

DRAFT

Board of Directors
Minutes
September 19, 2011

The quarterly meeting of the South Jersey Economic Development District was convened on September 19, 2011, at Braca's Cafe, Cape May County, New Jersey.

In attendance:

Atlantic County:

Jim Bertino
John Bettis
Joseph Molineaux

Cape May County:

Leonard C. Desiderio
Stephen O'Connor
Stephen Saylor

Salem County:

Beth Timberman
Rhonda Lowery
John Hall
Lee Williams

Cumberland County:

William Whelan
Dante Rieti
Donald Ayres
Kim Wood
Sandy Forosisky

Guests: Lenora Boninfante, Communications Director, Cape May County

Staff: Gordon K. Dahl, Executive Director; Diana L. Schiavo, Chief Operations Officer; Deborah Dalton, Administrative and Construction Assistant; Noah Bronkesh, Esq.; and Brad Rosenthal, Assistant to the Director; all of the South Jersey Economic Development District.

Mr. Desiderio, Chairman, called for the flag salute.

Mr. Desiderio called for introductions of those in attendance.

Mr. Desiderio asked if there were any additions or corrections to the minutes.

There being none, Mr. Desiderio requested approval of the minutes.

Mr. Desiderio then requested the Treasurer's Report.

Freeholder Timberman advised that in the packet provided is the listing of bills that have been paid since the last quarterly meeting. Mr. Dahl explained the Profit and Loss Statement. Ms. Timberman asked if there were any questions or comments regarding the financial information, there being none the Treasurer's Report was approved.

Mr. Desiderio then requested that Mr. Dahl provide the Executive Director's report.

Mr. Desiderio called for the introduction of Resolution:

Resolution 20:11 - Change Order: PS & S Engineers

Mr. Dahl stated that the resolution applies to a telecommunications line for the Next Generation Aviation & Technology Park that was initially going to be bored underground. However, the SJTA had notified the SJEDD that this could not be done as the groundwater in that area is contaminated and designated as a superfund cleanup site. This in addition to several unforeseen obstacles including unfavorable winter weather conditions, caused the construction timetable be extended from March 7, 2011, to June 17, 2011. This resolution allows for the time period extension in addition to a contract amendment in the amount of \$9,500 for additional fees to continue inspection services through the project completion date of June 17, 2011.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Mr. Desiderio called for the introduction of Resolution:

Resolution 21:11 – Memorandum of Agreement - NJTA

Mr. Dahl explained that this resolution is for "Jersey Fresh" Farmer Market vendors to set up at the OceanView Rest Station on the Garden State Parkway at mile marker 18.3 and for the vendors to introduce new products and services to the travelers.

Chairman Desiderio added that it was formally a Roy Rogers that had been vacated and the building remained empty and the restrooms were being closed at 5:00 pm. The District in cooperation with the NJ Turnpike Authority added some life to the facility and "spruced up" the area.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Mr. Desiderio called for the introduction of Resolution:

Resolution 22:11 – USDA Grant Application: Tourism Center Route 55

Mr. Dahl stated that there are currently no Tourism Information Centers along the 40 mile stretch of Route 55. These facilities add significant economic benefit to the businesses. The USDA has a grant program to fund feasibility studies to expand employment opportunities and a project of this type could be competitive.

Mr. Desiderio asked if there were any questions or comments.

There were various comments from Board Members on where the tourism center should be placed and the costs associated with such a venture. There was also a consensus that a steering committee be established.

Mr. Desiderio asked if there were any additional comments or questions, there being none the resolution was approved as read

Mr. Desiderio called for the introduction of Resolution:

Resolution 23:11 – Change Order – Old Atlantic County Jail House

Mr. Dahl stated that this resolution involves a change order for Aliano Brothers due to a number of unforeseen site conditions that were uncovered during construction. He advised that a modification of the original plans and specs would result in an overall benefit to the project.

Mr. Desiderio asked if there were any questions or comments on the resolution, there being none the resolution was approved as read.

Mr. Desiderio called for the introduction of Resolution:

Resolution 24:11 - DCA Small Cities Applications- Storm Reports

Mr. Dahl stated that the SJEDD has been assisting in the assessment of Hurricane Irene related physical and economic damage. SJEDD would assist in seeking funds to help repair and or rebuild essential infrastructure and to help residents in repairing their homes.

Mr. Desiderio asked if there were any questions or comments and there were several comments.

Freeholder Whelan stated that Cumberland County incurred over \$25m worth of damage during the recent storms and hoped that the District would be able to secure these monies to help the citizens of Cumberland County.

Mr. Desiderio asked if there were any questions or comments on the resolution, there being none the resolution was approved as read.

Mr. Desiderio called for the introduction of Resolution:

Resolution 25:11 – American Aerospace Advisors(AAAI) – Preliminary Study

Mr. Dahl stated this resolution allows for the analysis of existing or potential technology that could be employed to respond to catastrophic events. Such an investigation could lead to improving the resiliency of communities in the region. Mr. Dahl stated that each county received a CD with visuals of areas (via Google Earth) before and after the recent flooding events. There would be a webinar on Tuesday September 20th at 2:00pm for all Public Safety Officials (a flyer was passed out to all board members and guests) to gain input and to answer any questions regarding new technologies currently available to first responders.

Mr. Desiderio asked if there were any questions or comments and there were several comments.

Freeholder Whelan stated that the recent storms changed streams and river corridors. The more information at our disposal would result in better decisions going forward.

Mr. Desiderio asked if there were any questions or comments on the resolution, there being none the resolution was approved as read.

Mr. Desiderio called for the introduction of Resolution:

Resolution 26:11 – RLF Plan

Mr. Dahl stated that the RLF (Revolving Loan Fund) is a very useful tool but has limited resources in relation to the needs of small business. It is therefore important to focus these resources to support and enhance the CED's strategies that will create jobs and spur private investments. The EDA informed the SJEDD that the plan must be revisited and updated every 5 years.

Mr. Desiderio asked if there were any questions or comments and there were several comments.

Mr. Ayres asked if this included any new funds? Mr. Dahl replied no.

Mr. Whelan asked if the CEDS document can be changed after it has been filed? Mr. Dahl explained that the SJEDD can file an amendment to the CEDS.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Mr. Desiderio called for the introduction of Resolution:

Resolution 27:11 – DCA Small Cities Application – Cape Diagnostic

Mr. Dahl explained that the Cape Diagnostic Center produces a large percentage of the beach tags for the shore communities and other recreational facilities throughout the state. He also stated that new and better equipment would allow the Center to remain competitive in the industry and maintain jobs for the disabled. The application seeks funds to purchase new equipment.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Resolution 28:11 – DCA Small Cities Application – Cumberland County Library

Mr. Dahl stated an application has been prepared to fund ADA improvements to the Bridgeton City Hall to provide a more suitable location for a regional library facility. He stated that the community believes that an expanded Bridgeton Library location is far more convenient to library patrons and that Small Cities funds could provide assistance to undertake this project. This resolution allows for the submission of the application.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Resolution 29:11 – Federal EDA Disaster Recovery Application

Mr. Dahl explained that the region had incurred significant storm damage over the past month and the Federal EDA with FEMA are charged with disaster recovery as part of their mission. Mr. Dahl stated the SJEDD proposed to seek funding support for a disaster recovery and resiliency strategy as well as repair and or replacement of critical infrastructure

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Resolution 30:11 – ARTP – Short Term Financing

Mr. Dahl stated that the construction of the Aviation and Research Technology Park is funded by multiple sources and that the SJEDD is completing the project under budget. He also explained that the Federal EDA disbursed funds to pay contractors at a thirty per cent (33%) level until the project is complete and the remaining share is required to pay contractors on all completed work prior to final EDA disbursement which is estimated at \$400,000. The SJEDD proposes to secure a short term credit facility to complete this project until the EDA issues the final disbursement.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Resolution 31:11 – ARTP – Martini & Martini CPA – Financial Report

Mr. Dahl explained that the ARTP has expressed an interest in acquiring and operating the Research Park. He stated that the District has incurred costs associated with the development of the park and the first building. Mr. Dahl advised the board members that the SJEDD would request reimbursement of its out of pocket costs and a usual customary and equitable administrative development fee in consideration of the transfer of the park assets. Mr. Dahl also stated that The SJEDD agreed to engage Martini & Martini CPAs to validate the development costs of the Park and share the cost of the project audit equally with Atlantic County.

Mr. Desiderio asked if there were any questions or comments and there were several comments.

Freeholder Director Whelan inquired about any other issues that need to be addressed for the Master Lease transfer to proceed.

Mr. Dahl stated that the ARTP had been advised by Federal EDA in May that they needed to submit the appropriate documents to be deemed an eligible applicant. He further advised that EDA must approve the transfer of the lease.

Mr. Bronkesh stated that much of this issue revolves around the ARTP securing the funds for the transfer.

Mr. Whelan stated that the District should continue to work with the ARTP, but that the costs are a large liability to the District and must be paid as part of the transaction.

Mr. Bettis questioned "What is our exposure?" Mr. Dahl explained how the District charges administrative fees for agencies they assist and the results of the Martini & Martini report set forth out of pocket expenses incurred by the SJEDD.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Resolution 32:11 – Vendor & Price Modification – Hybrid Street Lights

Mr. Dahl explained that SJEDD is working closely with Pollution Solutions Renewable Energy LLC (a local firm) on innovative street lighting that combines solar and wind power capable of operating street lights off-grid. SJEDD chose the new vendor due to the lights being considerably less expensive than the previous vendor.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Resolution 33:11 – Endorsement of 2010/2011 Comprehensive Economic Development Strategy (CEDS)

Mr. Dahl stated that this resolution applies to a CEDS process the SJEDD conducts every year within a five-year cycle. The District currently is in year three of that cycle and must evaluate the economic condition and adjust economic strategies accordingly. The deadline for the report is September 30, 2011. The report will be available online to all board members and interested persons. Mr. Dahl added that in the past, the deadline was in June, but was recently moved to September to accommodate counties with very busy summer seasons.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

Resolution 34:11 – Ratification of ARTP Resolution

Mr. Dahl explained that the District has notified the New Jersey Economic Development Authority and the United States Economic Development Administration and the Federal Aviation Administration FAA of its intention to transfer the Lease and any rights and obligations the District has pursuant to grant agreements with USEDA and NJEDA for the Park to the Aviation Research and Technology Park (ARTP). The District has also agreed to transfer its rights to a bid from Hunter Roberts and its contracts with Environetics and Dome-Tech, Inc. regarding Building #3 to be located in the Park to ARTP. Mr. Dahl explained that the resolution to assign the rights to

the Aviation Research & Technology Park, Inc., (ATRP) was contingent upon mutual terms, conditions and financial consideration agreed to by the Executive Committee and requires ratification by the SJEDD board. This document will be utilized in guiding the Board of Directors future deliberations.

Mr. Desiderio asked if there were any questions or comments and there being none the resolution was approved as read.

The meeting broke for dinner.

The meeting resumed with Chairman Desiderio reading a letter from the New Jersey Housing and Mortgage Finance Agency congratulating the District of receiving the 2011 Governor's Award for Excellence in Economic Development. He congratulated Gordon and the District.

Mr. Desiderio called for the Loan Report.

Mr. Dahl explained that all remaining loans were current.

Mr. Dahl asked if the board had any questions or comments regarding his report.

Mr. Desiderio requested the County Reports.

William Whelan, Cumberland County, noted that they spent most of the summer dealing with the storms. Cumberland County has a new Freeholder Charles Thomas who is replacing Freeholder Magazzu. Kim Wood noted that the Cumberland County Economic Development Breakfast will be held on October 20th.

Beth Timberman, Salem County, stated that due to the storms this summer Salem County had to pass numerous resolutions. The county had 5 bridges washed out and there are still a few main arteries closed.

Jim Bertino, Atlantic County, concurred with the other counties that the summer held many challenges with the storms and is dealing with FEMA to assist where possible.

Leonard Desiderio, Cape May County, advised that Cape May County was in the direct path of Hurricane Irene. The county had a mandatory evacuation with nearly 800,000 people leaving the county and only 12,000 deciding to stay. Many of the shore communities have their "shoulder season" activities underway and they are hoping to extend them into November. Sea Isle City is opening up a new branch of the Cape May County Library system on October 25th at 48th and Central Streets.

Mr. Desiderio asked if there was any new business.

Mr. Desiderio announced that we just received word that a grant in the amount of \$2,000,000 was received from the Federal EDA for the Science Technology / Aviation Institute building at Atlantic Cape Community College. The District is a strong supporter of Community Colleges.

Mr. Dahl thanked everyone for the award that the District received from the Governor.

There was no additional new business to discuss.

Mr. Desiderio asked if there was any old business.

There was no old business to discuss.

With no further business to discuss, Mr. Desiderio thanked everyone and the meeting was adjourned.

Respectfully Submitted,

Frank D. Formica
Secretary