

ESSEX COUNTY  
IMPROVEMENT AUTHORITY  
ESSEX COUNTY, NEW JERSEY

REGULAR BOARD MEETING : TRANSCRIPT OF RECORDED  
: PROCEEDINGS  
:  
:  
\_\_\_\_\_ :

27 Wright Way  
Fairfield, New Jersey

Tuesday, May 19, 2015  
Commencing at 5:01 p.m.

M E M B E R S P R E S E N T:

COMMISSIONER MARK S. DUNEC  
COMMISSIONER GERARD M. SPIESBACH  
COMMISSIONER CARLA A. STANZIALE  
COMMISSIONER STEVEN H. KLINGHOFFER, Chairman

M E M B E R S A B S E N T:

COMMISSIONER PAUL B. HALLIGAN  
COMMISSIONER RONALD J. BROWN, Vice Chairman

A L S O P R E S E N T:

JAMES R. PAGANELLI, Executive Director  
NIA H. GILL, ESQ., General Counsel  
LUCY SAPINSKI, Director of Operations  
SHARIFA R. SALAAM, ESQ., Deputy Freeholder Counsel,  
(Via telephone)  
THOMAS GOMEZ, Airport Manager  
BETSY WILLIAMSON, Administrative Assistant  
JOSEPH CALI, Airport Accounts Receivables

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1 CHAIRMAN KLINGHOFFER: Notice was duly  
2 given by regular mail and facsimile to the Essex  
3 County Executive, the Essex County Clerk, the  
4 Clerk of the Board of Chosen Freeholders,  
5 Freeholder Board -- Freeholder President  
6 Timberlake, the News Editor of The Herald News,  
7 the News Editor of The Star-Ledger, and notice  
8 was posted on the bulletin board in the Office of  
9 the Essex County Improvement Authority stating  
10 the time, date, and location of this Regular  
11 Board Meeting.

12

13 **ROLL CALL**

14

15 MS. SAPINSKI: Commissioner Dunec?

16 COMMISSIONER DUNEC: Present.

17 MS. SAPINSKI: Commissioner Spiesbach?

18 COMMISSIONER SPIESBACH: Here.

19 MS. SAPINSKI: Commissioner Stanziale?

20 COMMISSIONER STANZIALE: Here.

21 MS. SAPINSKI: Chairman Klinghoffer?

22 CHAIRMAN KLINGHOFFER: Here.

23

24 **PUBLIC COMMENT**

25

1 CHAIRMAN KLINGHOFFER: One second.

2 We have -- any members of the public here  
3 that would like to --

4 No.

5 Being none.

6

7 (Whereupon, the Board discussed and took  
8 action on the following item:

9 **ACCEPTANCE OF MINUTES**

10 **RESOLUTION NO. 15-11**

11 1. REGULAR BOARD MEETING 4-28-15.)

12

13 CHAIRMAN KLINGHOFFER: We will move on to  
14 Acceptance of Minutes.

15 Is there a motion to accept the minutes of  
16 April 28<sup>th</sup>?

17 COMMISSIONER SPIESBACH: Move to accept.

18 COMMISSIONER STANZIALE: Second.

19 MS. SAPINSKI: Commissioner Dunec?

20 COMMISSIONER DUNEC: Yes.

21 MS. SAPINSKI: Commissioner Spiesbach?

22 COMMISSIONER SPIESBACH: Yes.

23 MS. SAPINSKI: Commissioner Stanziale?

24 COMMISSIONER STANZIALE: Yes.

25 MS. SAPINSKI: Chairman Klinghoffer?

1 CHAIRMAN KLINGHOFFER: Yes.

2 MR. PAGANELLI: I don't think there's going  
3 to be any necessity for Executive Session; unless  
4 a Commissioner has -- has any questions.

5 I can report to the Board that last night I  
6 attended the Cedar Grove Council Meeting. They  
7 have introduced a new ordinance for the  
8 redevelopment in the Hilltop area. It was 4 to  
9 zero with one abstention.

10 The anticipation is that it will be back on  
11 for second -- second hearing or public -- public  
12 hearing and second reading on the 1<sup>st</sup>. They  
13 anticipating -- they anticipate voting and  
14 adopting that new redevelopment ordinance on the  
15 1<sup>st</sup>.

16 If that happens, the Essex County Board of  
17 Chosen Freeholders will be asked to approve the  
18 overall settlement, as well as this Board, at a  
19 timeframe thereafter.

20 The County Executive has been consistent in  
21 allowing Cedar Grove to dictate the process and  
22 allowing local rule in this situation. So he has  
23 not -- he has specifically asked that we not move  
24 on this settlement nor do -- will the Freeholders  
25 move on this settlement until Cedar Grove, at the

1 local level, has completed their processes.

2 CHAIRMAN KLINGHOFFER: Would the timing  
3 require a Special if they meet their schedule?

4 MR. PAGANELLI: Timing, it may be summer.  
5 Schedules will probably require that. And so I  
6 think -- I went over it with you today, I'm  
7 thinking that if they do this on the 1<sup>st</sup> -- I'm  
8 really thinking the 8<sup>th</sup>, although I'm not supposed  
9 to say that in public, 8<sup>th</sup> I'm thinking we would  
10 probably try to do something thereafter. You  
11 know that week. And then cancel the June  
12 meeting, because we'll put whatever else we have  
13 together on that for that agenda.

14 CHAIRMAN KLINGHOFFER: Okay. We'll see  
15 what happens.

16 MR. PAGANELLI: Yup.

17

18 (Whereupon, the Board discussed and took  
19 action on the following items:

20 **ADMINISTRATIVE**

21 **1.** RESOLUTION NO. 15-074 - RESOLUTION  
22 AUTHORIZING PAYMENT TO AUDIO-DIGITAL  
23 TRANSCRIPTION SERVICES, LLC FOR TRANSCRIPTION OF  
24 BOARD MEETING ON 4-28-15; and

25 **2.** RESOLUTION NO. 15-075 - RESOLUTION

1 RATIFYING PAYMENT OF RECURRING BILLS (BILL  
2 LIST) .)

3

4 CHAIRMAN KLINGHOFFER: Administrative.  
5 Resolutions 1 and 2.

6 COMMISSIONER SPIESBACH: I'll move it.

7 COMMISSIONER DUNEC: Second.

8 MS. SAPINSKI: Commissioner Dunec?

9 COMMISSIONER DUNEC: Yes.

10 MS. SAPINSKI: Commissioner Spiesbach?

11 COMMISSIONER SPIESBACH: Yes.

12 MS. SAPINSKI: Commissioner Stanziale?

13 COMMISSIONER STANZIALE: Yes.

14 MS. SAPINSKI: Chairman Klinghoffer?

15 CHAIRMAN KLINGHOFFER: Yes.

16

17 (Whereupon, the Board discussed and took  
18 action on the following item:

19 **NEWARK RIVERFRONT PROJECT/LITIGATION**

20 3. RESOLUTION NO. 15-076 - RESOLUTION

21 AUTHORIZING PAYMENT OF \$3,422.00 TO DeCOTIIS,

22 FITZPATRICK & COLE, LLP FOR LEGAL SERVICES

23 RENDERED IN THE MONTH OF APRIL 2015.)

24

25 CHAIRMAN KLINGHOFFER: Newark Riverfront



1 Project/Litigation,

2 Number 3.

3 COMMISSIONER STANZIALE: Move.

4 COMMISSIONER SPIESBACH: Second.

5 MS. SAPINSKI: Commissioner Dunec?

6 COMMISSIONER DUNEC: Yes.

7 MS. SAPINSKI: Commissioner Spiesbach?

8 COMMISSIONER SPIESBACH: Yes.

9 MS. SAPINSKI: Commissioner Stanziale?

10 COMMISSIONER STANZIALE: Yes.

11 MS. SAPINSKI: Chairman Klinghoffer?

12 CHAIRMAN KLINGHOFFER: Yes.

13

14 (Whereupon, the Board discussed and took

15 action on the following item:

16 **CORRECTIONAL FACILITY/CELANESE LITIGATION**

17 **\*ALL EXPENSES PAID FROM ECIA OPERATIONS ACCOUNT**

18 4. RESOLUTION NO. 15-077 - RESOLUTION

19 AUTHORIZING PAYMENT IN THE AMOUNT OF \$47,353.81

20 TO BUCHANAN, INGERSOLL & ROONEY, PC FOR LEGAL

21 SERVICES RENDERED IN THE MONTH OF APRIL 2015.)

22

23 CHAIRMAN KLINGHOFFER: Correctional

24 Facility/Celanese Litigation.

25 Number 4.

1 COMMISSIONER DUNEC: I'll move it.

2 COMMISSIONER STANZIALE: Second.

3 MS. SAPINSKI: Commissioner Dunec?

4 COMMISSIONER DUNEC: Yes.

5 MS. SAPINSKI: Commissioner Spiesbach?

6 COMMISSIONER SPIESBACH: Yes.

7 MS. SAPINSKI: Commissioner Stanziale?

8 COMMISSIONER STANZIALE: Yes.

9 MS. SAPINSKI: Chairman Klinghoffer?

10 CHAIRMAN KLINGHOFFER: Yes.

11

12 (Whereupon, the Board discussed and took  
13 action on the following item:

14 **JUROR PARKING**

15 5. RESOLUTION NO. 15-078 - RESOLUTION  
16 ACCEPTING A PROPOSAL FROM HUDSON COMMUNITY  
17 ENTERPRISES IN THE AMOUNT OF \$8,000.00 FOR  
18 PAINTING SERVICES AT THE EMPLOYEE GARAGE  
19 (STAIRWAY AREA).)

20

21 CHAIRMAN KLINGHOFFER: Juror Parking.

22 Number 5.

23 COMMISSIONER STANZIALE: I'll move it.

24 COMMISSIONER DUNEC: Second.

25 MS. SAPINSKI: Commissioner Dunec?

1 COMMISSIONER DUNEC: Yes.

2 MS. SAPINSKI: Commissioner Spiesbach?

3 COMMISSIONER SPIESBACH: Yes.

4 MS. SAPINSKI: Commissioner Stanziale?

5 COMMISSIONER STANZIALE: Yes.

6 MS. SAPINSKI: Chairman Klinghoffer?

7 CHAIRMAN KLINGHOFFER: Yes.

8

9 (Whereupon, the Board discussed the  
10 following item:

11 **AIRPORT**

12 6. RESOLUTION NO. 15-079 - WITHDRAWN -  
13 RESOLUTION AUTHORIZING DISPOSITION OF BIDS FOR  
14 RENOVATION OF EXISTING BATHROOMS AT  
15 BUILDING/HANGAR I.)

16

17 MR. PAGANELLI: Mr. Chairman, we're going  
18 to -- we're going to withdraw 15-079, the  
19 Disposition of the Bids; we're not ready for that  
20 yet.

21 CHAIRMAN KLINGHOFFER: Okay.

22

23 (Whereupon, the Board discussed and took  
24 action the following items:

25 **AIRPORT**

1           **7.** RESOLUTION NO. 15-080 - RESOLUTION  
2 AUTHORIZING PAYMENT TO SCIROCCO FINANCIAL GROUP  
3 IN THE AMOUNT OF \$1,604.19 FOR ADDITIONAL PREMIUM  
4 DUE TO CHANGES/ADDITIONS TO AIRPORT POLICIES;

5           **8.** RESOLUTION NO. 15-081 - RESOLUTION  
6 AUTHORIZING PAYMENT TO C&S ENGINEERS, INC. IN THE  
7 AMOUNT OF \$2,221.03 FOR ENGINEERING SERVICES  
8 RENDERED IN CONNECTION WITH THE AIRPORT  
9 MODIFICATION OF STANDARDS (ECIA FUNDED PROJECT);

10          **9.** RESOLUTION NO. 15-082 - RESOLUTION  
11 AUTHORIZING AN AMENDMENT #3 TO THE AGREEMENT WITH  
12 H2M ASSOCIATES, INC. IN THE AMOUNT OF \$177,500.00  
13 FOR ADDITIONAL ENVIRONMENTAL SERVICES AT HANGAR 1  
14 AREA;

15          **10.** RESOLUTION NO. 15-083 - RESOLUTION  
16 AUTHORIZING AN AMENDMENT #4 TO THE AGREEMENT WITH  
17 H2M ASSOCIATES, INC. IN THE AMOUNT OF \$136,200.00  
18 FOR DESIGN AND CONSTRUCTION OVERSIGHT IN  
19 CONNECTION WITH TWO OIL/WATER SEPARATORS REMOVAL  
20 AND INSTALLATION AT HANGAR 1 AREA;

21          **11.** RESOLUTION NO. 15-084 - RESOLUTION  
22 AUTHORIZING AN AMENDMENT #1 TO THE AGREEMENT WITH  
23 H2M ASSOCIATES, INC. IN THE AMOUNT OF \$88,700.00  
24 FOR ADDITIONAL ENVIRONMENTAL SERVICES AT HANGAR 3  
25 AREA.)

1  
2 CHAIRMAN KLINGHOFFER: Then we have  
3 Resolutions 7 through 11 dealing with the  
4 Airport.

5 Anybody like to move those?

6 COMMISSIONER STANZIALE: I'll move it.

7 COMMISSIONER DUNEC: Second.

8 MS. SAPINSKI: Commissioner Dunec?

9 COMMISSIONER DUNEC: Yes.

10 MS. SAPINSKI: Commissioner Spiesbach?

11 COMMISSIONER SPIESBACH: Yes.

12 MS. SAPINSKI: Commissioner Stanziale?

13 COMMISSIONER STANZIALE: Yes.

14 MS. SAPINSKI: Chairman Klinghoffer?

15 CHAIRMAN KLINGHOFFER: Yes.

16

17 (Whereupon, the Board discussed and took  
18 action on the following items:

19 **MARINA BAY PROJECT**

20 **\*ALL EXPENSES PAID FROM ESCROW ACCOUNT**

21 **12.** RESOLUTION NO. 15-085 - RESOLUTION  
22 AUTHORIZING AN AGREEMENT WITH McMANIMON, SCOTLAND  
23 & BAUMANN, LLP IN AN AMOUNT OF \$21,315.00 FOR  
24 LEGAL SERVICES AS A BOND COUNSEL;

25 **13.** RESOLUTION NO. 15-086 - RESOLUTION

1 AUTHORIZING PAYMENT IN THE AMOUNT OF \$21,315.00  
2 TO McMANIMON, SCOTLAND & BAUMANN, LLP FOR LEGAL  
3 SERVICES RENDERED THROUGH MAY 7, 2015;

4 **14.** RESOLUTION NO. 15-087 - RESOLUTION  
5 AUTHORIZING AN AGREEMENT WITH ACACIA FINANCIAL  
6 SERVICES IN AN AMOUNT OF \$3,375.00 FOR FINANCIAL  
7 CONSULTING SERVICES; and

8 **15.** RESOLUTION NO. 15-088 - RESOLUTION  
9 AUTHORIZING PAYMENT IN THE AMOUNT OF \$3,375.00 TO  
10 ACACIA FINANCIAL SERVICES FOR SERVICES RENDERED  
11 THROUGH MAY 7, 2015.)

12

13 CHAIRMAN KLINGHOFFER: Twelve and 13 were  
14 not originally in the -- in the package? Is that  
15 it?

16 Make sure that --

17 Okay.

18 Before we move these Resolutions, you want  
19 to just explain briefly what the Marina Bay --

20 MR. PAGANELLI: Sure.

21 CHAIRMAN KLINGHOFFER: -- Project is.

22 It might be helpful.

23 MR. PAGANELLI: Yup.

24 Marina Bay is a -- is a residential  
25 development that is founded in the Borough -- I

1 think -- of North Wildwood.

2           It was something that we financed probably  
3 back in two thousand and --

4           MS. SAPINSKI: Five.

5           MR. PAGANELLI: Five?

6           I was going to say three. I know it was  
7 early on. We were still kind of doing meetings  
8 down at the Hall of Records at the time.

9           It is a project that has hit difficult  
10 times because of Hurricane Sandy. They have come  
11 to us with refinancing or re-funding plan. It's  
12 a little bit awkward for us because we're dealing  
13 out-of-county.

14           We're allowed to do that in counties that  
15 don't have Improvement Authorities where their  
16 county government votes to allow us to be in play  
17 there. So that's what happened on that  
18 transaction.

19           This is a private -- privately placed bond.  
20 And there's a lot of, (a) kind of real estate  
21 work; and, (b) kind of coordination work with the  
22 North Wildwood Council, as well as the  
23 freeholders down there.

24           And so when we retained a case yet and we  
25 retained McManimon and Scotland to do this work,

1 the sole bondholder agreed to finance an escrow  
2 agreement for us. So that when they were doing  
3 some additional work it was kind of outside the  
4 regular bond world. He wasn't overloading the  
5 bond but he -- well, he posted an escrow with us.

6 And so the other day it seemed to us in a  
7 conference call that they are -- they are not at  
8 this point in time on the same page with what the  
9 new product will be. They're -- their plan is to  
10 re-fund the prior debt and then put new money in  
11 to kind of rehab those units that were damaged  
12 through Sandy.

13 There's a -- there's a disagreement between  
14 the developer and the local municipality as to  
15 what the makeup of those new units should be.  
16 Whether it should be age-restricted, whether it  
17 should be affordable, you know, all those  
18 delightful issues.

19 They have requested upon us that we,  
20 utilizing our redevelopment powers under the  
21 statute, impose an ordinance on the local  
22 municipality.

23 Our response to that really was two-fold --  
24 well, really three-fold.

25 One, we -- we are in play to do the re-



1 funding and we are in play to do a development  
2 that is acceptable to the local municipality.

3 But, two, we don't think that merely being  
4 named as a redevelopment entity allows us to  
5 impose zoning on a local municipality. We are a  
6 guest down there and as a policy I didn't -- I  
7 didn't think I could support trying to impose  
8 zoning on a local municipality and let them know  
9 that.

10 So I let them know that that kind of  
11 concept would not be something I would bring to  
12 this Board. So they're now going back to the  
13 drawing board with the municipality to see if  
14 they could come up with a acceptable development  
15 scheme.

16 CHAIRMAN KLINGHOFFER: I understand the  
17 principle of why not to impose, especially in a  
18 -- do we have a legal authority as a  
19 redevelopment authority to actually impose on a  
20 municipality?

21 MR. PAGANELLI: I don't think so, nor does  
22 Mr. Scotland think so.

23 CHAIRMAN KLINGHOFFER: Okay.

24 And just out of curiosity, is North  
25 Wildwood Ocean or Atlantic County?

1 COMMISSIONER SPIESBACH: I think it's Cape  
2 May.

3 MR. PAGANELLI: Yeah, I think it's --

4 CHAIRMAN KLINGHOFFER: It's Cape May  
5 County, --

6 MR. PAGANELLI: -- Cape May County. That  
7 may be right.

8 CHAIRMAN KLINGHOFFER: -- oh, okay.

9 COMMISSIONER SPIESBACH: I thought it was  
10 Cape May.

11 It's either Atlantic or Cape May.

12 CHAIRMAN KLINGHOFFER: Yeah, it's too far  
13 south for Ocean.

14 MR. PAGANELLI: Yeah.

15 It's Cape May I think.

16 CHAIRMAN KLINGHOFFER: Because I'm --  
17 Okay.

18 MR. PAGANELLI: While we're on these  
19 topics, the numbers are different in the -- in  
20 the Resolutions. The -- because this is a -- a  
21 private entity paying these bills, their escrow  
22 agreement established a higher fee. And so I --  
23 the fee that I set on behalf of the developer, he  
24 chose to pay higher rates. And since it's  
25 private and it's their money, I said okay.

1           So in Resolution 12, the amount goes from  
2 fifteen to twenty-one three fifteen.

3           In Resolution 15-086, same thing, the  
4 payment would be for twenty-one three fifteen.

5           And then the ACACIA amount reduces down to  
6 \$3,375.00.

7           CHAIRMAN KLINGHOFFER: Okay, again, this is  
8 not our money, this is --

9           MR. PAGANELLI: It's not --

10          CHAIRMAN KLINGHOFFER: -- this is the  
11 developer's money. The bond holder's or  
12 developer's money?

13          MR. PAGANELLI: Developer's money.

14          CHAIRMAN KLINGHOFFER: Money. Yeah.

15          MR. PAGANELLI: And I -- I've discussed  
16 this with the County Executive because it's his  
17 policy on -- on setting rates for attorneys, both  
18 here and at the County. He understands it and  
19 so, you know, says as long as the developer's  
20 paying it, it's not us, he had no problem.

21          CHAIRMAN KLINGHOFFER: Was a time we used  
22 to do a lot -- a lot of out-of-county work. I  
23 don't recall doing anything in recent years.

24          MR. PAGANELLI: Quite frankly, we've done  
25 this one. We did Branchville up in Sussex

1 County. Really I think because of the activity  
2 that this Board generated for this County, other  
3 counties have their own Improvement Authorities.

4 So, I think you have very few counties now  
5 that don't have them.

6 CHAIRMAN KLINGHOFFER: Okay.

7 Motion -- will anybody move 12 through 15?

8 COMMISSIONER SPIESBACH: I'll move it.

9 CHAIRMAN KLINGHOFFER: Is there a second?

10 COMMISSIONER DUNEC: Second.

11 MS. SAPINSKI: Commissioner Dunec?

12 COMMISSIONER DUNEC: Yes.

13 MS. SAPINSKI: Commissioner Spiesbach?

14 COMMISSIONER SPIESBACH: Yes.

15 MS. SAPINSKI: Commissioner Stanziale?

16 COMMISSIONER STANZIALE: Yes.

17 MS. SAPINSKI: Chairman Klinghoffer?

18 CHAIRMAN KLINGHOFFER: Yes.

19

20 (Whereupon, the Board discussed and took  
21 action on the following item:

22 **FINANCE**

23 **16.** RESOLUTION NO. 15-089 - RESOLUTION

24 AUTHORIZING PAYMENT OF CHARGES AND EXPENSES OF

25 THE AUTHORITY'S \$150,000,000 POOLED GOVERNMENT

1 LOAN PROGRAM, SERIES 1986

2 PAYMENTS DUE OTHERS FOR PGLP SERVICES

3 PHILIP A. LANZET, FINANCIAL CONSULTANT -  
4 MAY 2015 - \$2,500.00.)

5

6 CHAIRMAN KLINGHOFFER: Next is 15-089,  
7 which is number 16, the Pooled Government Loans  
8 Program.

9 Is there a motion on this?

10 COMMISSIONER STANZIALE: I'll move it.

11 CHAIRMAN KLINGHOFFER: Second?

12 COMMISSIONER DUNEC: Second.

13 MS. SAPINSKI: Commissioner Dunec?

14 COMMISSIONER DUNEC: Yes.

15 MS. SAPINSKI: Commissioner Spiesbach?

16 COMMISSIONER SPIESBACH: Yes.

17 MS. SAPINSKI: Commissioner Stanziale?

18 COMMISSIONER STANZIALE: Yes.

19 MS. SAPINSKI: Chairman Klinghoffer?

20 CHAIRMAN KLINGHOFFER: Yes.

21 MR. PAGANELLI: Just, Mr. Chairman, on  
22 number 16, the Board authorized last year a 3.5  
23 million dollar transaction with the County to  
24 erect the new parking garage at the Turtle Back  
25 Zoo empire.

1 And that should close this --

2 CHAIRMAN KLINGHOFFER: We're not financing  
3 the new giraffe?

4 MR. PAGANELLI: We are not financing the  
5 new giraffe.

6 CHAIRMAN KLINGHOFFER: Okay.

7 It's causing a lot of excitement with my  
8 grandchildren.

9 MR. PAGANELLI: Yeah, I bet.

10

11 (Whereupon, the Board discussed and took  
12 action on the following items:

13 **RESOURCE RECOVERY FACILITY PROJECT**

14 **\*ALL EXPENSES PAID FROM ESCROW ACCOUNT**

15 **17.** RESOLUTION NO. 15-090 - RESOLUTION  
16 AUTHORIZING THE ISSUANCE AND SALE OF SOLID WASTE  
17 DISPOSAL REVENUE BONDS (COVANTA PROJECT) (AMT),  
18 SERIES 2015 OF THE ESSEX COUNTY IMPROVEMENT  
19 AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT  
20 EXCEEDING \$100,000,000 AND AUTHORIZING AND  
21 APPROVING THE EXECUTION AND DELIVERY OF AN  
22 INDENTURE, A LOAN AGREEMENT, AND OTHER RELATED  
23 DOCUMENTS AND DETERMINING OTHER MATTERS IN  
24 CONNECTION THEREWITH;

25 **18.** RESOLUTION NO. 15-091 - RESOLUTION

1 AUTHORIZING PAYMENT IN THE AMOUNT OF \$1,245.10 TO  
2 DeCOTIIS, FITZPATRICK & COLE, LLP FOR LEGAL  
3 SERVICES RENDERED; and

4 **19.** RESOLUTION NO. 15-092 - RESOLUTION  
5 AUTHORIZING PAYMENT IN THE AMOUNT OF \$3,017.40 TO  
6 ACACIA FINANCIAL SERVICES FOR SERVICES RENDERED.)

7

8 CHAIRMAN KLINGHOFFER: Resource Recovery  
9 Facility Project, 17 through 19.

10 MR. PAGANELLI: Just on this, Mr. Chairman,  
11 I attended Local Finance on Wednesday. It was a  
12 very supportive hearing at Local Finance.

13 We had myself, we had counsel, we had  
14 someone from ACACIA, and we had Mr. Riley  
15 (phonetic) who is from Covanta that was there.

16 The Board was very receptive; thought it  
17 was a great -- you know, a great initiative by  
18 us. And so I'm expecting nothing but positive  
19 findings from Local Finance.

20 The documents so far are not to my  
21 satisfaction, so we're still working on them.  
22 Particular, as I keep reminding the Board since  
23 we know that this facility is part of the same  
24 lawsuit that we're in with Passaic River, we are  
25 pushing very hard on all types of

1 indemnifications, hold harmless and defenses.

2 But also including the environmental ones.

3 So, we're working on that very diligently.

4 CHAIRMAN KLINGHOFFER: I have a question.

5 This is a fairly large bond offering that's on --  
6 a hundred million dollars.

7 MR. PAGANELLI: Yeah.

8 CHAIRMAN KLINGHOFFER: What do we make as a  
9 pass through entity on something like this?

10 MR. PAGANELLI: I'm thinking on this one  
11 we're somewhere up in the \$300,000.00 range.

12 We ordinarily make 25 basis points, which  
13 is .25 --

14 CHAIRMAN KLINGHOFFER: Um-hum.

15 MR. PAGANELLI: -- of the -- of the total  
16 bond to do the deal. And then we have 10 basis  
17 points -- we take our -- we get a 10 basis point  
18 fee per year on declining principal.

19 So as the -- you know, say this is a 20  
20 year -- I think this is a 20 year bond, debt  
21 service payments will include principal annually.  
22 As -- as those principal payments are applied,  
23 principal will start to decline. But our -- our  
24 10 basis points are still on the declining  
25 principal. So we make money on the way out.



1           We actually thought it was going to be an  
2 issue with -- with Local Finance because they've  
3 been -- they've been on these kind of fee-type  
4 issues. But they saw our roster of officials and  
5 what we're paying everybody and they had no  
6 issues, so they were fine.

7           CHAIRMAN KLINGHOFFER: Is there a motion on  
8 17 through 19?

9           COMMISSIONER SPIESBACH: I'll move.

10          CHAIRMAN KLINGHOFFER: Second?

11          COMMISSIONER DUNEC: Second.

12          MS. SAPINSKI: Commissioner Dunec?

13          COMMISSIONER DUNEC: Yes.

14          MS. SAPINSKI: Commissioner Spiesbach?

15          COMMISSIONER SPIESBACH: Yes.

16          MS. SAPINSKI: Commissioner Stanziale?

17          COMMISSIONER STANZIALE: Yes.

18          MS. SAPINSKI: Chairman Klinghoffer?

19          CHAIRMAN KLINGHOFFER: Yes.

20

21                 (Whereupon, the Board discussed the  
22 following items:

23         **ADDITIONAL INFORMATION**

24                 **A. Report of PGLP Administrator**

25                 **B. Letter from Wolff & Samson**

1           **C. Letter from Township of Fairfield.)**

2

3           MR. PAGANELLI: If I could just direct  
4 people's attention to the Additional Information.

5           The second item that has been provided to  
6 the Board is the corporate change in name only of  
7 Wolff Samson to Chiesa Shahinian -- if that's  
8 right -- and Giantomasi.

9           We -- it's important to us from a pay to  
10 play perspective who their officers are, who  
11 their shareholders are. So we asked them for  
12 something in writing so we would know on a go-  
13 forward that it's either the same entity or it's  
14 a -- it's a new entity. And if it's a new entity  
15 and we sought to utilize them for any services,  
16 they would have to go back through a public  
17 process.

18           So, Lucy and the staff asked for the  
19 letter. We got it. We're comfortable that it's  
20 the same entity. It's really a name change.

21           COMMISSIONER SPIESBACH: So if they come it  
22 will be this law firm nee, Wolff and Samson?

23           MR. PAGANELLI: Yes. Yup.

24           The other issue is the letter that we did  
25 from -- to the Township of Fairfield, we --

1 Fairfield is embarking on changing their zoning  
2 across the Township but for our purposes in areas  
3 that are in close proximity to the Airport.

4 So Joe Cali and Lucy broke out all the  
5 maps. Broke out the Administrative Code that  
6 governs the uses around the Airport. Then  
7 authored a letter -- a letter to the municipality  
8 indicating our objections to what they were  
9 trying to do with some of our runway ends.

10 Mr. Catenaro, who's the Township  
11 Administrator, met with me today. They see it.  
12 They understand our issues. They're going to be  
13 amending their Ordinance to prohibit the same  
14 things that are already prohibited by the  
15 Administrative Code and, in fact, by Fairfield's  
16 own Airport Safety Zone Ordinance.

17 They just -- their planner kind of missed  
18 it.

19 But it was great work by Luce and Joe. You  
20 know these -- again, these letters come in and  
21 sometimes, you know, a letter's just regular  
22 correspondence but they did a good job by  
23 analyzing it and putting it together for us so  
24 that we can make sure that there's not a Holiday  
25 Inn at the end of our runway.

1           So, it was good work by them.

2           CHAIRMAN KLINGHOFFER: Anything that might  
3 affect our commercial properties?

4           MR. PAGANELLI: No, it's --

5           CHAIRMAN KLINGHOFFER: Or this strip  
6 over here?

7           MR. PAGANELLI: For our purposes it's the  
8 Vibra Screw strip, which is --

9           CHAIRMAN KLINGHOFFER: Yup.

10          MR. PAGANELLI: -- the end of Runway 22.

11          And it was the strip at the end of Runway  
12 28 across Passaic Avenue. They were -- they were  
13 intending to change uses down there that were --  
14 that were prohibited by their own Ordinances and  
15 also prohibited by the Administrative Code.

16          So I think it was just a --

17          CHAIRMAN KLINGHOFFER: Okay.

18          MR. PAGANELLI: -- it was a mess and it was  
19 good work by them to catch it and --

20          CHAIRMAN KLINGHOFFER: Thank you, Lucy.

21          MR. PAGANELLI: Yeah. So that's what that  
22 letter is out there for.

23          That's it.

24          CHAIRMAN KLINGHOFFER: Okay.

25

1 **ADJOURNMENT**

2

3 CHAIRMAN KLINGHOFFER: Do we have a motion  
4 to adjourn?

5 COMMISSIONER STANZIALE: I'll move it.

6 COMMISSIONER DUNEC: Second.

7 MS. SAPINSKI: Commissioner Dunec?

8 COMMISSIONER DUNEC: Yes.

9 MS. SAPINSKI: Commissioner Spiesbach?

10 COMMISSIONER SPIESBACH: Yes.

11 MS. SAPINSKI: Commissioner Stanziale?

12 COMMISSIONER STANZIALE: Yes.

13 MS. SAPINSKI: Chairman Klinghoffer?

14 CHAIRMAN KLINGHOFFER: Yes.

15

16 (Whereupon, the proceedings were concluded  
17 at 5:17 p.m., Resolution No. 15-12.)

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1 STATE OF NEW JERSEY :

2 :

3 COUNTY OF ESSEX :

4

5 I, Karen A. Marino, assigned transcriber,  
6 do hereby affirm that the foregoing is a true and  
7 accurate transcript of the REGULAR BOARD MEETING  
8 of the ESSEX COUNTY IMPROVEMENT AUTHORITY heard  
9 on Tuesday, May 19, 2015 and recorded on tape.

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24 Monitored by: Kevin Dillon, Sr.

25 Proofread by: Deborah Dillon