner Martinetti.
COMMISSIONER MARTINETTI: Yes.
MS. RAMOS: Commissioner Peneda.
COMMISSIONER PENEDA: Yes.
MS. RAMOS: Chairman Pestana.
CHAIRMAN PESTANA: Yes.

MS. RAMOS: Resolution 1-2020-10 passes in the affirmative, nine board members voting yes.

MR. GUERRA: Just for informational purposes, our next meeting is the re-org meeting and I'm also going to have Mast Construction do a presentation the new Frank Guarini justice complex that we'll be involved with. We did issue that request for qualifications since our last meeting. We did get four responses, that's all going over to the county for their selection committee to review and short list and make the appropriate recommendation to us. But I thought it would be good for Mast to give the board a little overview
of what the project looks like. It's pretty awesome. So, Mayor, you have anything? Jay, nothing?

COMMISSIONER LORENZO: When is that meeting?

MR. GUERRA: February -- second Wednesday in February.

MS. RAMOS: 12th.

COMMISSIONER LORENZO: Okay, thank you.

CHAIRMAN PESTANA: There's no other business? Motion to adjourn?

COMMISSIONER GOLDSACK: Motion.

COMMISSIONER PENEDA: Motion by Commissioner Goldsack, second by Commissioner Peneda. All in favor. Aye.

(The meeting was concluded at approximately 6:05 p.m.)
CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true and accurate transcript of the testimony and proceedings as taken stenographically by me at the time, place, and on the date hereinbefore set forth.

[Signature]

SUSAN BISCHOFF, CCR, RPR LICENSE NO. 30XI00233700