

Board of Directors
Minutes
September 20, 2010

The quarterly meeting of the South Jersey Economic Development District was convened on September 20, 2010, at the Lobster House Restaurant in Cape May County, New Jersey.

In attendance:

Atlantic County:

Howard Kyle
Sharon Gordon

Cape May County:

Leonard Desiderio
Stephen O'Connor
Leslie Gimeno
Ralph Bakely
Daniel Beyel
Barbara Tomalino
Ralph Sheets

Salem County:

Beth Timberman
Earl Gage
Lee Williams
John Hall

Cumberland County:

Dante Rieti
Joseph Pepitone
Arthur Bretnall, Jr.
Donald Ayres
Kim Wood

Guests: Cape May County Freeholder Director Daniel Beyel, Cape May County Freeholder Vice-Director Ralph E. Sheets, Jr., and Cape May County Freeholder Ralph E. Bakely, Sr.

Staff: Gordon K. Dahl, Executive Director; Diana L. Schiavo, Senior Operations Officer; and Monica Kyle, Assistant to the Director; all of the South Jersey Economic Development District.

Mr. Desiderio, Chairman, called for the flag salute. After board member introductions and special thanks to Cape May County freeholder members he introduced Freeholder Director Daniel Beyel.

Director Beyel welcomed the South Jersey Economic Development District Board of Directors to Cape May County.

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

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

The minutes were approved as presented.

Mr. Desiderio then asked for the Treasurer's Report.

Mr. Dahl advised that in the packet provided is the listing of bills that have been paid since the last quarterly meeting, the Profit and Loss Statement, and Reconciliation of the Profit and Loss and Balance Sheet. He briefly reviewed the financial statements. Mr. Dahl also noted that all the information he discussed is also available on the SJEDD website in advance of board meetings.

Mr. Dahl asked if there were any questions or comments with regard to these financial statements.

Boardmember Bret Bretnall requested that the check detail information be presented in a different format for easier understanding and sorting. Mr. Dahl said that this was something that could be worked on to help break different sections of information out.

Mr. Dahl asked if there were any additional questions or comments regarding the financial information, there being none the Treasurer's Report was approved.

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

Mr. Dahl provided a summary of the SJEDD's projects and progress since its last board meeting.

Mr. Desiderio called for the introduction of Resolution:

Resolution 18:10- Annual Audit Services Award

Mr. Dahl explained that the annual auditing services from Ford, Scott and Associates shows a significant increase, but it is based on fact that the SJEDD received several grants that require a whole new level of processes that the auditing company must go through.

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 19:10 – Endorsement of 2010/2011 CEDS

Mr. Dahl stated that this resolution applies to a process the SJEDD must do every year and that there is a five-year cycle. It is currently in year three of that cycle and must review to see where the economy is at present time and if it is performing as anticipated in previous reports. The deadline for the report is September 30, 2010. 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.

Mr. Desiderio called for the introduction of Resolution:

Resolution 20:10 – Engineering Services – Contract Modification

Mr. Dahl stated that the resolution applies to the SJEDD being designated as the lead agency responsible for the development of the Next Generation Aviation Research and Technology Park. He explained that there was a need for consulting engineering services to respond to unforeseen regulatory and design issues. He added that the project is still under budget and that change order details are available for review in the contract.

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

Mr. Desiderio called for the introduction of Resolution:

Resolution 21:10 – Contract Award – Caruso Construction Company – Next Generation Aviation Research and Technology Park Pump Station, Force Main, and Telecommunication Conduit

Mr. Dahl stated the SJEDD went through the appropriate RFP process and that Caruso Construction Company was the apparent low bidder. He added that the project engineer, attorney and federal EDA all reviewed the bids and that Caruso's was the lowest. He added that the estimated cost for the pump station, force main and conduit at the Next Generation Aviation Research and Technology Park is \$1.4 million.

Boardmember Kim Wood questioned how the project would be financed.

Mr. Dahl explained that it will be paid for with several grants, including federal grants that are all backed by banks. He said that the money is in place and that the project came in approximately \$350,000 under budget.

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 22:10 – Mount Construction – Change Order

Mr. Dahl stated that the SJEDD awarded a contract to Mount Construction to install infrastructure at the Next Generation Aviation Research and Technology Park and during construction there were unforeseen issues that required changes to the construction scope. The changes were reviewed with the US EDA and approved. It reflects an increase from \$2.6 million to \$2.7 million. Mr. Dahl added that there were changes on both sides of the equation, with additions and deletions to keep the change minimal.

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 23:10 – Atlantic County Historic Jail – Change Order

Mr. Dahl stated the SJEDD was engaged by Atlantic County Government to oversee the design and approval of the stabilization of the Historic County Jail and that during the design process the engineer found a more efficient strategy to create greater building space use. Also during the design phase emergent deterioration of the roof required immediate demolition, so the

County requested that the SJEDD also oversee engaging a demolition contractor. These unforeseen changes resulted in increased architectural fees and a need for a change order.

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 24:10 – Egg Harbor City – Senior Citizen Housing Project - Historic Consultant Services

Mr. Dahl stated the SJEDD is the designated developer of a mixed use affordable senior citizen housing project in Egg Harbor City. He noted that when the application was submitted to the Pinelands Commission it required that a cultural and historic resource study be conducted. The resolution contracts with ARCH² consultants for this type of study.

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 25:10 – Cumberland County – Historic Vine Street School – Historic Consultant Award

Mr. Dahl stated the SJEDD is collaborating with Cumberland County on the stabilization of the Vine Street School and that the NJ Historic Trust Fund application for \$750,000 requires unique and professional expertise in historic preservation. The resolution contracts with ARCH² consultants to complete aspects of the application that require their expertise.

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 26:10 – Unmanned Aerial Vehicle Consultant – Award Contract

Mr. Dahl stated the following resolutions all pertain to the Next Generation Aviation Research and Technology Park. This resolution takes into consideration the expanding market in the use of Unmanned Aerial Vehicles and the fact that SJEDD region is home to three significant airport facilities

that could be used in the further development of UAVs. The resolution awards a contract with King Aeronautics and Astronautics Consulting to conduct a preliminary feasibility study on relocating/ developing the UAV industry in the southern New Jersey area.

Boardmember Howard Kyle added that the UAV industry may prove to be a tremendous opportunity for the southern New Jersey area.

Boardmember Sharon Gordon commented on the expertise of the consulting company.

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

Mr. Desiderio then called for a break in the meeting for dinner service.

When the meeting was resumed Mr. Desiderio called for the introduction of resolution:

Resolution 27:10 – Aviation Expansion – Architectural Team – Contract Award

Mr. Dahl stated the following resolution provides for the expansion of the aviation industry to include the growth of the Unmanned Aerial Vehicle industry and that a new space needs to be developed for this industry. This resolution contracts with an architectural team develop the needed space and buildings in amount of \$20,000.

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 28:10 – Engineering Design Service – Conflict Engineer Contract Award – Next Generation Aviation Research and Technology Park

Mr. Dahl stated the need for the following resolution occurred during the process of awarding the Caruso project, the engineers – Birdsall Services Group – noted that they may have a potential conflict with the selected low bidder (Caruso Construction Company) and there became a need to select another engineer for this aspect of the project. This resolution contracts with Paulus Sokolowski and Sartor Engineers as the low bidders for a total amount of \$34,300.

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 29:10 – Commission Services – LEED Certification Professional – Contract Award – Next Generation Aviation Research and Technology Park

Mr. Dahl stated that when going through the design phase for the first building, prospective tenants requested that that building be LEED certified. In order to have the building verified as LEED certified it is necessary to engage a professional in LEED commissioning services. The SJEDD went through a RFP process and Dome Tech was the apparent low bidder at an amount of \$37,835 for LEED certification and an additional \$14,469 for Silver certification.

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

Mr. Desiderio requested Mr. Dahl give the loan report.

Mr. Dahl stated that all loans were current and that the SJEDD is carefully screening all loan applicants. He added that he is seeing more activity and that loans are doing well.

Mr. Dahl also noted that the SJEDD recently participated in a conference in Washinton, DC, where it helped to showcase the Next Generation Aviation Research and Technology Park to Fortune 500 companies.

Mr. Desiderio noted that there would be a break in the meeting for dinner and that the ounty reports would be addressed during dessert.

Mr. Desiderio re-opened the meeting and requested the County Reports.

Howard Kyle, Atlantic County, noted the economy in the county is still tight and that development of the economy is crucial. He added that some of the major projects underway in the county were discussed in several of the resolutions the board addressed at the meeting.

Joe Pepitone, Cumberland County, noted that the county is participating in an open space study and that 56% of peopled polled in the county were in

favor of open space. He added that there was an upcoming event on September 23rd at the Landis Theater. He also noted that the county was glad to be able to partner with the Small Business Development Center at the Richard Stockton College of New Jersey to develop a one stop career center in the county.

Beth Timberman, Salem County, noted that several freeholders went down to Capitol Hill to support the TIGER Grant. The county is in need of a \$22 million grant for freight rail, noting that its current rail is antiquated and in need of renovation. She added if the county loses its rail, it is also in danger of losing its largest manufacturers. It is also working to bring all types of business to the county to help boost its economy.

Leslie Gimeno, Cape May County, noted that the tourist season is still going strong in Cape May as evidenced from all the patrons at the Lobster House restaurant that day. She also added that the Cape May County Airport is looking into opportunities for economic growth.

Sharon Gordon, Deputy Executive Director / Director of Marketing and Communications, South Jersey Transportation Authority, noted that the SJTA will soon have a ground breaking for international flights at the Atlantic City International Airport. It will also have flights to Chicago and Las Vegas. She also added that Exit 17 is now open.

Mr. Desiderio asked if there was any new business.

There was no new business to discuss.

Mr. Desiderio asked if there was any old business.

There was no old business to discuss.

With no further business Mr. Desiderio thanked everyone. The meeting was then adjourned.

Respectfully Submitted,

Louis Magazzu
Secretary

Approved: December 13, 2010