

NEW JERSEY MEADOWLANDS COMMISSION
AGENDA

DATE: December 16, 2009
TIME: 10:00 a.m.
PLACE: Lyndhurst, New Jersey
RE: MONTHLY MEETING

1. Pledge of Allegiance
2. Sunshine Law Statement
3. Roll Call
4. SPECIAL PRESENTATION - FINANCIAL STATE OF THE NJMC
5. PUBLIC PARTICIPATION ON RESOLUTIONS
6. BUDGET

Resolution No. 09-97 Consideration of a Resolution Adopting
The 2010 NJMC Budget.
7. FLOOD CONTROL

Resolution No. 09-98 Consideration of a Resolution Concerning
Installation of Upper Moonachie Creek and
Bashes Creek Tide Gates.
8. SOLAR POWER FACILITY

Resolution No. 09-99 Consideration of a Resolution Authorizing the
Executive Director to Negotiate and Enter Into
A Lease Agreement with SunDurance Energy, LLC.

NEW JERSEY MEADOWLANDS COMMISSION
AGENDA

MONTHLY MEETING

Pg. 2

9. **REPORTS**

- A. Commissioners
- B. Executive Director
- C. Directors
- D. HMMC Executive Director

10. **NEW BUSINESS**

11. **PUBLIC PARTICIPATION**

12. **CLOSED SESSION**

- A. Adopt Resolution No. 09-100 to hold Closed Session.
 - NEO Settlement
- B. Adjournment to Closed Session. The Commission Reserves the Right to Reconvene Into Public Session, if necessary, to take Action on Closed Session Items.

PLEASE CONTACT THE NJMC OFFICE (201) 460-1700 PRIOR TO MEETING IF SPECIAL REQUIREMENTS ARE NEEDED UNDER ADA

**RESOLUTION ADOPTING THE
2010 NJMC BUDGET**

BE IT RESOLVED by the New Jersey Meadowlands Commission that the attached operations and maintenance, capital, and contributions to other operations budgets are hereby approved and adopted as the 2010 NJMC Budget.

The foregoing resolution was adopted by Commission vote.

Jay C. Nadel
Acting Chairman

I hereby certify the foregoing to be a true copy of the resolution adopted by the New Jersey Meadowlands Commission at its meeting of December 16, 2009.

Robert R. Ceberio
Secretary

Resolution No. 09-97

Memorandum



New Jersey Meadowlands Commission

To: NJMC Commissioners and Robert R. Ceberio, Executive Director

From: Irfan Bora and Edward Bulmer Date: December 16, 2009

Subject: ADOPTION OF CALENDAR YEAR 2010 BUDGET

Attached for your review and acceptance is the proposed NJMC's calendar year 2010 budget. The budget covers the cost elements of Operations and Maintenance, Capital and Contributions to Other Operations.

In continuing our overall goal of reducing the cost of operations of the NJMC, the proposed calendar year 2010 budget reflects a further overall reduction of 5%. In calendar year 2009, the NJMC passed a budget reflecting a 10% reduction. As in the past, the budget reductions are being accomplished through efficiencies in internal operations, elimination of discretionary spending in the areas of services and consulting, as well as reductions in capital outlays. In light of the continuing decrease in revenues from the Commission solid waste operations in calendar year 2009, the amount of overhead recovery to the NJMC has been dramatically decreased. Our immediate goal is to make sure that ongoing revenues can adequately fund recurring expenditures, coupled with our continuing efforts to implement various cost saving measures.

The proposed calendar year 2010 budget can be summarized as follows:

| | |
|---------------------------------------|-------------|
| ➤ Operations and Maintenance - NJMC | \$9,341,411 |
| ➤ Operations and Maintenance - NJMCEC | \$2,481,175 |
| ➤ Contribution to Other Operations | \$ 700,000 |
| ➤ Capital Budget | \$ 100,000 |

Despite the reductions, the NJMC will continue its initiatives in the following areas:

- Sustaining the regional municipal equipment pool services initiatives for our 14 towns, thereby providing tax relief to the District;
- Promoting economic growth and jobs developed through continuation of funding for the NJMC Business Accelerator;
- Addressing infrastructure challenges through flood control measures such as tide gates maintenance and rehabilitation;
- Continuation of funding for the Environment Center educational programming and outreach through the new Science Center.

We would appreciate your review and acceptance of the proposed calendar year 2010 budget and will be pleased to respond to any questions you might have regarding the budget.

Attachments

**New Jersey Meadowlands Commission
Comparative Budgetary Statements
Calendar Year 2010**

Operations and Maintenance Budget

| Revenue Budget | Budget Calendar Year 2009 | Proposed Budget 2010 | Difference |
|-----------------------------------|--|-------------------------------------|---------------------|
| Fee Income | 1,500,000 | 1,500,000 | - |
| Methane Gas Recovery | 195,000 | 195,000 | - |
| Composting Fee Income | 300,000 | 300,000 | - |
| Reserve Fund Utilization | 425,855 | 100,000 | (325,855) |
| Other Income: | | | |
| Overhead Recovery | 4,080,809 | 547,586 | (3,533,223) |
| Interest And Other | 620,000 | 100,000 | (520,000) |
| Grant Revenue | 5,980,000 | 4,500,000 | (1,480,000) |
| Negotiated Contracts | - | 5,280,000 | 5,280,000 |
| Rental Income - Accelerator | 25,000 | 25,000 | - |
| User Fees - NJMCEC | 155,200 | 75,000 | (80,200) |
| Total Revenues | \$ 13,281,864 | \$ 12,622,586 | \$ (659,278) |
| | | | |
| Expense Budget | Budget Calendar Year 2009 | Proposed Budget 2010 | Difference |
| Operations & Maintenance: | | | |
| NJMC | \$ 9,578,001 | \$ 9,341,411 | (236,590) |
| NJMC-Environment Center | 2,523,008 | 2,481,175 | (41,833) |
| Sub Total | \$ 12,101,009 | \$ 11,822,586 | \$ (278,423) |
| Contributions to Other Operations | 883,255 | 700,000 | (183,255) |
| Capital/Maintenance Projects | 297,600 | 100,000 | (197,600) |
| Debt Service | - | - | - |
| Total Expense | \$ 13,281,864 | \$ 12,622,586 | \$ (659,278) |

**New Jersey Meadowlands Commission
Comparative Budgetary Statements
Calendar Year 2010**

| NJMC Budget Detail | Budget Calendar Year 2009 | Proposed Budget 2010 | Difference |
|-------------------------------|--|-------------------------------------|---------------------|
| Salaries and Fringe Benefits | \$ 6,604,149 | \$ 6,730,411 | \$ 126,262 |
| Supplies | 285,500 | 224,000 | (61,500) |
| Services | 2,446,353 | 2,150,000 | (296,353) |
| Repairs & Maintenance | 232,000 | 232,000 | - |
| New Equipment | 10,000 | 5,000 | (5,000) |
| Total NJMC Budget | \$ 9,578,001 | \$ 9,341,411 | \$ (236,591) |

| NJMCEC Budget Detail | Budget Calendar Year 2009 | Proposed Budget 2010 | Difference |
|---------------------------------|--|-------------------------------------|--------------------|
| Salaries and Fringe Benefits | \$ 44,826 | \$ 45,274 | \$ 448 |
| Supplies | 174,500 | 157,000 | (17,500) |
| Services | 408,287 | 426,693 | 18,406 |
| Repairs & Maintenance | 50,500 | 79,000 | 28,500 |
| New Equipment | 2,000 | 5,000 | 3,000 |
| Other | 1,842,895 | 1,768,208 | (74,687) |
| Total NJMCEC Budget | \$ 2,523,008 | \$ 2,481,175 | \$ (41,833) |

| Contributions to Other Operations Budget Detail | Budget Calendar Year 2009 | Proposed Budget 2010 | Difference |
|--|--|-------------------------------------|---------------------|
| Business Incubator | \$ 733,255 | \$ 550,000 | \$ (183,255) |
| Tidegate Maintenance | \$ 150,000 | \$ 150,000 | \$ - |
| Total Cont. to Other Operations | \$ 883,255 | \$ 700,000 | \$ (183,255) |

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR
TO ENTER INTO A CONTRACT FOR
INSTALLATION OF UPPER MOONACHIE CREEK AND BASHES
CREEK TIDE GATES**

WHEREAS, the existing Moonachie Creek Tide Gates and the levee system, which is located along the Hackensack River is in the process of being decommissioned, and;

WHEREAS, this system protects the properties to the east of Washington Avenue in the Borough of Carlstadt; and

WHEREAS, the NJMC is proposing to install redundant tide gate systems at the Moonachie Creek and Bashes Creek culverts under the New Jersey Turnpike Western Spur; and

WHEREAS, the NJMC staff prepared the plans and specifications for the Installation of Upper Moonachie Creek and Bashes Creek Tide Gates (File SP-631) and issued an Invitation for Bid for the above-mentioned project for the public bid process on October 19, 2009; and

WHEREAS, ten (10) bid packages were purchased during the bid advertisement period; and

WHEREAS, Five (5) construction bids for this project were received and opened on December 8, 2009; and

WHEREAS, the construction bids are listed from lowest to highest:

| | |
|----------------------------------|-------------------|
| Creamer-Sanzari, A Joint Venture | \$414,250.00 |
| Hutton Construction LLC | \$439,400.00 |
| Rosangela Contracting Co., Inc. | \$481,750.00 |
| Bell Mill Construction Co., Inc. | \$530,059.00 |
| Kyle Conti Construction, LLC | \$546,950.00; and |

WHEREAS, ("Creamer-Sanzari, A Joint Venture") of Hackensack, NJ was the lowest responsive bidder, with a bid amount of \$414,250.00; and

WHEREAS, staff review of the bid proposal indicates that their bid proposal is reasonable and proper; and

WHEREAS, the project will be funded through the Transco FBO/NJMC/Moonachie Creek Tide Gate escrow fund and the remaining amount will be funded by the NJMC; and

WHEREAS, the total project cost will be \$435,000.00 which includes a small contingency fund above the \$414,250.00.

NOW, THEREFORE, BE IT RESOLVED by the New Jersey Meadowlands Commission that the Executive Director is hereby authorized to enter into a contract with ("Creamer-Sanzari, A Joint Venture") for the "Installation of Upper Moonachie Creek and Bashes Creek Tide Gates" project at a cost of \$414,250.00 and to further authorize a small contingency fund bringing the total to \$435,000.00.

The foregoing Resolution was adopted by Commission vote.

Jay C. Nadel
Acting Chairman

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Meadowlands Commission at its meeting of December 16, 2009.

Robert R. Ceberio
Secretary

Resolution No. 09-98

Memorandum



New Jersey Meadowlands Commission

To: NJMC Commissioners and Robert R. Ceberio, Executive Director

From: Thomas R. Marturano

Date: December 16, 2009

Subject: Installation of Upper Moonachie Creek and Bashes Creek Tide Gates, File SP-631

The existing Moonachie Creek Tide Gates and levee system, which is located along the Hackensack River is in the process of being decommissioned. This drainage system protects the properties located to the east of Washington Avenue in the Borough of Carlstadt. The NJMC is proposing to install redundant tide gate systems at the Moonachie Creek and Bashes Creek culverts under the New Jersey Turnpike Western Spur.

The work to be performed under this contract consists of the installation of new tide gates onto existing culverts, along with rip-rap aprons, with culvert openings of 12-feet by 20-feet and 10-feet by 10-feet, respectively. The installation of a trash rack is also proposed at Moonachie Creek.

On December 8, 2009, bids were received and opened for the above-referenced contract. During the bid period, a total of ten (10) prospective bidders purchased the bid packages. Five (5) bids were submitted and are listed as follows from lowest to highest:

| | |
|----------------------------------|--------------|
| Creamer-Sanzari, A Joint Venture | \$414,250.00 |
| Hutton Construction LLC | \$439,400.00 |
| Rosangela Contracting Co., Inc. | \$481,750.00 |
| Bell Mill Construction Co., Inc. | \$530,059.00 |
| Kyle Conti Construction, LLC | \$546,950.00 |

The project will be funded through the Transco FBO/NJMC/Moonachie Creek Tide Gate escrow fund and the remaining amount will be funded by the NJMC. The total project cost will be \$435,000.00 which includes a small contingency fund above the \$414,250.00.

Therefore, the NJMC staff is requesting Commission authorization for the Executive Director to enter into a contract with Creamer-Sanzari, A Joint Venture for the "Installation of Upper Moonachie Creek and Bashes Creek Tide Gates" project at a cost of \$414,250.00. The total authorization being requested is \$435,000, which represents a 5 percent contingency above the bid amount.

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO
NEGOTIATE AND ENTER INTO A LEASE WITH SUNDURANCE ENERGY,
LLC FOR PURPOSES OF DEVELOPING, OWNING, AND OPERATING A
SOLAR POWER FACILITY ON THE 1-A LANDFILL IN KEARNY**

WHEREAS, the New Jersey Meadowlands Commission ("NJMC") is committed to the development of a renewable energy infrastructure in the Hackensack Meadowlands District including the utilization of the open space created by closed landfills for the placement of solar power facilities; and

WHEREAS, the NJMC has determined that the long-closed 1-A Landfill in Kearny would serve as an ideal platform for a solar power facility; and

WHEREAS, on May 27, 2009, the NJMC issued a Request for Proposal ("RFP") for the development, installation, operation, and maintenance of a grid-connected photovoltaic system on NJMC landfill property; and

WHEREAS, in exchange for development of the facility, and lease payments to the NJMC for occupancy of the land, the selected firm shall take ownership of all available tax credits, depreciation, solar renewable energy certificates and all other values realized by the Project; and

WHEREAS, to obtain funding for the Project, the NJMC applied for and was awarded an American Recovery and Reinvestment Act grant in the amount of \$8.5 million, through the renewable energy for public entities program run by the New Jersey Board of Public Utilities ("BPU"); and

WHEREAS, the NJMC intends to utilize a portion a BPU Customer On-site Renewable Energy rebate to provide additional funding for the Project; and

WHEREAS, in response to the RFP, the NJMC received one proposal, submitted by SunDurance Energy, LLC ("SunDurance"), a New Jersey based solar developer and affiliate of the Conti Group; and

WHEREAS, SunDurance proposes to enter into a 20-year lease with the NJMC for the development of a multi-megawatt solar power facility; and

WHEREAS, to ensure completion of the Project, SunDurance shall provide NJMC with a Parent Company Guarantee from Conti Enterprises, Inc., and a performance bond from a third party surety, both of which shall be used to guarantee construction of the facility; and

WHEREAS, after a thorough review of the technical and financial merits of the proposal, NJMC staff and renewable energy consultants from Gabel Associates recommend that the NJMC award the Project to SunDurance, subject to the negotiation of lease terms, including final sizing and scope, and execution of the Parent Company Guarantee, in a form acceptable to the NJMC.

NOW, THEREFORE, BE IT RESOLVED by the New Jersey Meadowlands Commission that the Executive Director is hereby authorized to negotiate and enter into a lease agreement with SunDurance Energy, LLC.

The foregoing resolution was adopted by Commission vote.

Jay C. Nadel
Acting Chairman

I hereby certify the foregoing to be a true copy of the resolution adopted by the New Jersey Meadowlands Commission at its meeting of December 16, 2009.

Robert R. Ceberio
Secretary

Resolution No. 09-99

Memorandum



New Jersey Meadowlands Commission

To: NJMC Commissioners and Robert R. Ceberio, Executive Director

From: Christine A. Sanz Date: December 16, 2009

Subject: New Jersey Meadowlands Commission 1-A Landfill Solar Project

The attached resolution authorizes the Executive Director to negotiate and enter into a 20-year lease agreement with SunDurance Energy, LLC ("SunDurance"), a New Jersey based solar developer and affiliate of The Conti Group, for the purpose of developing a solar facility on the long-closed 1-A Landfill in Kearny. This project is part of the New Jersey Meadowlands Commission's ("NJMC") long-standing commitment to the creation of a renewable energy infrastructure in the Hackensack Meadowlands District.

By way of background, on May 27, 2009, the NJMC issued a Request for Proposal ("RFP") to construct, own, operate, and maintaining a grid-connected photovoltaic system on NJMC-owned landfill property. The RFP specified that the selected firm will make lease payments to the NJMC for occupancy of the property, and will be entitled to ownership of the values realized by the project, including tax credits, depreciation, and solar renewable energy certificates. In response, the NJMC received one proposal, which was submitted by SunDurance.

To fund the project, the NJMC applied for and was awarded, through a state grant program administered by the New Jersey Board of Public Utilities ("BPU"), an American Recovery and Reinvestment Act grant in the amount of \$8.5 million. Additionally, this project will receive a portion of a BPU Customer On-site Renewable Energy rebate.

NJMC staff and renewable energy consultants from Gabel Associates conducted a thorough evaluation of the technical and financial merits of the proposal, which included meetings with SunDurance to review contract terms and final project specifications. Additionally, Gabel Associates evaluated the capability and financial background of SunDurance and its parent company, Conti Enterprises, Inc., and determined that they are capable of meeting their project responsibilities. Furthermore, to guarantee completion of construction, SunDurance will provide NJMC with a Parent Company Guarantee from Conti Enterprises, Inc., and a performance bond from a third party surety.

Therefore, NJMC staff is requesting that the Commission authorize the Executive Director to negotiate and enter into a lease agreement with SunDurance.

RESOLUTION: CLOSED SESSION

WHEREAS, the Open Public Meetings Act, Chapter 231, P.L. 1975, permits the holding of closed session by public bodies in certain circumstances; and

WHEREAS, the New Jersey Meadowlands Commission is of the opinion that those circumstances presently exist.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That a closed session of the NJMC will be held to discuss the following:
 - NEO Settlement
2. It is anticipated at this time that the above subject matter(s) will be made public upon completion of said matter(s).

This Resolution shall become effective immediately. The foregoing Resolution was adopted by Commission vote.

Jay C. Nadel
Acting Chairman

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Meadowlands Commission at its meeting of December 16, 2009.

Robert R. Ceberio
Secretary