

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING AUGUST 30, 2016

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

- 1. APPROVAL OF MINUTES**
Regular Meeting July 26, 2016
Closed Meeting July 26, 2016
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2016-8-0065
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2016-8-0066
- 4. APPROVAL OF CREDITS - None**
- 5. APPROVAL OF CHANGE ORDERS – One (1)**
RESOLUTION 2016-8-0073: BWY INDUSTRIAL SIDETRACK PROJECT
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2016-8-0067
- 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 2016-8-0068:** SUBSTITUTING CAPITAL PROJECTS PURSUANT TO SECTION 208 OF THE CORPORATION'S BOND RESOLUTION
- B. RESOLUTION 2016-8-0069:** AUTHORIZATION FOR REVERSE AUCTION BID FOR ELECTRIC SUPPLY
- C. RESOLUTION 2016-8-0070:** AUTHORIZATION TO RELEASE A REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES
- D. RESOLUTION 2016-8-0071:** AUTHORIZATION TO A RELEASE REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES
- E. RESOLUTION 2016-8-0072:** AUTHORIZATION TO PROCEED WITH PAULSBORO MARINE TERMINAL SHOP CONSTRUCTION
- F. RESOLUTION 2016-8-0074:** APPROVAL TO AUTHORIZE CAMDEN WATERFRONT DEVELOPMENT PIER 5 BROADWAY TENANT TO REPAIR/MODIFY TEMPERATURE CONTROL SYSTEM IN TS-1 WAREHOUSE

11. SUPPLEMENTAL BOARD INFORMATION

- G. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- H. PORT SECURITY UPDATE**
- I. PAULSBORO MARINE TERMINAL PROJECT UPDATES**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2016-8-0068: SUBSTITUTING CAPITAL PROJECTS PURSUANT TO SECTION 208 OF THE CORPORATION'S BOND RESOLUTION

Staff is requesting Board approval to substitute projects, by Resolution, funds in the amount of \$52,152 from the 2009 Bond Series O-3 Skylight Project for the Building J Roof Project.

On January 26, 2016, the Board adopted a resolution substituting the Building J Roof Project for all or a portion of the Skylights Project in an amount not to exceed \$144,923. The contractor that was to complete the Building J Roof Project did not fulfill their proposed terms, necessitating the use of an alternative contractor, which increased the total cost of the Building J Roof Project by \$52,152.

A resolution has been prepared by SJPC's financial advisor that resolves the Building J Roof Project is hereby 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 \$52,152 (exclusive of the \$144,923 previously appropriated thereto).

RECOMMENDATION:

Staff recommends Board approval of the Resolution for Substitution of Capital Projects regarding the Building J Roof Project as presented.



ACTION ITEM:

**B. RESOLUTION 2016-8-0069: AUTHORIZATION TO CONDUCT
REVERSE AUCTION BID FOR ELECTRICAL SUPPLY**

Staff is requesting Board approval to participate in a Reverse Auction Bidding process to secure the lowest available Electrical “Supply” market pricing for the next purchasing period. The Board previously authorized a Reverse Auction Bid for electrically supply at the June 2014 meeting.

Current pricing was secured in a previous bid process and expires January 1, 2017; and coincidental with a new pricing agreement and schedule.

The recommended Reverse Auction participation date is scheduled for September 20th, 2016, and predicated on a 36 month secure purchase period as modeled for the anticipated Supply Market savings. Due to the nature of the reverse auction bidding process, staff is requesting the Board to authorize the Executive Director to award the best priced result at the conclusion of the bidding process.

RECOMMENDATION:

Staff recommends Board authorization to conduct a Reverse Auction Bid for electrical supply on September 20, 2016 and to authorize the Executive Director to award the best priced bid.



C. RESOLUTION 2016-8-0070: AUTHORIZATION TO RELEASE REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES

Staff is requesting authorization to release a Request for Qualifications (RFQ) for Engineering Services for each of the following categories:

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

The RFQ will seek qualification proposals from qualified engineering firms, in accordance with the terms, conditions, and specifications contained in the (RFQ), to be considered pre-qualified for the opportunity to submit cost proposals for future projects. The qualification will carry a term of three (3) years, commencing on March 1, 2017 and expiring on February 28, 2020. Each year during the three year term, the Board will consider additional engineering firms to the qualified list for the remaining term through a RFQ process.

The results of the RFQ will be reviewed by the SJPC 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.



D. RESOLUTION 2016-8-0071: AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES

Staff is requesting authorization to release the Request for Qualifications/Proposals for seven (7) professional services categories. Staff will have General Counsel review the RFQ/P documents. The legal notices will be posted with a deadline to submit packages in November. The current contracts will expire at the end of February 2016. All contracts carried a term of one year with a one year option at the prerogative of the Board.

- General Legal
- Maritime Counsel
- Bond Counsel
- Labor Counsel
- Financial Advisor
- General Health and Insurance Broker
- Marketing Consultant

The packages received will be provided to the Board Review Committee and recommendations will be provided to the Board at the January 2017 Board meeting for consideration.

RECOMMENDATION:

Staff recommends Board authorization release the Request for Qualifications/Proposals for Professional Services.



**E. RESOLUTION 2016-8-0072: AUTHORIZATION TO PROCEED
WITH PAULSBORO MARINE TERMINAL SHOP
CONSTRUCTION**

Staff will present for discussion in Closed Session a proposed resolution to the Paulsboro Marine Terminal Operator's Lease negotiation to construct an equipment shop in coordination with the GCIA, the construction agent for the overall project.



F. RESOLUTION 2016-8-0073: APPROVAL TO AUTHORIZE
CAMDEN WATERFRONT DEVELOPMENT PIER 5
BROADWAY TENANT TO REPAIR/MODIFY THE
TEMPERATURE CONTROL SYSTEM IN TS-1 WAREHOUSE

Staff will present for discussion in Closed Session a proposal from Camden Waterfront Development (Holt) to make repairs/modifications to the temperature control system in TS-1 warehouse.



INFORMATION ITEM:

G. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



INFORMATION ITEM:

H. SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

U.S. COAST GUARD AMSC MEETING: Mr. Jones participated in the USCG Sector Delaware Bay Area Maritime Committee meeting on Friday, August 19, 2016. The meeting agenda included the following reports and presentations:

- o Delaware Report
- o New Jersey Report
- o Pennsylvania Report
- o Port Security Grant Working Group
- o Port Readiness Subcommittee
- o Cybersecurity Subcommittee
- o Port Intel Brief
- o Facility and Vessel Security Brief
- o USCG Response activities Brief
- o AMS Assessment Annual Report

Presentations:

- Preventative Nuclear Detection Program Development –Dr. John Hancock and Ms. Nicole Hackman, DHS Domestic Nuclear Detection Office (DNDO)
- 2016 DNC Maritime Operations Center Debrief – LCDR Jereme Altendorf, USCG

The next AMSC meeting is scheduled for November.

TWIC ESCORT PROGRAM – REFRESHER TRAINING: SJPC currently has certified 379 TWIC Escorts active for the Balzano and Broadway Terminal to accommodate non-TWIC visitors in the restricted/secure areas of the marine terminals. In an effort to ensure escorts retain the federal and SJPC promulgated requirements to perform TWIC escort duties, we have implemented a TWIC Escorting and Security Awareness Spot Refresher Training program. The Refresher Training is implemented as an unannounced spot inspection and provides a reminder of the information escorts must know to perform the functions of an escort and information they must be able to provide when questioned by a federal agency representative or SJPC personnel. The spot training program aids in the overall implementation of the Facility Security Plan under 33CFR105.

U.S. COAST GUARD – FINAL TWIC CARD READER RULE: The Coast Guard has finalized regulations pertaining to the use of TWIC readers on vessels and facilities. The final rule:

- Provides additional flexibility with regard to the purchase, installation, and use of electronic readers. Instead of requiring the use of a TWIC reader on the TSA's

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Qualified Technology List, owners and operators can choose to fully integrate electronic TWIC inspection and biometric matching into a new or existing Physical Access Control System.

- Affects only Risk Group A vessels and facilities, including:
 - vessels that carry Certain Dangerous Cargoes (CDC) in bulk,
 - vessels certificated to carry more than 1,000 passengers,
 - any vessel engaged in towing a vessel subject to the above,
 - facilities that handle CDC in bulk or receive vessels carrying CDC in bulk; and
 - facilities that receive vessels certificated to carry more than 1,000 passengers.

Facilities may move from one risk group classification to another based on the material they handle or the types of vessels they receive at any given time. Vessels may move from one risk group classification to another based on the cargo they are carrying or handling at any given time.

- Eliminates the distinction between Risk Groups B and C for both vessels and facilities.
- Clarifies that for Risk Group A facilities, electronic TWIC inspection is required each time a person is granted unescorted access to a secure area (a limited exception is permitted for Recurring Unescorted Access). For Risk Group A vessels, electronic TWIC inspection is only required when boarding the vessel, even if only parts of the vessel are considered secure areas.
- Eliminates the special requirement that barge fleeting facilities that handle or receive barges carrying CDC in bulk be classified as Risk Group A. Barge fleeting facilities are instead classified the same as all other facilities.
- Increases the exemption from electronic TWIC inspection requirements to vessels with 20 or fewer TWIC-holding crewmembers and defines that number as the minimum manning requirement specified on the vessels' certificates of inspection.
- Provides additional flexibility for ferries and other vessels that use dedicated terminals in Risk Group A to integrate their electronic TWIC inspection programs with their terminals' programs.

As expected, the agency is allowing for a two-year implementation phase, and the final rule becomes effective on August 23, 2018.



INFORMATION ITEM:

I. PAULSBORO MARINE TERMINAL PROJECT UPDATES

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



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. HOLTEC – Demand for Final Payment**
 - 3. BROADWAY PIER 5 LEASE – Camden Waterfront Development**
 - 4. PAULSBORO MARINE TERMINAL: Terminal Operator Tenant – Camden Waterfront Development/Holt: Shop Construction Proposal**
 - 5. PERSONNEL**
 - a. Local 18 Collective Bargaining Agreement**
 - b. Local 169 Collective Bargaining Agreement**
 - c. CWA Supervisory and Non Supervisory Collective Bargaining Agreements**
 - d. Administrative**
 - 6. BROADWAY SPRINKLER SYSTEM**
 - 7. MAINTENANCE DREDGING**