

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING FEBRUARY 28, 2017

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

- 1. APPROVAL OF MINUTES**
Regular Meeting January 31, 2017
Closed Meeting January 31, 2017
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2017-2-0023
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2017-2-0024
- 4. APPROVAL OF CREDITS**
RESOLUTION 2017-2-0025
- 5. APPROVAL OF CHANGE ORDERS – None**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2017-2-0026
- 7. RECEIPT OF TREASURER’S REPORT**
- 8. RECEIPT OF COUNSEL’S REPORT**
- 9. RECEIPT OF EXECUTIVE DIRECTOR’S REPORT**

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – February 28, 2017



10. ADDITIONAL AGENDA ITEMS REQUIRING BOARD ACTION

- A. RESOLUTION 2017-2-0027:** SELECTION OF PROFESSIONAL SERVICES APPOINTMENTS FOR GENERAL COUNSEL, LABOR COUNSEL, BOND COUNSEL, MARITIME COUNSEL, FINANCIAL ADVISOR, MARKETING CONSULTANT AND INSURANCE BROKER
- B. RESOLUTION 2017-2-0028:** SELECTION OF PRE-QUALIFIED ENGINEERING FIRMS FOR MARINE ENGINEERING, CIVIL ENGINEERING, CONSTRUCTION MANAGEMENT, GEO-TECH AND CERTIFIED DIVERS
- C. RESOLUTION 2017-2-0029:** APPROVAL OF VENDOR – REQUEST FOR PROPOSALS FOR MAIN GATE OPERATORS REPLACEMENT PROJECT

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 2017-2-0027: SELECTION OF PROFESSIONAL SERVICES APPOINTMENTS FOR GENERAL COUNSEL, LABOR COUNSEL, BOND COUNSEL, MARITIME COUNSEL, FINANCIAL ADVISOR, MARKETING CONSULTANT AND INSURANCE BROKER

Proposals for the Request for Qualifications and Cost Proposals for Professional Services including General Legal Counsel, Labor Counsel, Maritime Counsel, Bond Counsel, Marketing Consultant, General Health and Insurance Broker and Financial Advisor were received on December 8, 2016 at 3:00 p.m.

The Board Review Committee reviewed and scored the proposals. The committee recommends professional services agreements for a term of one year beginning March 1, 2017 with a one year option exercised at the prerogative of the Board for the following:

GENERAL LEGAL COUNSEL

Appointment - Zane & Lafferty

Conflict Firm - Dilworth Paxson

LABOR COUNSEL

Appointment - Brown & Connery

Conflict Firm - Dilworth Paxson

FINANCIAL ADVISOR

Appointment - GB Associates

Conflict Firm – Acacia Financial Group

MARITIME COUNSEL

Appointment - Mattioni, LTD.

BOND COUNSEL

Appointment - Capehart & Scatchard

Conflict Firm - McManimon, Scotland, & Baumann

MARKETING CONSULTANT

Appointment - Phoenix Strategies/Artlip Communications

Conflict Firm - Performance Marketing

GENERAL HEALTH & INSURANCE BROKER

Appointment - Conner Strong & Buckelew

RECOMMENDATION:

Staff recommends Board approval of the Board Review Committee's recommendations for the appointments to General Legal Counsel, Labor Counsel, Maritime Counsel, Bond Counsel, Marketing Consultant, General Health and Insurance Broker and Financial Advisor.



ACTION ITEM:

B. RESOLUTION 2017-2-0028: SELECTION OF PREQUALIFIED ENGINEERING FIRMS

Staff advertised the Request for Qualifications for Engineering Services in five different categories, including Marine Engine, Civil Engineer, Construction Management, Geo-Technical, and Certified Diver. The current select of pre-qualified engineering firms, that carried a three-year term, expires on February 28, 2017. Qualification packages were due on Tuesday, December 15, 2016. We received 59 qualification packages in total; 12 for Marine Engineer, 17 for Civil Engineer, 14 for Construction Management, 3 for Certified Divers and 13 for Geo-Technical Services. See attached list.

The Board Review Committee evaluated the qualifications received from 60 firms and recommend the Board approve all 59 qualifications in the five different categories, including Marine Engine, Civil Engineer, Construction Management, Geo-Technical, and Certified Diver, for a term of three (3) years. Every year staff will issue an RFQ to allow for any new firms to be considered. Firms selected to be on the pre-qualified list are eligible to participate in future requests for proposals to perform engineering services as required from project to project.

RECOMMENDATION:

The Board Review Committee recommends for Board approve all 59 firms to be placed on the pre-qualification list for Marine Engine, Civil Engineer, Construction Management, Geo-Technical, and Certified Diver.



ACTION ITEM:

C. RESOLUTION 2017-2-0029: APPROVAL OF VENDOR FROM RFP FOR GATE OPERATORS REPLACEMENT PROJECT

Pursuant to the Board's authorization, staff released the Request for Proposals for Main Gate Vehicle Operators Replacement Project. The project entails replacing the existing barrier arm operators, replacing the safety loops, installing new, two station card readers and red/green traffic lights for the inbound and outbound main gate lanes at the Balzano Terminal.

Twelve requests were received for the RFP. Proposals were due on Tuesday, February 14, 2017.

The following proposal was received:

Vendor	Cost
Precision Technology Solutions, Ambler, PA	\$26,692.00

Staff and General Counsel have reviewed the proposal and it meets the cost estimate and the scope of the project. The proposal also provides nominal maintenance coverage for year 2 through year 6, beginning at \$2,856.

Funding for this project is provided from Series O-1 for IT/Security.

RECOMMENDATION:

Staff recommends the Board award the Main Gate Operators Replacement Project to Precision Technology Solutions at a cost of \$26,692.00.



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.

DELAWARE BAY JOINT AREA COMMITTEE/AREA MARITIME SECURITY COMMITTEE MEETING: On February 15, 2017, Mr. Jones attended the USCG Delaware Bay Joint Area Committee/Area Maritime Committee. The agenda included 2016 reports on Sector Delaware Bay Response Department, Prevention Department, Intel Port Briefing, AC and AMSC Reports, TWIC presentation, Petroleum Logistics and Short Term Outlook, Pipeline Safety and Security and an update on the Port Security Grant Programs.

Hi-lights include:

- COTP Ben Cooper announcing he will be moving on the USCG headquarters and Scott Anderson will become the Sector Delaware Bay COTP this summer (date to be determined).
- CG-5P Policy Letter 08-16: Reporting Suspicious Activity and Breaches of Security reporting requirements and guidance on cybersecurity related events to the National Response System.
- The Port Intel Briefing included a concern that there is an overall low number of suspicious activity reported to the National Response System and requested facilities to be vigilant in reporting anything out of the ordinary. Ongoing concern about drone and cyber related SA/BOS.
- TWIC Card Reader Regulation: Class A facilities are required to have TWIC card readers at all gates with the functionality to authenticate card, check canceled card list and indentify/confirm biometric. Furthermore, those facilities must amend their FSP, install readers at all gates and maintain record keeping. The compliance date in August 23, 2018. Any facilities that are not required, but elect to implement TWIC card readers must meet the regulation. TSA does maintain a qualified technology list for reader equipment/systems.
- 2017 Port Security Grant Program – Due to the Federal continuing resolution that expires on April 28th and the lack of clarity whether there will be an omnibus bill or another continuing resolution to fund the federal government, the 2017 PSGP may be impacted. It is possible the window between announcement of the program and the deadline to submit application will be very small.

U.S. DHS – REGIONAL RESILIENCY ASSESSMENT OF DELAWARE RIVER PORTS:

The U.S. Department of Homeland Security, Office of Infrastructure Protection, in partnership with state and local homeland security offices, conducted a Regional Resiliency Assessment Program (RRAP) along the Delaware River. The RRAP is multi-state, focusing in Delaware, Pennsylvania, and New Jersey at port terminal facilities and the supporting key transportation, energy and information technology infrastructures. This integrated maritime system is a critical regional and national economic engine and transportation hub. The RRAP assessed the resilience of critical lifeline infrastructures supporting terminal operations within the Delaware River Ports of Camden, Philadelphia and Wilmington. Also, the RRAP assessed the power and

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – February 28, 2017



communications/information technology systems supporting the inter-modal distribution networks they rely on to move goods to markets.

We have arranged for the NJ Protective Security Advisor from DHS to present the assessment as it relates to SJPC facilities at in Closed session as the assessment has not yet been vetted for public distribution.



INFORMATION ITEM:

F. PAULSBORO MARINE TERMINAL PROJECT UPDATES

The Paulsboro Marine Terminal Project updates are provided by the Gloucester County Improvement Authority.

CHANGE ORDERS/CONTRACTS

Aecom Change Order #9 Paulsboro Marine Terminal:

This Change Order pertains to the Paulsboro Marine Terminal need for a Construction Management and contract closeout services. Aecom agrees that these services will be performed for a not to exceed cost of \$15,000.00.

- Agreed Upon Compensation: \$15,000.00.

AECOM – Construction Management

Contract Sum Prior to CO#09:	\$5,142,695.00
Change Order #9:	<u>\$15,000.00</u>
New Contract Sum:	\$5,157,695.00

Kyle Conti Construction Inc. Change Order #9 (PMT-013):

COR-036: In order to facilitate the construction of the asphalt driveway into the Mr. Gallenthin's property south of Universal Rd., two 30-ft long rail seals were required to be installed in the Universal Spur. This item of construction was not included in the previously submitted and approved Proposal Request PR-023Rev1 or the Contractor's COR-035, and it was not included in the original contract documents. As such, it is a change for which the Contractor is entitled to compensation.

- Agreed Upon Compensation: \$6,284.82. Any time extensions associated with this added work will be addressed by a separate COR and change order.

Kyle Conti Construction Change Order #9 – PMT-013

Original Contract Sum	\$14,777,777.00
Net change from prev. Cos	\$715,342.47
Contract Sum Prior to CO#09:	\$15,493,119.47
Change Order #9:	<u>\$6,284.82</u>
New Contract Sum:	\$15,499,404.29

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – February 28, 2017



Kyle Conti Construction Inc. Change Order #10 (PMT-013):

COR-037R1: In order to facilitate the tenant's access to and from the trestle for trucks hauling steel slabs and to make their operations more efficient, a new rail crossing is required just south of the trestle and west of the new proposed Shop Building location. This crossing was not included in the original contract documents. As such, it is a change for which the Contractor is entitled to compensation.

- **Agreed Upon Compensation: \$42,676.58.** Any time extensions associated with this added work will be addressed by a separate COR and change order.

Kyle Conti Construction Change Order #10 – PMT-013

Original Contract Sum	\$14,777,777.00
Net change from prev. Cos	\$721,627.29
Contract Sum Prior to CO#09:	\$15,499,404.29
Change Order #9:	\$42,676.58
New Contract Sum:	\$15,542,080.87



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. DHS – REGIONAL RESILIENCY ASSESSMENT PROGRAM**
 - 3. DRPA CAPITAL LEASE – ELECTRICAL SUBSTATION**
 - 4. HOLTEC - Demand for Final Payment**
 - 5. SPRINKLER SYSTEM – BROADWAY TERMINAL**
 - 6. MAINTENANCE DREDGING**
 - 7. PROPOSED BOND RESOLUTION/ISSUANCE**
 - 8. PERSONNEL:**
 - a. Local 18, I.F.P.T.E.**