

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING SEPTEMBER 29, 2015

THE CHAIRMAN COMMENCES MEETING WITH PLEDGE OF ALLEGIANCE AND ROLL CALL:

- 1. APPROVAL OF MINUTES**
Regular Meeting August 25, 2015
Closed Meeting August 25, 2015
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2015-9-0081
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2015-9-0082
- 4. APPROVAL OF CREDITS**
RESOLUTION 2015-9-0083
- 5. APPROVAL OF CHANGE ORDERS – Two (2)**
BWY Industrial Sidetrack Project – Railroad Construction Co.: CO No. 1
RESOLUTION 2015-9-0084
BWY Industrial Sidetrack Project – Railroad Construction Co.: CO No. 2
RESOLUTION 2015-9-0085
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2015-9-0086
- 7. RECEIPT OF TREASURER’S REPORT**
- 8. RECEIPT OF COUNSEL’S REPORT**
- 9. RECEIPT OF EXECUTIVE DIRECTOR’S REPORT**



10. ADDITIONAL AGENDA ITEMS REQUIRING BOARD ACTION

- A. RESOLUTION 2015-9-0087: AUTHORIZATION TO RELEASE REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES**
- B. RESOLUTION 2015-9-0088: APPROVAL OF PROFESSIONAL SERVICES OPTION**
- C. RESOLUTION 2015-9-0089: APPROVAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY RENEWALS**
- D. RESOLUTION 2015-9-0090: APPROVAL OF STANDARD MERCHANDISING COMPANY AGREEMENT FOR 1535 BROADWAY**

11. SUPPLEMENTAL BOARD INFORMATION

- E. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- F. PORT SECURITY UPDATE**
- G. PAULSBORO MARINE TERMINAL PROJECT UPDATE**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2015-9-0087: AUTHORIZATION TO RELEASE REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES

Staff is requesting authorization to release the Request for Qualifications for Engineering Services for the following categories:

- Civil Engineer
- Certified Diver
- Construction Management
- Geo-technical Services
- Marine Engineer

At the February 2014 meeting, the Board took action to approve the results from a Request for Qualifications for Professional Services for prequalification of engineering firms for a period of three (3) years, with a term of March 1, 2014 through February 28, 2017. Each year, the Board considers additional engineering firms to the prequalified list for the remaining term. This request would be to pre-qualify additional engineers to the current list for a period of one (1) year, aligning all pre-qualified engineering firms to expire in February 2017.

The results of the Request for Qualification will be reviewed by the Board Review Committee and the committee will present a recommendation to the full Board to be considered by the Board prior to the March 1st commencement.

RECOMMENDATION:

Staff recommends Board authorization to prepare and advertise the Request for Qualifications for Engineering Services.



ACTION ITEM:

B. RESOLUTION 2015-9-0088: APPROVAL OF PROFESSIONAL SERVICES OPTION

At the February 3, 2015 Board meeting, action was taken to approve professional services agreements for seven disciplines for a term of one year beginning March 1, 2015 to February 28, 2016 with a one year option exercised at the prerogative of the Board.

- General Counsel – Zane & Lozuke
 - DeCotiis, Fitzpatrick & Cole (conflict)
- Maritime Counsel – Mattioni, Ltd.
- Labor Counsel – Brown & Connery
 - Genova, Burns, Giantomasi, Webster (conflict)
- Marketing Consultant – Phoenix Strategies/Artlip Communications
- Financial Advisor – Goldman Beale
 - The PFM Group (conflict)
- Insurance Broker – Conner Strong & Buckelew
- Bond Counsel – Capehart & Scatchard
 - McManimon, Scotland & Baumann (conflict)

The Board may elect to offer the one (1) option to each administrative services firm at the firm's original contract amount for a period beginning March 1, 2016 to February 28, 2017.

RECOMMENDATION:

Staff is requesting the Board's consideration to exercise the one year option for the current professional services firms per the existing contract terms.



ACTION ITEM:

C. RESOLUTION 2015-9-0089: APPROVAL OF WORKERS' COMPENSATION & EMPLOYERS LIABILITY POLICY RENEWALS

SJPC's Workers Compensation & Employers Liability policy renews November 4, 2015. The present carrier, New Jersey Casualty Insurance Company, has quoted a renewal cost at \$667,537 (subject to audit). The renewal cost decreased this year over last year primarily due to two factors: a decrease in SJPC's Experience Modification Factor from .995 on the expiring policy to .928 for the renewal policy (representing approximately \$46,000 of the total premium decrease); and a 14% decrease in payroll from \$6,859,934 estimated for the expiring term to \$5,870,952 estimated for the renewal (representing approximately \$130,000 of the total premium decrease). These two items were partially offset by an increase in the New Jersey Workers Compensation Classification Rates issued by the New Jersey Compensation Rating and Inspection Bureau (representing approximately \$21,000 in increased premium).

The renewal cost of \$667,537 is a decrease of \$154,490 compared to last year's cost. Conner Strong & Buckelew, SJPC's Insurance Broker, recommends that SJPC renew with New Jersey Casualty Insurance Company at an estimated annual renewal cost of \$667,537.

RECOMMENDATION:

Staff recommends Board Approval of the recommendation from Conner Strong & Buckelew to approve the Workers Compensation & Employers Liability Policy renewal policy with New Jersey Casualty Insurance Company at a cost of \$667,537.



ACTION ITEM:

D. RESOLUTIONS 2015-9-0090: APPROVAL OF STANDARD MERCHANDISING COMPANY AGREEMENT FOR 1535 BROADWAY

Staff and General Counsel will present a proposed ground lease between SJPC and Standard Merchandising Company for approximately 4 acres at 1535 Broadway in Camden.

RECOMMENDATION:

Staff recommends Board consideration to approve the Standard Merchandising Company lease for 1535 Broadway as presented.



INFORMATION ITEM:

E. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



INFORMATION ITEM:

F. SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

FIVE YEAR FACILITY SECURITY PLAN: SJPC requested and was granted a six month extension to June 2015 to submit a new, five-year, Facility Security Plan by the U.S. Coast Guard Sector Delaware Bay COTP. On May 13, 2015, SJPC's FSO submitted to the U.S. Coast Guard Sector Delaware Bay the five-year Facility Security Plan which includes a previously submitted amendment, as well as a new Threat Assessment Report. The USCG provided a sixty day extension for the current FSP to provide them with sufficient time to complete the review.

On August 13, 2015, an email notification was received from the USCG that they have completed two reviews of the FSP and will be issuing a letter to identify requested revisions to be implemented and re-submitted within 30 days.

On September 14, 2015, the USCG FSP Letter and FSP requested changes were received. The FSP is undergoing the revisions and will be reverted back to USCG for final approval.

TEMPORARY FACILITY SECURITY PLAN AMENDMENTS: On September 17, 2015, the FSO submitted a temporary FSP amendment to expand the concert parking area into the restricted and secure areas of the Balzano Terminal for a one day event at the Susquehanna Center due to SJPC's use of other port areas to stow cargo that are part of the parking agreement areas. Through a detailed process and a USCG site evaluation and M TSA Spot check performed on Saturday, September 19, 2015, the temporary amendment was granted.

PHYSICAL ACCESS CONTROL: On September 18, 2015, the Balzano Terminal legacy access control system for the gates and turnstiles was replaced and integrated with the new RBH Axiom V PACS system we installed at the Broadway Terminal for the new gate complex. The new platform will give SJPC enhanced enrollment and reporting capabilities, as well as expanded services such as adding office door strikers, links to alarm panels for annunciation and integrating video with access control data.

PAPAL VISIT TO PHILADLPHIA: The World Meeting of Families events and the Papal Visit to Philadelphia scheduled for Thursday, September 24th through Monday, September 28th is expected to have significant impact to road and river traffic in the Philadelphia/SJ region. SJPC has been participating on USCG, NJROIC and City of Camden planning meetings and information sessions to prepare accordingly for the event.

Staff prepared the notice below for SJPC employees, tenants and visitors:

In advance of this week's World Meeting of Families events and the Papal Visit to Philadelphia, traffic will be impacted by a number of road closures, the closure of the Ben Franklin Bridge and river traffic will be impacted by a number USCG safety zones through a period from Thursday, September 24th through and including Monday,

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September 28th. NJ Governor Christie has issued [Executive Order No. 184](#) declaring and proclaiming that a State of Emergency exists across New Jersey for the purpose of managing this event and coordinating mutual aid through the Emergency Management Assistance Compact (EMAC) effective September 18, 2015 through 8:00.m. on Tuesday, September 29, 2015.

SJPC's Balzano Marine Terminal and the Broadway Terminal will remain open and operational during this period. Plan ahead if you are transiting to our facilities or through the area during this period.

Below are additional Security and operation schedules for other agencies. Additional information will be distributed as it is received.

- *NJ Department of Transportation Papal Visit – [Plan Your Visit Resources for what to expect](#). (<http://www.nj.gov/transportation/commuter/events/going.shtm>)*
- *Transportation Security Administration [Security Awareness Message](#). The TSA addresses surface transportation, including trucks and rail freight.*
- *U.S. Coast Guard [Delaware and Schuylkill Rivers Security Zones](#)*
- *U.S. Customs and Border Protection [Custom House Closure](#)*

As the Board meeting is immediately following the event dates, staff will provide an update on any actual impacts to SJPC and our operations.



INFORMATION ITEM:

G. PAULSBORO MARINE TERMINAL PROJECT UPDATES

The Paulsboro Marine Terminal Project updates are provided by the Gloucester County Improvement Authority. See the attached monthly report.

PMT-Wharf Construction – Change Order No. 04 Weeks Marine: The GCIA approved Change Order No. 4 for Weeks Marine changing the unit price per pile from \$3,000 to \$1,475 for piles that do not require to be re-drilled. The quantity for this unit price change order is 200 each (estimated quantity) and the magnitude of the Change Order is \$295,000 with no time extension. To date, the GCIA has paid \$70,800 on August 11, 2015 and \$57,525 on September 11, 2015 for piles under this unit price category.

Original Agreement Amount:	\$46,558,765.00
Change Order No. 1	-\$888,408.34
Change Order No. 2	\$326,568.90
Change Order No. 3	\$11,584.65
Change Order No. 4	\$295,000.00
New Contract Sum	\$46,303,510.21
Change Order No. 4 Total Value	\$295,000.00
Change Order No.4 Work performed to date is (8/11/15)	(\$70,800.00)
Change Order No. 4 Work performed to date is (9/11/15)	(\$57,525.00)
Change Order Total Value to date	(\$128,325.00)

PMT-Wharf Construction – Change Order No. 05 Weeks Marine: The GCIA approved Change Order No. 5 for Weeks Marine is a unilateral change setting the pile unit price for piles that require to be cut and re-drilled and the quantity to \$3,000 per pile at a quantity of 160 piles. The magnitude of the Change Order is \$480,000.00 with no time extension.

To date, the GCIA has paid \$60,000 on August 11, 2015 for piles under this unit price category.

Original Agreement Amount:	\$46,558,765.00
Change Order No. 1	-\$888,408.34
Change Order No. 2	\$326,568.90
Change Order No. 3	\$11,584.65
Change Order No. 4	\$295,000.00
Change Order No. 5	\$480,000.00
New Contract Sum	\$46,783,510.21
Change Order No. 5 Total Value	\$480,000.00
Change Order No.5 Work performed to date is	(\$60,000.00)
Change Order Total Value to date	\$420,000.00

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PMT-008 Wharf Construction – Change in Service No. 07 AECOM: The GCIA approved Change of Service No. 7 for AECOM for construction management services through a third party consulting engineer advisory service. Third party analysis performed regarding damaged piles discovered in the Wharf construction project which Weeks Marine is claiming design issues as the cause. The magnitude of the Change in Service is \$5,100.00.

Original Agreement Amount:	\$2,249,948.00
Change in Service No. 1	\$260,000.00
Change in Service No. 2	\$200,000.00
Change in Service No. 3	\$200,000.00
Change in Service No. 4	\$1,850,000.00
Change in Service No. 5	\$15,000.00
Change in Service No. 6	\$5,000.00
Change in Service No. 7	\$5,100.00
Revised Agreement Amount	\$4,785,048.00



MATTERS INVOLVING LITIGATION, PERSONNEL & SPECIAL MATTERS

The subject matter is covered by one or more of the following legal exemptions:

- Matters made confidential by state, federal law or rule by court.
- Disclosure would result in an unwarranted invasion of individual privacy, unless the person affected consents in writing.
- Disclosure would impair the body's right to receive federal or state funds.
- Collective bargaining.
- Lease or acquisition of property, setting of banking rates, investment of public funds if disclosure would harm the public interest.
- Investigations into violations of law.
- Strategies to protect public security.
- Pending, ongoing or anticipated litigation or contract negotiation, including attorney-client privilege. The threat of litigation must be more than theoretical for this exemption to apply.
- Personnel matters affecting employees of the public bodies, unless all parties request or consent to a public hearing. Prior to discussion of personnel, affected employees must be given notice, known as a Rice notice, which gives the employee the right to request a public hearing.
- Proceedings that could result in a suspension, civil penalty, or loss of a license or permit.

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- 1. COUNSEL'S REPORT**
 - 2. PERSONNEL**
 - a. Office/Supervisory Personnel Communication Workers of America (supervisory and non-supervisory)**
 - b. Local 18, IFPTE Proposal (Port Labor)**
 - c. Local 169, Teamsters Proposal (Security Guards)**
 - 3. BROADWAY SPRINKLER SYSTEM**
 - 4. MAINTENANCE DREDGING**
 - 5. STANDARD MERCHANDISING CO.**
 - 6. MARINE REVENUE BOND - PAULSBORO**