

# **SOUTH JERSEY PORT CORPORATION**



## **BOARD OF DIRECTORS MEETING FEBRUARY 23, 2016**

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

- 1. APPROVAL OF MINUTES**  
Regular Meeting January 26, 2015  
Closed Meeting January 26, 2015
- 2. APPROVAL OF OPERATING BILLS  
RESOLUTION 2016-2-0019**
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST  
RESOLUTION 2016-2-0020**
- 4. APPROVAL OF CREDITS  
RESOLUTION 2016-2-0021**
- 5. APPROVAL OF CHANGE ORDERS**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS  
RESOLUTION 2016-2-0022**
- 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 2016-2-0023: APPROVAL OF SELECTED ACCOUNTS RECEIVABLE WRITE OFFS**
- B. RESOLUTION 2016-2-0024: APPROVAL FOR BOND TRUSTEE TO TRANSFER CASH MANAGEMENT FUNDS TO INVESTOR'S BANK**
- C. RESOLUTION 2016-2-0025: APPROVAL OF NJEDA AGREEMENT – TEMPORARY PARKING AREA IMPROVEMENTS**

**11. SUPPLEMENTAL BOARD INFORMATION**

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

PUBLIC SESSION FOR QUESTIONS / COMMENTS

**12. CLOSED SESSION AND/OR ADJOURNMENT**



**ACTION ITEM:**

**A. RESOLUTION 2016-2-0023: APPROVAL OF SELECTED ACCOUNTS RECEIVABLE WRITE OFFS**

SJPC accounts receivable are monitored on a regular basis. Our current analysis has identified the following accounts that are uncollectible:

- Adelpia Metals \$3,011.99
- Clipper Steel \$1,507.72
- Camden International Commodities \$1,143.07

All collection efforts have been exhausted and the statute of limitations has passed. We propose to write these amounts off the books.

Please be aware that SJPC is sufficiently reserved to absorb the entry and there will be no impact on current income.

**RECOMMENDATION:**

Staff recommends Board approval of the above-referenced receivables to be written off.



**ACTION ITEM:**

**B. RESOLUTION 2016-2-0024: APPROVAL FOR BOND TRUSTEE TO TRANSFER CASH MANAGEMENT FUNDS TO INVESTOR'S BANK**

Staff is recommending Board approval to transfer additional cash management funds to Investors Bank and consolidate sub-accounts. Under the Board's General Bond Resolution, certain permanent accounts are established, including a Construction Fund, an Operating Fund, a Revenue Fund, a Debt Service Fund, a Reserve Fund, a Maintenance Reserve Fund, a Tax Reserve Fund, a General Reserve Fund and a Property Reserve Fund. Monies on deposit in each of these funds are to be used for specific identified expenses of the Corporation.

It has been the custom and the practice of the Corporation to open sub-accounts within certain Funds in connection with the undertaking of a specific project or the issuance of a series of bonds. As projects have been completed, it is not uncommon that residual amounts remain in the sub-accounts. The proposed resolution would direct the Trustee to close identified sub-accounts and transfer these remaining balances into the Fund established under the Bond Resolution; thus maintain the segregation of funds as originally directed by the Bond Resolution. For certain residual balances within sub-accounts under the Construction Fund, the Resolution creates a new account to receive the consolidated amounts and allows for the identification of a project to be funded in the future by Board resolution; provided such identified project can be funded with tax exempt bond proceeds.

See Resolution 2016-2-24 for full text.

**STAFF RECOMMENDATIONS:**

Staff recommends Board approval of the Resolution to authorize the Bond Trustee to transfer additional cash management funds to Investors Bank as directed per the Resolution.



**ACTION ITEM:**

**C. RESOLUTION 2016-2-0025: APPROVAL OF NJEDA TERM SHEET – TEMPORARY PARKING AREA IMPROVEMENTS**

**BACKGROUND:** Under annual agreements with the Parking Authority of the City of Camden (PACC), the SJPC has provided under a use agreement certain port areas for concert parking when the event parking does not interfere with port operations between May 15<sup>th</sup> and October 1<sup>st</sup>. The PACC has an obligation, through a parking agreement with Live Nation, the BB&T Pavilion operator, to provide 7,200 parking spaces for BB&T Pavilion patrons. The PACC would provide SJPC with improvements and/or a fee for use of the port properties, negotiated each year.

**TERM SHEET:** The New Jersey Economic Development Authority (NJEDA), at its own cost and expense as part of the overall effort to assist PACC to provide sufficient parking, shall construct on the port property a public parking lot and related site improvements such as pavement repair/restoration, lighting, striping, fencing, signage, parking attendant booth; subject to an agreement between PACC and SJPC and used by Live Nation for parking on event days (but for only as long as such parking is required under a lease and is not otherwise made available to the tenant at the BB&T Pavilion by way of structured parking or otherwise in the City of Camden) and other events as needed by PACC.

- The proposed term sheet between NJEDA and SJPC provides a project term of fourteen (14) months beginning March 1, 2016 to construct the improvements.
- All improvements made by NJEDA will become the property of SJPC upon completion of the Project at the expiration of the term of the MOU but without any representation, warranty or liability on behalf of NJEDA.
- SJPC shall defend and hold NJEDA harmless from any losses or damages arising out of any and all environmental conditions that may exist prior to and after NJEDA's access onto the Property. SJPC's indemnity shall survive the expiration of the MOU term.
- NJEDA will have reasonable access to the properties to perform the construction, when it does not interfere with port operation.
- A Memorandum of Understanding, based on the term sheet, will be developed and will serve as a definitive agreement to be fully executed and delivered by the parties.
- A parking agreement between PACC and SJPC is pending.

**STAFF RECOMMENDATIONS:**

Staff recommends Board approval of the NJEDA Term Sheet regarding the construction of parking improvements on certain port properties used by PACC for event parking.



**INFORMATION ITEM:**

**D. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



## **INFORMATION ITEM:**

### **E. SECURITY UPDATE**

The security update is prepared by Mr. Jay Jones.

**DHS 2016 PORT SECURITY GRANT PROGRAM:** The 2016 Port Security Grant Program (PSGP) was announced with \$100,000,000 available for FY2016. The PSGP focuses on Maritime Domain Awareness; port resilience and recovery capabilities; training and exercises; cybersecurity; enhancing Improvised Explosive Device (IED) and Chemical, Biological, Radiological; Nuclear; Explosive (CBRNE) prevention; protection, mitigation, response, and recovery capabilities; and Transportation Worker Identification Credential (TWIC) Implementation. The program requires a 25% of the total of all project costs provided by the recipient. The deadline for applications is April 25, 2016. The performance period is 36 months.

SJPC will evaluate current, eligible security needs and will make a recommendation for a PSGP application.

**NJ OFFICE OF HOMELAND SECURITY AND PREPAREDNESS – PORT PORTFOLIO:** SJPC will assist the NJ Office of Homeland Security and Preparedness with their task to develop a portfolio of Southern NJ port facilities.

**U.S. COAST GUARD HOMEPORT 2.0:** The United States Coast Guard (USCG) Homeport Internet Portal (HIP) was established in 2005 to facilitate compliance with the requirements set forth in the Maritime Transportation Security Act (MTSA) of 2002, by providing secure information dissemination, advanced collaboration, electronic submission and approval for vessel and facility security plans, and complex electronic and telecommunication notification capabilities.

Since its inception, HIP has been expanded to provide additional support such as Transportation Worker Identification Card New Hire; Electronic Vessel Response Plan; Marine Event Permit Process; Port Status Indicator; Merchant Mariner Licensing and Documentation; Marine Training and Assessment Data (training documentation); Merchant Mariner Certificate; Sea Service Calculator; Merchant Mariner Verification of Certificates; and Merchant Mariner Credential Survey

The Coast Guard will launch Homeport 2.0 in the late spring/early summer timeframe in order to provide a better user experience and improve the security of user information. Upgrades will include fewer site navigation menus and more efficient and secure search functions.



**INFORMATION ITEM:**

**F. PAULSBORO MARINE TERMINAL PROJECT UPDATES**

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

**Paulsboro Marine Terminal PMT-016 Phase 1 Site Electrical & Miscellaneous Equipment Bid:** Pursuant to a publicly advertised request for bids, sealed bids for Paulsboro Marine Terminal (PMT-016) Phase 1 Site Electrical & Miscellaneous Equipment Project were received and opened on January 28, 2016 at the GCIA’s main office at 11:00AM.

A basic overview of the work consists of Installation of Initial Terminal Substation Equipment, completion of the site duct bank loop, seventeen high mask light poles, electrification of Wharf lighting, installation and commissioning of air compressor station for yard rail, installation of truss for remote inspection of all rail cars, and miscellaneous electrical connections. Four companies submitted Bid packages. A tabulation of the bid results is as follows.

<u>Bidder</u>	<u>Total Bid Amount</u>
Kyle Conti Construction Co.	\$ 6,360,600.00
PKF Mark III	\$ 6,487,450.00
Mugrose Construction	\$ 6,857,180.00
Carr & Duff Inc.	\$ 7,316,202.00

A review of the lowest bidder’s Kyle Conti Const. Co. bid document’s by GCIA Counsel Parker McCay, have found those documents to be in order. The Design engineer CH2MHILL has also reviewed the bid documents and found them to be conforming and responsive and no reasons were identified to prevent an award to Kyle Conti Const. Co. In response to the submitted bid amounts and the reviews and determinations by council and the design engineer, based on the above information, it was recommended to the GCIA Board of Commissioners to award the Paulsboro Marine terminal (PMT-016) Contract to Kyle Conti Const. Co..

The GCIA Commissioners at its February 8, 2016 Special Meeting approved Resolution 15-16 approving the Award as described.





## **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. Local 18 Collective Bargaining Agreement**
    - b. Local 169 Collective Bargaining Agreement**
    - c. CWA Supervisory and Non Supervisory Collective Bargaining Agreements**
    - d. Administrative**
  - 3. BROADWAY SPRINKLER SYSTEM**
  - 4. MAINTENANCE DREDGING**