



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
BROADWAY TERMINAL
CAMDEN, NEW JERSEY
March 29, 2016
12:30 p.m.

Directors Present:	Craig Remington	Acting Chairman
	Chad Bruner	Director ☎
	Christopher Chianese	State Treas. Designee ☎
	Robert DeAngelo	Director ☎
	Jonathan Gershen	Director
	Eric Martins	Director ☎
	Carl Styles	Director ☎
Directors Absent:	Richard Alaimo	Chairman
	Joseph Maressa, Jr.	Director
	Sheila Roberts	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
	Linda Artlip	Marketing Consultant – PS&AC
	Dennis Culnan	Marketing Consultant – PS&AC
	Darryl Eng	AECOM
	Mario Christina	Glouc.Cty. Improvement Authority
	Sean Jackson	Delaware River Partners (Repauno)

The Acting 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 schedule was posted at the Port Corporation's designated Bulletin Board at the 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 - February 23, 2016

The minutes for the South Jersey Port Corporation Board of Directors meeting held on February 23, 2016, were presented for approval.

A motion was made to approve the February 23, 2016 Board of Directors Regular Meeting Minutes as presented.

Moved by:	J. Gershen
Seconded by:	C. Bruner

Voting for motion:	All
Voting against motion:	None
Abstaining:	C. Styles

PRESENTATION OF CLOSED MEETING MINUTES – February 23, 2016

The minutes for the South Jersey Port Corporation Board of Directors closed meeting session held on February 23, 2016, were presented for approval.

A motion was made to approve the February 23, 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:	J. Gershen

Voting for motion:	All
Voting against motion:	None
Abstaining:	C. Styles

OPERATING BILLS

The Operating Unpaid Bill list for the period 2/11/2016 to 3/16/2016 was presented for approval.

A motion was made to adopt Resolution 2016-3-0025 for the approval of the Operating Unpaid Bill list for the period 2/11/2016 to 3/16/2016.

Moved by:	J. Gershen
Seconded by:	C. Bruner

Voting for motion:	All
Voting against motion:	None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 2/11/2016 to 3/16/2016 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 \$694.20.

A motion was made to adopt Resolution 2016-3-0026 for the approval of the Advance Payment Bills for the period 2/11/2016 to 3/16/2016 and the expense report in the amount of \$694.20.

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

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ended March 29, 2016, containing four (4) credits for a total amount of \$3,140.39 was presented for approval.

A motion was made to adopt Resolution 2016-32-0027 for the approval of the Credit List for the period ended March 29, 2016 in the amount of \$4,178.10.

Moved by: J. Gershen
Seconded by: C. Bruner

Voting for motion: All
Voting against motion: None

CONSTRUCTION FUND REQUISITIONS

Staff presented one (2) advance construction fund requisition in the amount of \$762,298.84 and seven (7) construction fund requisitions in the amount of \$1,069,907.72.

A motion was made to adopt Resolution 2016-3-0028 for the approval of the nine (9) Construction Fund Requisitions totaling \$1,832,206.56 as presented.

Moved by: J. Gershen
Seconded by: C. Styles

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 February 29, 2016. He reported that the net income before interest, depreciation and amortization is \$179,586 versus the budgeted amount of \$200,779 for the month. This is a deviation of \$21,193 below budget. For the YTD, net income before interest, depreciation and amortization is \$406,373 versus the budgeted amount of \$373,940. This is a deviation of \$32,403 better than budget. The interest on investments and the accounts

receivables reports were also presented. The Board discussed pass-thru tracking and the Tata Steel account receivable.

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

Moved by:	J. Gershen
Seconded by:	R. DeAngelo
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 total cargo tonnage for February 2016 was 187,087 s/tons. This is -16% compared to February 2016. For the first two months, total tonnage is 456,298; improving by 10% ahead of 2015. Import winter steel has picked up during February and March after getting off to a slow start in December. Import cocoa beans increased for the month and year-to-date; 43% and 120% respectively. Wood products tonnage has also improved over 2015. Bulk cargoes, such as recycled metals, cement and Grancem© collectively are up on the year by 54% compared to 2015. Ship calls and ship days are both improved over 2015.

The Executive Director attended a meeting in Washington D.C. with the Commissioner of the U.S. Customs and Border Protection, along with a contingency from NJ, PA and DE, which included Congressman Norcross – NJ, Congressman Brady – PA and Senator Carper – DE. The meeting was held to address CBP/Agriculture issues impacting terminal operations on cargo from foreign vessels.

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

Moved by:	C. Bruner
Seconded by:	J. Gershen
Voting for motion:	All
Voting against motion:	None

RESOLUTION 2016-3-0029: SCI SUPPORT SERVICES

The Seamen's Church Institute (SCI) provides services to seafarers who visit the ports along the Delaware River, including SJPC's facilities. SCI visits every ship that calls both the Balzano Marine Terminal and the Broadway Terminal. Those services include hospitality, transportation, telephone, computer, spiritual, and many other necessary and vital services. SCI has requested \$8,000 for services rendered at our terminals. This is the same amount as SJPC contributed last year.

A motion was made to approve Resolution 2016-3-0029 to approve the SCI Support for Services in the amount of \$8,000.

Moved by: J. Gershen
Seconded by: C. Styles

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-3-0030: APPROVAL OF PARKING AGREEMENT WITH THE CITY OF CAMDEN PARKING AUTHORITY

Staff presented the Parking Authority of the City of Camden's proposed Parking Agreement which makes available certain port properties, in and around, the Balzano Marine Terminal for vehicle parking by visitors of BBT (formerly Susquehanna) concert amphitheater events. General Counsel has reviewed the proposed agreement.

The term is for five (5) years with a five (5) year option requiring both parties to agree. The agreement is in effect during the "Event Season" each year which is defined as May 15 through September 30. There is an additional provision for SJPC to consider upon request from the Parking Authority, on a case-by-case basis, use of certain lots from April 1 to May 14 for parking. The fee schedule is 2016, \$25,000; 2017, \$25,750; 2018, \$26,522.50; 2019, \$27,318.17; 2020, \$28,137.72; and if the option is approved by both parties: 2021, \$28,981.85; (5 Year Option); 2022, \$29,851.30; (5 Year Option); 2023, \$30,746.84; (5 Year Option); 2024, \$31,669.23; (5 Year Option) and 2025, \$32,619.30. (5 Year Option).

A motion was made to approve Resolution 2016-3-0030 to approve the five year parking agreement with the City of Camden Parking Authority as presented.

Moved by: R. DeAngelo
Seconded by: J. Gershen

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-3-0031: APPROVAL OF NJEDA MOU/TERM SHEET FOR TEMPORARY PARKING AREA IMPROVEMENTS

Staff presented the NJ Economic Development Authority's (NJEDA) proposed Memorandum of Understanding Agreement regarding improvements to certain port areas used by the City of Camden Parking Authority under a separate use agreement to park patron vehicles of the BB&T Pavilion.

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 certain port properties, 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.

A motion was made to approve Resolution 2016-3-0031 to approve Memorandum of Understanding agreement with the New Jersey Economic Development Authority to perform improvements to temporary parking area used by the CCPA for BB&T events.

Moved by: J. Gershen
Seconded by: E. Martins

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-3-0032: APPROVAL TO RENEW TRI-STATE BULK HANDLING LEASES

Tri-State Bulk Handling, Inc. has requested a (1) one year consolidated lease renewal for their existing (5) five leaseholds at the Broadway Terminal. The existing and current leases will expire at the end of March and April respectively.

The proposed consolidated lease renewal will commence on April 1st, 2016, with a combined and sustained income of \$3,947.00/ month or \$47,364.00 annually due to the current trend of the CPI. SJPC's General Counsel has reviewed the consolidated lease.

A motion was made to approve Resolution 2016-3-0032 to approve the renewal and consolidation of lease with Tri-State Bulk Handling.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-3-0034: AUTHORIZATION TO SUBMIT A 2016 DHS/FEMA PORT SECURITY GRANT APPLICATION

The 2016 DHS/FEMA 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; cyber security; 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.

Staff is requesting authorization to submit a grant application in the amount of \$162,000 to install a new video surveillance camera system at the Broadway Terminal necessitated by the Holtec redevelopment and to add and replace video cameras at the Balzano Terminal into the existing video system. The grant program requires a flat cost share rate of 25%. The proposed application would require a \$40,500 match. The deadline for applications is April 25, 2016. The performance period is 36 months.

A motion was made to approve Resolution 2016-3-0034 to authorize staff to prepare and submit a 2016 DHS/FEMA Port Security Grant Application.

Moved by:	J. Gershen
Seconded by:	R. DeAngelo

Voting for motion:	All
Voting against motion:	None

RESOLUTION 2016-3-0035: AUTHORIZATION TO SUPPORT THE DELAWARE RIVER PARTNERS REQUEST FOR FTZ GENERAL PURPOSE ZONE

Staff presented a request from Delaware River Partners, LLC. (DRP) to expand the Foreign Trade Zone #142 to establish a General Purpose Zone site to include the Chemours Repauno site located in the Township of Greenwich.

DRP is in the process of negotiating a Redevelopment Agreement with the Township of Greenwich for the redevelopment of the Repauno facility into a multi-use port facility planned to include warehousing, liquid storage, Ro-Ro capabilities as well as other logistics facilities. As the contract purchaser and redeveloper of the property, DRP indentified the FTZ designation to be beneficial to their redevelopment efforts.

Staff and General Counsel have met with the representatives from DRP and have requested certain documentation to validate DRP's pending acquisition of the Repauno site. As such, we have received (included), a letter from the current owner of the Repauno site, providing confirmation that DRP is the Contract Purchaser and support the effort to apply for FTZ General Purpose zone designation.

Staff is requesting authorization to finalize the vetting of Delaware River Partners, LLC and to submit the joint application to the National Foreign Trade Zone Board for establishing a General Purpose site at the Repauno facility. DRP will be responsible for any fees required for the submission of the application.

A motion was made to approve Resolution 2016-3-0035 to authorize staff to pursue the request from Delaware River Partners to apply for a Foreign Trade Zone General Purpose site at the Repauno facility in the Township of Greenwich, submit the application and prepare the necessary agreements.

Moved by: J. Gershen
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

RESOLUTION 2016-3-0036: AUTHORIZATION TO WRITE OFF ACCOUNT RECEIVABLE – CHEMICAL EQUIPMENT LABS

SJPC presented a request to write off the accounts receivable for Chemical Equipment Labs in the amount of \$2,300.40. This customer incurred total charges of \$4,600.40. They disputed the invoice for a year. Staff engaged General Counsel in the matter and the dispute was settled for \$2,300.40. Staff proposes to write the balance off the books. SJPC is sufficiently reserved to absorb the entry and there will be no impact on current income.

A motion was made to approve Resolution 2016-3-0036 to approve the account receivable write for the account of Chemical Equipment Labs in the amount of \$2,300.40.

Moved by: J. Gershen
Seconded by: C. Chianese

Voting for motion: All
Voting against motion: None

INFORMATION ITEMS:

MARKETING REPORT - PHOENIX STRATEGIES / ARTLIP COMMUNICATIONS

Mr. Dennis Culnan presented the Marketing Report. He began with appealing to the Board to be available to have a group photo taken of the full Board. Mr. Jones will send out a reminder to the Board to have all members present for the April Board meeting to have the photo(s) taken.

He continued to report on the ongoing work with Mr. 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. Additional tasks in process for 2016 corporate communications and public relations activities. We are assisting SJPC to arrange new video and photography with Stokes Creative Group for promotional products.

The report was received and filed.

PORT SECURITY UPDATE

Mr. Jay Jones, Deputy Executive Director / Facility Security Officer, presented the Security Update.

MTSA 33CFR105 ANNUAL FSP AUDIT: Per the federal MTSA regulation 33CFR105, the FSO must ensure an audit of the Facility Security Plan (FSP) is performed annually, beginning no later than one year from the initial date of approval, and attach a letter to the FSP certifying that the FSP meets the applicable requirements of this part. Personnel conducting internal audits of the security measures specified in the FSP or evaluating its implementation must: (i) Have knowledge of methods for conducting audits and inspections, and security, control, and monitoring techniques; (ii) Not have regularly assigned security duties; and (iii) Be independent of any security measures being audited.

SJPC engaged Ronin Security to perform the annual audit of the Facility Security Plan. The physical audit and survey of the restricted / secure areas was conducted on Tuesday, March 15, 2016. Ronin Security has prepared the audit letter, routed to the letter to the U.S. Coast Guard COTP and the FSO has placed the audit letter with the current FSP.

U.S. COAST GUARD ANNUAL MTSA COMPLIANCE INSPECTION: The USCG Sector Delaware Bay will be onsite at both the Balzano and Broadway Terminal to conduct the annual Maritime Transportation Security Act (MTSA) 105 compliance inspection on March 31, 2016.

NJOHSP 10-YEAR ANNIVERSARY CONFERENCE: Mr. Jay Jones attended the NJ Office of Homeland Security and Preparedness 10-Year Conference on Friday, March 18, 2016. The conference featured addresses by CIA Director John Brennan, NJ Lt. Gov. Kim Guadagno, and US Sen. Cory Booker of New Jersey. Other featured speakers included Consul General of Israel in New York Ambassador Ido Aharoni; US Attorney for the District of New Jersey Paul Fishman; NJ Acting Attorney General Robert Lougy; NJ State Police Superintendent Colonel Rick Fuentes; and Chief Jarrod Burguan of the San Bernardino Police Department.

The conference focused on emerging trends in homeland security, encryption, security and privacy challenges, and lessons learned from the tragic attacks in San Bernardino, Boston, and Newtown, Conn.

The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

Mr. Daryl Eng with AECOM provided updates on the overall Paulsboro Marine Terminal project and provided a PowerPoint containing photos highlighting the progress of the current construction activities. He also discussed the ongoing trestle and wharf construction activities. They are planning to move the crane out on the completed section of the trestle to move the additional pre-cast section in place. Tomorrow they plan to pour concrete to lock in the girders.

The report was received and filed.

FOREIGN TRADE ZONE #142 ANNUAL REPORT

Mr. Jones reported, as the grantee of FTZ #142, each year SJPC prepares and submits an Annual Report to the National Foreign Trade Zone Board of activity within the zone through the Online FTZ Information System (OFIS). The report includes activity from January 1 through December 31 and is due each year by March 31.

SJPC's subzone operators pre-submitted their zone activity data for 2015 to the OFIS for review and final submission to the National Foreign Trade Zone Board by SJPC's zone manager. Information can be viewed at <http://ita-web.ita.doc.gov/FTZ/OFISLogin.nsf>.

PUBLIC COMMENTS

The Acting Chairman asked if there were any public comments.

Mr. Sean Jackson, Lambertville, NJ: Mr. Jackson introduced himself as a representative for the Delaware River Partners who are acquiring and redeveloping the Chemour's Repauno facility in Greenwich Terminal for purpose as a marine terminal facility. He expressed his appreciation on behalf of Delaware River Partners to the Board for supporting today the request to apply for a Foreign Trade Zone General Purpose site within the SJPC's FTZ #142 and for the assistance from Mr. Castagnola and Mr. Jones to work through this process.

The Acting Chairman asked if there were any other 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. Bruner
Seconded by:	R. DeAngelo
Voting for motion:	All
Voting against motion:	None

At 1:02 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, March 29, 2016.

Jay Jones, Board Secretary

At 1:12 p.m. following the closed session the open session was resumed. The Acting Chairman asked if there was any other business. Hearing none, he asked for a motion to adjourn the meeting.

A motion was made to adjourn the Regular Open Meeting.

Moved by:	J. Gershen
Seconded by:	R. DeAngelo

Voting for motion:	All
Voting against motion:	None

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, March 29, 2016.

Jay Jones, Board Secretary