



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
BROADWAY TERMINAL
CAMDEN, NEW JERSEY
January 26, 2016
12:30 p.m.

Directors Present:	Richard Alaimo	Chairman
	Christopher Chianese	State Treas. Designee
	Robert DeAngelo	Director
	Joseph Maressa, Jr.	Director ☎
	Craig Remington	Director
	Sheila Roberts	Director
	Carl Styles	Director ☎
Directors Absent:	Chad Bruner	Director
	Jonathan Gershen	Director
	Eric Martins	Director
In Attendance:	Christopher Howard	Governor's Authorities Unit
	Raymond Zane, Esq.	Gen. Counsel – Zane & Lafferty
	Kevin Castagnola	Executive Director & CEO
	Jay Jones	Dep. Exec. Dir. / Board Secretary
	Bruno Cellucci	Treasurer
	George Englehardt	Facilities Engineer
	Neil Grossman	Financial Advisor - GBA
	Dennis Culnan, Jr.	Marketing Consultant – PS&AC
	Linda Artlip	Marketing Consultant – PS&AC
	Dennis Culnan	Marketing Consultant – PS&AC
	Darryl Eng	AECOM
	Phil Girandola	AECOM
	Mario Christina	Glouc.Cty. Improvement Authority
	Larry Hazen	Greyhawk
	Christopher Lawrence	CH2MHill
	Rick Hunt	Parker McCay
	Mike Baker	Conner Strong Buckelew
Missy Williamson	Conner Strong Buckelew	
Lisa Kline	Holt Logistics	
Mike Hagan	Holt Logistics	
Mark Stettler	T&M Associates	

The Chairman opened the meeting at 12:30 p.m. with the following statement:

Pursuant to the provisions of the Open Public Meetings Act, Chapter 231, Public laws of 1975, adequate notice of this meeting has been provided. On January 4, 2016, the Secretary of the Corporation sent a legal notice with a schedule of Regular Meetings to be held by the South Jersey Port Corporation's Board of Directors, during the calendar year 2016, indicating the time and place to the following newspapers: Courier-Post, Gloucester County Times and the Burlington County Times.

In addition, the meeting was posted at the Port Corporation's designated Bulletin Board at its main entrance to the Broadway Terminal, its official place for posting and maintaining a schedule of the monthly Board of Director's Meetings for 2016. The meeting schedule was also placed on the Port Corporation's website at www.southjerseyport.com.

Roll call was taken and recorded. [PLEDGE OF ALLEGIANCE RECITED](#).

[PRESENTATION OF REGULAR MEETING MINUTES - December 8, 2016](#)

The minutes for the South Jersey Port Corporation Board of Directors meeting held on December 8, 2016, were presented for approval.

A motion was made to approve the December 8, 2016 Board of Directors Regular Meeting Minutes as presented.

Moved by:	C. Chianese
Seconded by:	S. Roberts
Voting for motion:	All
Voting against motion:	None

[PRESENTATION OF CLOSED MEETING MINUTES – December 8, 2016](#)

The minutes for the South Jersey Port Corporation Board of Directors closed meeting session held on December 8, 2016, were presented for approval.

A motion was made to approve the December 8, 2016 Board of Directors Closed meeting minutes, as presented, with the condition that any matters contained in the closed session minutes may be withheld and not disclosed to the public until the need for the closed session has passed.

Moved by:	R. DeAngelo
Seconded by:	C. Chianese
Voting for motion:	All
Voting against motion:	None

OPERATING BILLS

The Operating Unpaid Bill list for the period 11/26/2015 to 1/14/2016 was presented for approval.

A motion was made to adopt Resolution 2016-1-0001 for the approval of the Operating Unpaid Bill list for the period 11/26/2015 to 1/14/2016.

Moved by: C. Remington
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 11/26/2015 to 1/14/2016 was presented for approval. The Board Audit Committee reviewed the AMEX statements and reviewed an expense report for the executive director in the amount of \$438.78.

A motion was made to adopt Resolution 2016-1-0002 for the approval of the Advance Payment Bills for the period 11/26/2015 to 1/14/2016 and the expense report in the amount of \$438.78.

Moved by: C. Remington
Seconded by: C. Chianese

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ended January 26, 2016, containing two (2) credits for a total amount of \$291.92 was presented for approval.

A motion was made to adopt Resolution 2016-1-0003 for the approval of the Credit List for the period ended January 26, 2016 in the amount of \$291.92.

Moved by: C. Chianese
Seconded by: C. Remington

Voting for motion: All
Voting against motion: None

CHANGE ORDERS

Change Order No. 3, in the amount of \$440,451.91 for the Broadway Terminal Industrial Sidetrack Project, Contract NJDOT 2205631, for Railroad Construction Company of South Jersey, Inc. was presented. The total contract price including all change orders, including CO No. 3, will be \$2,047,917.39. This is a 39.8% overall increase. Mr. Mark Stettler with T&M Associates provided an overview of the Change Order which includes additional track removal; water utility and drainage work; additional crossing and walkway work; and PSE&G gas main relocation. Mr. Stettler commented that Conrail is requiring certain aspects of the project to be

changed to meet their requirements for the new rail track service from the Bulson Street rail yard to the marine terminal.

A motion was made to adopt Resolution 2016-1-0004 for the approval of Change Order No 3. in the amount of \$440,451.91 for the Broadway Terminal Industrial Sidetrack Project, Contract NJDOT 2205631, for Railroad Construction Company of South Jersey, Inc.

Moved by: R. DeAngelo
Seconded by: C. Remington

Voting for motion: All
Voting against motion: None

CONSTRUCTION FUND REQUISITIONS

Staff presented three (3) advance construction fund requisitions in the amount of \$419,472.99 and six (6) construction fund requisitions in the amount of \$234,030.33.

A motion was made to adopt Resolution 2016-1-0005 for the approval of the nine (9) Construction Fund Requisitions totaling 4,708,846.29 as presented.

Moved by: C. Chianese
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

The Treasurer, Mr. Bruno Cellucci, presented the Treasurer's Report. He presented the report for the period ending December 31, 2015. He reported that the net income before interest, depreciation and amortization is \$961,896 versus the budgeted amount of \$240,207. This is a deviation of \$721,689 better than budget. For the year-to-date, net income before interest, depreciation and amortization is \$4,108,828. This is \$1,226,350 better than budget. The interest on investments and the accounts receivables reports were also presented.

A motion was made to accept the Treasurer's Report as presented.

Moved by: C. Remington
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

COUNSEL'S REPORT

The Counsel's Report will be discussed in closed session.

EXECUTIVE DIRECTOR'S REPORT

The Executive Director reported SJPC achieved another year of cargo growth in 2015 with tonnage increasing by 12% over 2014 to 2,525,562 short tons. This is the third consecutive year

of achieving double digit percent growth at the marine terminals in Camden and Salem. Overall breakbulk cargoes, consisting of steel, calcium chloride, cocoa beans, fruit, and wood products combined for 1,093,003 s/tons, finishing virtually even with 2014.

Steel imports tonnage lead all cargoes with 832,153 s/tons. This result is SJPC's 2nd largest steel tonnage total, trailing only 8% behind 2014's mark of 900,000 tons.

The terminals handled 47,867 s/tons of super sacks containing 50 lbs. bags of calcium chloride; besting 2014 by 60%. This consumer ready product is in great demand when the Mid-Atlantic winters produce snow and ice. Import fruit returned to Broadway Terminal's Pier 5 during November and December, with five ship calls carrying 9,990.00 s/tons. Although a modest result, the new activity to Pier 5 is a welcome result. Import wood products improved by 48% over 2014, reaching 160,255 s/tons. Import cocoa beans finished the year with 41,344 tons; off from 2014 by -37%.

Dry bulk cargoes collectively reached 1,432,545 s/tons in 2015; improving by 24% over 2014. Export recycled metals, through Camden Iron & Metal, handled 525,221 s/tons; a 1% improvement over the previous year. Essroc's import cement and export Gramcem® each finished -4% off of 2014 with 355,184 s/tons and 105,162 s/tons respectively. Other bulks, including road salt, sand, Urea, Pumice and Gypsum filled out the remainder of the activity.

During 2015, the SJPC's marine terminals handled 206 ships compared to 157 in 2014. The number of ship days (i.e. the number of days a ship is loading or unloading at its terminals) increased from 462 to 543; an 82% increase. Staff has prepared a press release promoting the SJPC's 2015 activity.

The Executive Director reported SJPC submitted a NJDOT 2016 Freight Rail Assistance Grant application in the amount of \$24,568,130 for rail construction at the Paulsboro Marine Terminal and rail improvements at the Balzano and Broadway Terminals. The funding program is similar to the 2012 Freight Rail Assistance Grant. SJPC received \$10M from the 2012 award. The new funding is critical to continue with the Phase 2 components of the PMT project, as well as to improve rail crossings at the Camden terminals.

A motion was made to accept the Executive Director's Report as presented.

Moved by:	S. Roberts
Seconded by:	J. Maressa, Jr.
Voting for motion:	All
Voting against motion:	None

RESOLUTION 2016-1-0006: 2016 STATE PENSION LIABILITY

Staff presented the Employer's Liability Annual Pension Contribution Invoice for the Public Employee's Retirement System (PERS) for calendar year 2016. The total amount of \$639,307.00 is due on April 1, 2016. The total amount due includes the Employer's Contribution for 2016 and early retirement costs. Details of the obligation were presented.

A motion was made to approve Resolution 2016-1-0006 to approve the 2016 Employer's Liability Annual Pension Contribution Invoice in the amount of \$639,307.00.

Moved by: R. DeAngelo
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-1-0007: SELECTION OF PREQUALIFIED ENGINEERING FIRMS

Staff advertised the Request for Qualifications for Engineering Services in five different categories, including Marine Engineer, Civil Engineer, Construction Management, Geo-Technical, and Certified Diver to add any interested, qualified firms to the current roster. The current list of pre-qualified engineering firms carries a term through February 28, 2017 and began with a three year or two year term. Each year, a request is made for firms interested to be added to the pre-qualification list. This offering will add qualified firms for a period of one year from March 1, 2016 to February 28, 2017; the last year of the three year rolling qualification term. At the end of 2016, SJPC will release a RFQ at which time all firms will be required to submit qualifications.

Qualification packages were due on December 10, 2015. The Board Review Committee evaluated the qualifications. Director Remington, on behalf of the committee, presented the following recommendation to the Board to approve the additional firms to the prequalified roster for a term of March 1, 2016 to February 28, 2017.

CIVIL ENGINEERS:

Cardno, Burlington NJ

CONSTRUCTION MANAGEMENT:

Cardno, Burlington, NJ
 Cumming, Cranford, NJ

MARINE ENGINEERS:

WSP Parsons Brinkerhoff, Lawrenceville, NJ
 GZA GeoEnvironmental, Ft. Washington, PA
 Golder Associates, Mt. Laurel, NJ
 Lloyd Engineering, Inc., Houston, TX

GEO TECHNICAL:

Golder Associates, Mt. Laurel, NJ

A motion was made to approve Resolution 2016-1-0007 to approve the Board Review Committee's recommendation to qualify and add Cardno; Cumming; WSP Parsons Brinkerhoff; Golder Associates; and Lloyd Engineering into the current list for Civil; Construction Management; Marine Engineers; and Geo Technical categories as submitted for a term of one (1) year beginning on March 1, 2016 to February 28, 2017.

Moved by: C. Remington
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-1-0008: CAMDEN PLANT HOLDINGS LEASE RENEWAL

Staff presented a request from Camden Plant Holdings to renew their lease for a 5,000 square foot area located in A-1 Building (Room A-3) for a term of one (1) year. Their current renewal rate of \$1,099.00 will remain in affect due to the comparative CPI trend.

A motion was made to approve Resolution 2016-1-0008 approving the Camden Plant Holdings lease renewal as presented.

Moved by: C. Remington
Seconded by: C. Styles

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-1-0009: WILSON & SONS WELDING LEASE RENEWAL

Staff presented a request from Wilson & Sons Welding to renew their lease for the small storage shed located at the Broadway Terminal for a term of one (1) year. The current rental rate of \$44.00 per month will remain in affect due to the comparative CPI trend.

A motion was made to approve Resolution 2016-1-0009 to approve the Wilson & Sons Welding lease renewal as presented.

Moved by: C. Remington
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-1-0010: CENTRAL METALS LEASE RENEWAL

Staff presented a request from Central Metals to renew their lease for the 7,850 sq.ft. area located at the NE corner of 2nd and Kaighn Avenue for a term of one (1) year. The current rental rate of \$338.00 per month will remain in affect due to the comparative CPI trend.

A motion was made to approve Resolution 2016-1-0010 to approve the Central Metals lease renewal as presented.

Moved by: C. Remington
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-1-0013: AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR KOCKS CRANE FESTOON SYSTEM

Staff requested the Board's authorization to solicit pricing bids for the complete component replacement and installation of the "festoon" cable reeling system on the Balzano Terminal Kocks Crane. This proprietary power distribution system incorporates a series of beam mounted trolley guided roller assemblies designed to splay out and retrieve the electrical operation cables along with the transverse movements of the overhead Cab and the electrically operated cable winch assemblies. This component system has been in service for approximately 25 years which has exceeded the anticipated operational life span estimated between 10-15 years of service.

The system is now plagued with mechanically failing components. The high and low voltage cables are frayed, broken, melted and dangerously worn - operating over a 213' horizontal length of travel, and six stories in the air. Fortunately, this specialized system incorporates a proprietary Wampler system which offers compatibility advantages within the Port's other crane operational systems, but most likely will necessitate a sole source purchase. Preliminary "turn-key" cost and pricing is estimated at \$250,000.00.

A motion was made to approve Resolution 2016-1-0013 to authorize staff to release a Request for Proposals for the Kocks Crane Festoon System.

Moved by:	C. Chianese
Seconded by:	R. DeAngelo
Voting for motion:	All
Voting against motion:	None

RESOLUTION 2016-1-0014: AUTHORIZATION TO REQUEST QUOTATIONS FROM PREQUALIFIED MARINE ENGINEERS TO PERFORM UNDERWATER CONDITIONS SURVEY OF THE BALZANO TERMINAL BERTHS

Staff requested Board authorization to request quotations from the pre-qualified Marine Engineering firms to conduct an underwater conditions survey of Berths 2, 3, and 4 at the Balzano Marine Terminal. The scope will include providing a diving team with a trained and certified Commercial Hard Hat Diver/Professional Engineer. The diving team shall perform a visual and tactical inspection in accordance with the ASCE Underwater Investigation Standard Practice Manual of all steel and concrete piles, bulkheads, and steel cell structures. River bottom profiles underneath the pier will also be obtained. The quotations will be presented to the Board at a subsequent meeting to award the project.

Director Remington requested the details of the scope of work, as it is important that the firm inspect and report on a number key elements.

A motion was made to approve Resolution 2016-1-0014 to approve authorize staff to request quotations from the pre-qualified marine engineers to conduct an underwater conditions survey of Berths 2, 3 and 4 at the Balzano Terminal..

Moved by:	C. Chianese
Seconded by:	C. Remington

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-1-0015: INSURANCE RENEWALS FOR MARINE TERMINAL OPERATORS GENERAL LIABILITY, BUMBERSHOOT LIABILITY, COMMERCIAL AUTOMOBILE, HULL & MACHINERY PROTECTION AND INDEMNITY FOR SPUD BARGE, AND PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY

Mr. Mike Baker with Conner Strong & Buckelew presented recommendations for renewals of SJPC's Marine Terminal Operators General Liability / Bumbershoot Liability, Commercial Automobile, Hull & Machinery/Protection and Indemnity (P&I) - 1959 Spud Barge, Pollution Liability - 1959 Spud Barge and Public Officials and Employment Practices Liability. The current policies expire at the end of February 2016.

The current (3/1/2015 – 3/1/2016) **Marine Terminal Operators General Liability / Bumbershoot Liability** program provides a \$21,000,000 Occurrence / \$21,000,000 General Aggregate Limit through National Union Fire Insurance Company of Pittsburgh, PA (\$1,000,000 Per Occurrence / \$2,000,000 Aggregate Limit), Aspen American Insurance Company (\$4,000,000 Occurrence / \$4,000,000 General Aggregate Limit excess of \$1,000,000 / \$2,000,000 Underlying), Navigators Insurance Company (\$9,600,000 part of \$16,000,000 Limit excess of \$5,000,000 Underlying), and XL Specialty Insurance Company (\$6,400,000 part of \$16,000,000 Limit excess of \$5,000,000 Underlying). The total expiring premium is \$281,088 (including TRIA and New Jersey surcharges) based on Gross Receipts of \$21,192,293.

For the 3/1/2016 – 3/1/2017 policy term, the South Jersey Port Corporation provided a Gross Receipts estimate of \$21,192,293, as expiring. Conner Strong & Buckelew negotiated a renewal cost of \$269,138, which represents a rate and premium decrease of approximately 10%. Conner Strong & Buckelew pursued other insurance carriers on your behalf. Based on the options provided, Conner Strong & Buckelew recommends that South Jersey Port Corporation renew their Marine Terminal Operators General Liability insurance coverage with National Union Fire Insurance Company of Pittsburgh, PA. For the \$20,000,000 excess of \$1,000,000 Bumbershoot Liability program, Conner Strong & Buckelew recommends moving this coverage from Aspen American Insurance Company, Navigators Insurance Company, and XL Specialty Insurance Company to Travelers Property & Casualty Company of America and XL Specialty Insurance Company for a premium savings of \$60,237 versus the expiring program. The coverages, terms, and conditions of both the incumbent program and the proposed alternative are described in more detail in the proposal.

The current program with Federal Insurance Company (Chubb) for **Commercial Automobile** provides a \$1,000,000 Combined Single Limit. Chubb's renewal quote for the 3/1/2016 – 3/1/2017 policy term is \$91,759 (including NJ surcharges). CSB approached other insurance companies including National Fire Insurance Company of Hartford and Travelers; however, Chubb continues to provide the most competitive program. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew with Federal Insurance Company (Chubb).

The current **Hull & Machinery/Protection and Indemnity (P&I) for the 1959 Spud Barge** program with National Union Fire Insurance Company of Pittsburgh, PA (AIG) provides a \$1,000,000 P&I limit and a Hull value of \$200,000. The expiring premium is \$6,300 (including NJ surcharges). AIG has offered a renewal quote for the 3/1/2016 – 3/1/2017 policy term with

same terms and conditions as expiring for the same premium of \$6,300 (including NJ surcharges). Please note that this coverage is specifically for your 1959 Spud Barge. At present, Conner Strong & Buckelew recommends that South Jersey Port Corporation renew the coverage with AIG.

The current **Pollution Liability for the 1959 Spud Barge** program with Water Quality Insurance Syndicate (WQIS) provides a \$5,000,000 Limit for a discharge of oil or hazardous substance. WQIS' renewal quote for the 3/1/2016 – 3/1/2017 policy term is \$2,395 (including NJ surcharges). Please note that this coverage is specifically for the 1959 Spud Barge. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew with the Water Quality Insurance Syndicate (WQIS).

The current **Public Officials Liability and Employment Practices Liability Insurance** program with Hiscox Insurance Company provides a \$5,000,000 Limit for Public Officials and Employment Practices Liability claims. The expiring premium is \$55,118 (including NJ surcharges). Hiscox's renewal quote for the 3/1/2016 – 3/1/2017 policy term is \$58,049 (including NJ surcharges). CSB approached several other insurance companies on behalf of the Port and the results of our marketing effort are discussed in greater detail in the CSB proposal. At present, Conner Strong & Buckelew recommends that South Jersey Port Corporation renew their Public Officials Liability and Employment Practices Liability program with Hiscox Insurance Company.

The total cost to renew the policies is \$367,404 and represents a 16% rate reduction compared to the changes in exposures.

A motion was made to approve Resolution 2016-1-0115 to approve Conner Strong & Buckelew recommendations to renew the Marine Terminal Operators General Liability / Bumbershoot Liability, Commercial Automobile, Hull & Machinery/Protection and Indemnity (P&I) - 1959 Spud Barge, Pollution Liability - 1959 Spud Barge and Public Officials and Employment Practices Liability policies for a total amount of 367,404.00 as presented.

Moved by:	C. Chianese
Seconded by:	J. Maressa, Jr.
Voting for motion:	All
Voting against motion:	None

RESOLUTION 2016-1-0016: PAULSBORO MARINE TERMINAL PROJECT – AECOM ADDITIONAL SERVICES FOR FREIGHT RAIL CONNECTIVITY CONCEPT STUDY

This action item was tabled.

RESOLUTION 2016-1-0017: APPROVAL OF CAMDEN COUNTY EASEMENT FOR BROADWAY TERMINAL ROAD REALIGNMENT

Staff presented an easement agreement with the County of Camden for the Broadway road realignment project for property along the former Terraces parcels. The county needed to change the meets and bounds. This easement will replace the agreement approved by the Board at the December 2015 meeting. The agreement has been reviewed by General Counsel.

A motion was made to approve Resolution 2016-1-0017 to approve the Camden County Easement Agreement regarding the Broadway Road Realignment as presented.

Moved by: C. Chianese
Seconded by: C. Styles
Voting for motion: All
Voting against motion: None

RESOLUTION 2016-1-0018: CONRAIL LEASE AGREEMENT

Staff presented a lease with Conrail for right-of-way property which is located off of the Camden Belt Line (Bulson Street Yard), Linde Code 10 9902, Milepost 2.2-2.4 located adjacent to the Broadway Terminal, consisting of 19,465 square feet, for the sole purpose of constructing and maintaining the new main rail track service into the terminal.

The term of this Lease is for five (5) years and shall commence on February 1, 2016 and end on January 31, 2021 and thereafter will automatically renew for four (4) five year terms. The lease rent is \$4,000 per annum.

A motion was made to approve Resolution 2016-1-0018 to approve the Conrail Lease Agreement in the amount of \$4,000 per annum for a term of five year with four 5 year options for property adjacent to the Broadway Terminal.

Moved by: R. DeAngelo
Seconded by: C. Chianese
Voting for motion: All
Voting against motion: None

INFORMATION ITEMS:

MARKETING REPORT - PHOENIX STRATEGIES / ARTLIP COMMUNICATIONS

Ms. Linda Artlip presented the Marketing Report. She reported on they are working with Mr. Jay Jones on the next edition of the Port-O-Call magazine; print media advertisements; trade show exhibit updates; and the development of the 2015 Annual Report.

The report was received and filed.

PORT SECURITY UPDATE

Mr. Jay Jones presented the Security Update.

DHS COMPUTER BASED ASSESSMENT TOOL: The Department of Homeland Security will be onsite on January 19, 2016, to deliver the Computer Based Assessment Tool (CBAT) for the Balzano Terminal. The product for the Broadway Terminal is still in production and will be delivered soon.

CBAT is a data collection and presentation medium designed to support critical infrastructure security, special event planning, and response operations. CBAT imagery captures provide immersive video, geospatial, and hypermedia data of critical facilities, surrounding areas, transportation routes, etc. and integrate assessment data from the Enhanced Critical Infrastructure Protection security surveys, Site Assistance Visits, and other relevant materials. The data is used to support the Regional Resiliency Assessment Program.

The CBAT team visited both terminals in 2015 to capture and collect data. During a CBAT imagery capture, the CBAT team considers two viewpoints: hostile target and civil response. For the hostile target viewpoint, in which a facility/building is viewed as a tactical objective, the team collects multimedia data to document approach and exit routes, use of lighting, visible and hidden entrances, loading docks, and parking garages. In considering the civil response viewpoint, the team collects data on obstructions/restrictions that would affect the approach of emergency response vehicles and equipment to the site, and street/parking accessibility in proximity to building access points. Additional collected data include significant area assets such as exterior and interior critical support equipment (water valves, electrical shut-off panels, back-up generators, etc.), personnel emergency marshaling points, and control centers. The assessment will be kept confidential and staff will use the tool for planning, drills and exercises and other assessment activities.

NATIONAL TERRORISM ADVISORY SYSTEM: On December 16, 2015, the Department of Homeland Security (DHS) released an enhancement to the National Terrorism Advisory System (NTAS) to better keep the public informed of terrorist threats. DHS will now issue two types of advisories -- Alerts and Bulletins -- depending on the credibility and specificity of a threat. Bulletins will provide general information, focusing on trends and issues that are important for the public to be aware of as well as recommendations on how they can contribute to the counterterrorism effort. Alerts will be more specific in nature and focus on credible threats of a more immediate nature in the US.

DHS will announce the release of Alerts and Bulletins publicly on their website (www.dhs.gov), social media channels and the media. This will not replace existing notifications or alerts from federal agencies but rather is in addition to existing reporting protocols and products. Visit www.dhs.gov/advisories to see the most recent advisories and NTAS program specific information.

U.S. COAST GUARD AMSC/AC MEETING: Mr. Jones will be participating in the next USCG Sector Delaware Bay Area Maritime Security Committee meeting on February 10, 2016. The meeting will be a joint AMSC and AC meeting.

The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

Representatives from CH2Mhill, the Design Engineer; AECOM, the Project Management firm; Greyhawk; and the Gloucester County Improvement were present to discuss a number of change orders that the Gloucester County Improvement Authority has approved. Mr. Daryl Eng with

AECOM provided updates on the overall Paulsboro Marine Terminal project and provided a PowerPoint containing photos highlighting the current construction activities.

The following change orders were presented:

CH2MHILL Change Order #14 Paulsboro Marine Terminal Project: In accordance with the Gloucester County Improvement Authority Board of Commissioners action at the 1/21/16 meeting a Change Order No. 14 for CH2MHILL was approved. This Change Order pertains to the Paulsboro Marine Terminal Project. CH2MHILL was directed to provide acoustic monitoring during pile driving (with and without a bubble curtain) and supply a report based on the results for the purposes of evaluating the ability to modify pile driving windows that are required by State and Federal agencies. The cost for this effort is \$10,800. This cost will be chargeable to GCIA budget P-95 Marine Terminal, which is funded by the South Jersey Port Corporations 2009 Series P (construction) bond.

Lump Sum this Change Order	\$ 10,800.00
Revised Contract Sum	\$ 5,189,603.00
Change Order #14.....	\$ 10,800.00
New Contract Sum.....	\$ 5,200,403.00

CH2MHILL Change Order #15 Paulsboro Marine Terminal Project: In accordance with the Gloucester County Improvement Authority Board of Commissioners action at the 1/21/16 meeting a Change Order No. 15 for CH2MHILL was approved. This Change Order pertains to the Paulsboro Marine Terminal Project. CH2MHILL was directed to coordinate with and review submittals by WMI with regards to the precast elements presented for Value engineering purposes. Specifically, the costs were associated with preparing for and attending meetings with WMI and their precast supplier, and analysis of their proposed submittals. The incurred cost to-date in support of this effort is \$27,800. This cost will be chargeable to GCIA budget P-95 Marine Terminal, which is funded by the South Jersey Port Corporations 2009 Series P (construction) bond.

Lump Sum this Change Order	\$ 27,800
Revised Contract Sum	\$ 5,200,403.00
Change Order #15.....	\$ 27,800.00
New Contract Sum.....	\$ 5,228,203.00

CH2MHILL Change Order #16 Paulsboro Marine Terminal Project: In accordance with the Gloucester County Improvement Authority Board of Commissioners action at the 1/21/16 meeting a Change Order No. 16 for CH2MHILL was approved. This Change Order pertains to the Paulsboro Marine Terminal Project. CH2MHILL was directed to execute a redesign of civil works predominantly on the eastern portion of the property in association with the impending steel cargo service for NLMK, as well as Conrail directed specification changes. The incurred cost of this Change is \$255,340.00. This cost will be chargeable to GCIA budget P-95 Marine Terminal, which is funded by the South Jersey Port Corporations 2009 Series P (construction) bond.

Lump Sum this Change Order	\$ 255,340.00
Revised Contract Sum	\$ 5,228,203.00
Change Order #16.....	\$ 255,340.00
New Contract Sum.....	\$ 5,483,543.00

Kyle Conti Construction Change Order No.3 (PMT-013) Paulsboro Marine Terminal Project: Description of Work: Perform the work in accordance with the following:

Perform the added work in accordance with the Construction Manager’s Proposal Request 014 and the Contractor’s COR-015.

Perform the added work in accordance with the Construction Manager’s Proposal Request 015 and the Contractor’s COR-016R1.

Perform the added work in accordance with the Construction Manager’s Proposal Request 008R1 and the Contractor’s COR-017R1.

Perform the added work in accordance with the Construction Manager’s Proposal Request 017R1 and the Contractor’s COR-019R4.

Perform the added work in accordance with the Construction Manager’s Proposal Request 007 and the Contractor’s COR-020R1.

Justification (Reason for Change):

COR-015: This work entailed the addition of an electrical and communications ductbank, as well as the addition of one communications manhole and an electrical manhole. Originally this work was originally planned to be included in the PMT-016 contract. The site electrical design was not completed before the PMT-013 plans were put out for bid, and as the electrical design was finalized this ductbank was added. However, due to the fact that the PMT-013 contract went out to bid and was awarded before the PMT-016 contract and the ductbanks travel underneath the rail work being installed under the PMT-013 contract, the ductbank and manholes had to be installed by the PMT-013 contract so that the ductbanks could be installed before the rail work. It should be noted that although the PMT-013 contractor did install the two added manholes, the cost of that portion of the work is not addressed by COR-015 and the contractor will address those costs either by using a contingent line item or in a separate COR. The added work addressed by COR-015 was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.

- **Agreed Upon Compensation: \$57,036.23.** Any time extensions associated with this added work will be addressed by a separate COR and change order.

COR-016R1: This work entailed the extension of four casing pipes which were installed underneath railroad track beds in order to allow future water and sewer lines to be installed underneath the railroad tracks without interrupting future rail service in to and out of the PMT. The four casing pipes were installed in accordance with the contact documents and prior to the installation of the track beds, ties and rails. Once the rail work was installed over the casings it became evident that, due to the sharp angles between the tracks and the casing pipes, the casing pipes were too short for their ends to reach outside of edges of the rail corridor. This issue was resolved by having the contractor install extensions to both ends of the four casing pipes, thus allowing their ends to reach beyond the rail corridor. This work was not included in the original contract documents, and, as such, is a change for which the contractor is entitled to compensation.

- **Agreed Upon Compensation: \$73,665.67.** Any time extensions associated with this added work will be addressed by a separate COR and change order.

Original Contract Sum.....	\$14,777,777.00
Net change by previously authorized Change Orders.....	\$-377,798.25
Contract Sum prior to this Change Order was	\$14,399,978.75
Contract Sum will be increased/decreased by this Change Order in the amount of.....	\$730,803.17
New Contract Sum including this Change Order will be	\$15,130,781.92
Original Contract Completion Date.....	December 31, 2015
Net Contract Time adjustments by prior Change Orders...	0 Days
Contract Time adjustment as provided by this Change Order..	0 Days
Current Adjusted Contract Completion Date.....	December 31, 2015

The report was received and filed.

FOREIGN TRADE ZONE #142 – SUBZONE 142D FTZ BOARD APPROVAL

Mr. Jay Jones reported on the Nine West Holdings FTZ subzone application. The SJPC Board authorized staff to submit an application on behalf of Nine West Holdings, Inc. for subzone status under Foreign Trade Zone #142 and enter into an operator’s agreement at the March 2015 meeting. The subzone site is for their distribution and warehouse facilities in West Deptford, NJ. Nine West Holdings, Inc. will be importing men’s and women’s wearing apparel, men’s and women’s footwear, jewelry and accessories into the FTZ subzone site for storage and distribution. Manufacturing activities will not be occurring within the proposed FTZ site.

We submitted an application to the National Foreign Trade Zones Board for subzone designation. On October 14, 2015, the Executive Secretary of the Foreign-Trade Zones Board docketed the application submitted by SJPC. The application was processed in accordance with the FTZ Act and Regulations, including notice in the Federal Register and in SJPC’s official newspapers and website inviting public comment.

The FTZ staff examiner reviewed the application and determined that it meet the criteria for approval. On December 23, 2015, the approval of the Nine West Holdings, Inc. subzone was granted as Subzone 142D.

Staff and SJPC’s General Counsel prepared and provided to Nine West Holdings, Inc. the operator’s agreement which is expected to be executed in the near term. The annual fee per the SJPC FTZ Tariff is \$15,000. Nine West Holdings, Inc. will also be required to submit annual report information in coordination with SJPC’s FTZ manager through Online FTZ Information System (OFIS) on an annual basis.

Mr. Jones added that he scheduled to attend the FTZ Board outreach event for grantees in Washington, DC on Monday, February 8, 2016. The outreach session is for officials of grantee organizations and will cover a range of topics of interest to grantees – including grantees’ use of the OFIS system for submitting annual reports.

PUBLIC COMMENTS

The Chairman asked if there were any public comments. Hearing none, he asked for a motion to adjourn the regular session meeting and enter closed session.

A motion was made to adjourn the Regular Open Meeting.

Moved by: C. Remington
Seconded by: C. Chianese

Voting for motion: All
Voting against motion: None

At 1:26 p.m. the regular open session was adjourned.

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Regular Open Session of the Board of Director's Meeting held Tuesday, January 26, 2016.

Jay Jones, Board Secretary

Following the Closed Session, the regular open session was reopened at 2:20 p.m.

RESOLUTION 2016-1-0011 and RESOLUTION 2016-1-0012: APPROVAL TO SUBSTITUTED CAPITAL PROJECTS PER BOND RESOLUTION AND AWARD OF “J” BUILDING ROOF BID

In advance of consideration of the “J” Building Bids, funding is to be made available from the Bond Skylight Project which was completed. Per the Original Bond Resolution, the Board hereby resolves that the Building J Roof Project is substituted for all or a portion of the Skylight Project in such amounts as necessary to complete the Building J Roof project provided however that such amounts do not exceed \$200,000. This action will provide the necessary funding to award the “J” Building project contract.

Pursuant to the Board’s authorization, staff released the Request for Proposals for the “J” Building Roof Project on December 6, 2015. The project consists of replacing 26,000 square feet of “built up” roof. The specifications and bid packet were prepared by T&M Associates and reviewed by General Counsel. The engineer’s estimate, prepared by T&M Associates, was not to exceed \$300,000.

Thirteen (13) contractors participated in the pre-bid meeting held on December 16, 2015. Seven (7) contractors submitted bids by the deadline on January 6, 2016. The bids are as follows:

Bidder	Lump Sum Bid	Wet Deck Unit Price
J. Wilhelm, Vineland, NJ	\$127,800.00	\$13.00 /sq.ft.
McMullen Roofing, Philadelphia, PA	\$179,952.00	\$2.85 /sq.ft.
Jottan, Florance, NJ	\$207,753.00	\$7.75 /sq.ft.
Wilkinson Roofing, Stanton, DE	\$208,435.00	\$4.00 /sq.ft.
USA Gen. Contractors, Elizabeth, NJ	\$223,000.00	\$6.50 /sq.ft.
Union Roofing, Philadelphia, PA	\$254,800.00	\$8.00 /sq.ft.
D.A. Nolt, Inc., Berlin, NJ	\$227,199.00	\$10.00 /sq.ft.

The bids were reviewed by staff, T&M Associates and General Counsel. The apparent lowest bidder is Wilhelm Roofing at a cost of \$127,800.00. Subsequently to submitting the bid, Wilhelm Roofing requested to withdrawal their bid due to an error in their new job estimating software. The next apparent qualified bidder is McMullen Roofing with a price of \$179,952. McMullen has performed several projects in the past for SJPC. The McMullen bid is well within the estimate and available funding.

A motion was made to approve Resolution 2016-1-0011 to approve the substitution of the Building J Roof Project for all or a portion of the Skylight Project funding in the 2009 O-3 Bond in such amounts as necessary to complete the Building “J” Roof project for an amount not to exceed \$200,000 pursuant to Section 208 of the SJPC’s Marine Terminal Bond resolution; and subsequently, to approve Resolution 2016-1-0012 to award the “J” Building Roof project to McMullen Roofing in the amount of \$179,952 and the wet deck unit price of \$2.85 per square foot.

Moved by:

C. Remington

Seconded by:

R. DeAngelo

Voting for motion: All
Voting against motion: None

The Chairman asked if there was any additional business. Hearing none, the Chairman asked for a motion to adjourn the meeting.

A motion was made to adjourn the Regular Open Meeting.

Moved by: C. Chianese
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

At 2:22 p.m. the regular open session was adjourned.

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Regular Open Session of the Board of Director's Meeting held Tuesday, January 26, 2016.

Jay Jones, Board Secretary