



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
BROADWAY TERMINAL
CAMDEN, NEW JERSEY
April 30, 2019
12:30 p.m.

Directors Present:	Richard Alaimo	Chairman
	Chad Bruner	Director
	Christopher Chianese	State Treas. Designee
	Robert DeAngelo	Director
	Joseph Maressa	Director
	Eric Martins	Director ☎
	Sheila Roberts	Director
Directors Absent:	Jonathan Gershen	Director
	Carl Styles	Director
In Attendance:	Craig Ambrose	Governor's Authorities Unit
	Raymond Zane, Esq.	Gen. Counsel – Zane & Assoc.
	Jay Jones	Acting Exec. Dir. / Board Secretary
	Bruno Cellucci	Treasurer
	George Englehardt	Facilities Engineer
	Neil Grossman	GB Associates – Financial Advisor
	Dennis Culnan, Sr.	Marketing Consultant – PS&AC
	Dennis Culnan, Jr.	Marketing Consultant – PS&AC
	Linda Artlip	Marketing Consultant – PS&AC
	Mario Christina	Gloucester County I.A.
	Paul Breeman	Holt Logistics
	Daniel Bontempo	Stantec
	John Linden	Conner Strong Buckelew
	Mark Stettler	T&M Associates
	Ed Luedtke	CWA Local 1040–Non-Supervisory

The Board Secretary 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 17, 2019, 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 2019, indicating the time and place to the County Clerks within the seven counties of the Port District and the Secretary of State. A legal notice was sent to the following newspapers: Courier-Post, South Jersey 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 2019. 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 – March 26, 2019

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on March 26, 2019.

A motion was made to approve the March 26, 2019 Board of Directors regular Open Session Meeting Minutes as presented.

Moved by:	R. DeAngelo
Seconded by:	C. Chianese
Voting for motion:	All
Voting against motion:	None
Abstaining:	R. Alaimo
	J. Maressa

PRESENTATION OF CLOSED MEETING MINUTES – MARCH 26, 2019

The minutes for the South Jersey Port Corporation Board of Directors closed meeting sessions held on March 26, 2019 were presented for approval.

A motion was made to approve the March 26, 2019 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
Abstaining:	R. Alaimo
	J. Maressa

OPERATING BILLS

Resolution 2019-4-0036 for the Operating Unpaid Bill list for the period 3/15/2019 – 4/16/2019 and Resolution 2019-4-0037 for the Unpaid Legal Bills for the period 6/16/18 – 4/22/2019 were presented for approval.

A motion was made to adopt Resolution 2019-4-0036 for the approval of the Operating Unpaid Bill list for the period 3/15/2019 – 4/16/2019 and Resolution 2019-4-0037 for the Unpaid Legal Bills for the period 6/16/2018 – 4/22/2019.

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

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 3/15/2019 – 4/16/2019 was presented for approval. The AMEX statement was reviewed by the Audit Committee.

A motion was made to adopt Resolution 2019-4-0038 for the approval of the Advance Payment Bills for the period 3/15/2019 – 4/16/2019.

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

Voting for motion: All
Voting against motion: None

CREDIT LIST

No Credits were presented.

CHANGE ORDERS

No change orders were presented.

CONSTRUCTION FUND REQUISITIONS

Staff presented five (5) unpaid construction fund requisitions in the amount of \$536,347.61 and two (2) advance construction fund requisitions in the amount of \$358,609.80.

A motion was made to adopt Resolution 2019-4-0039 for the approval Construction Fund Requisitions presented for the period ending April 16, 2019 as presented.

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

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

The Treasurer presented the Treasurer's Report for the period ending March 31, 2019. For March 2019, the net income before interest, depreciation and amortization is \$336,333 versus the budgeted amount of \$212,584 for the month. This is a deviation of 123,749 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: R. DeAngelo
Seconded by: S. Roberts

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 Acting Executive Director for the South Jersey Port Corporation presented the Executive Director Report. The cargo tonnage for the month of March 2019 was 431,176 s/tons; a -18% change compared to March 2018. The amended report shows total cargo tonnage for first quarter of 2019 was 1,084,195 s/tons; a change of -4% compared to the same period in 2018. Activity at the Balzano Terminal for the first quarter performed only -1% off of the 2018 period. The Broadway Terminal is down -23%, due to the ebb and flow of the schedule for bulk and wood products activity. The Paulsboro facility is up 8% for the first quarter of 2019 comparatively to the same period in 2018.

Breakbulk tonnage activity for March 2018 totaled 271,247 s/tons; a change of -7% compared to March 2018. March YTD 2019 tonnage is 517,460 s/tons; a change of --23% compared to 2018. The winter steel season, primarily handled at the Balzano Terminal went as projected. Steel imports at the Balzano Terminal totaled 248,518 for the 1st quarter of 2019; an improvement of 22%. The staff did a notable job managing the increased rail loading demands this season and juggling vessel calls prior and during the maintenance dredging project. Import wood products is down considerably. However, in April, we are seeing the return of wood products due to the efforts of our collective partners. The Acting Executive Director was also appointed to the International Wood Products Association during their national convention in early April. The IWPA is an important organization supporting the legal and sustainable harvesting of international wood products. Import slab steel at the Paulsboro facility is up 8%. We have seen a slight delay in import cocoa beans in the 1st quarter of 2019. We did begin receiving cocoa beans in April.

Bulk activity for March 2019 reached 159,929 s/tons; a change of -41% compared to March 2018. Total bulk tonnage for the year to date reached 447,946 s/tons. This is a change of -4% compared to the same period in 2018. Export recycled metals with CIM/EMR was up 32% for the month compared 2018 and is -7% below the 1st quarter of 2018. We handled 25,638 s/tons of import cement for Lehigh Hanson during March and 26,439 s/tons of export Grancem®. The year-to-date activity is down -41% for import cement and up 60% for export Grancem®. At the Salem Terminal, U.S. Concrete at has handled 67,685 s/tons of export sand through March YTD 2019. Activity at Salem is off by -4%, due to a slow start at the beginning of the year impacted by weather.

SJPC's marine terminals handled 26 ships in March 2019; three more than March 2018 year. Total ships for 2019 through March is 63 on the year; which is 5 less than the same period in 2017. We had 76 ship days (i.e. the number of days a ship is loading or unloading at its terminals) in March 2019. The number of ship days for the March YTD is 198 for the year. Ship days for the year is below 2018 by -22%.

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

Moved by: R. DeAngelo

Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-4-0040: APPROVAL OF REVISED RULES & REGULATIONS HANDBOOK FOR SJPC EMPLOYEES

Staff, in coordination with Brown & Connery, SJPC's labor counsel, is presenting revisions to the Rules & Regulations for SJPC Employees Handbook. The revisions include adding to the handbook the existing parking permit policy, the minimum security requirements, and the discrimination policy, as well as minor updates to the TWIC program policy. The handbook was previously updated in 2010.

A motion was made to adopt Resolution 2019-4-0040 approving the revisions to the SJPC Employee Rules and Regulations Handbook as presented.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-4-0041: AWARD OF GRANT WRITING, MANAGEMENT AND ADMINISTRATIVE SERVICES

Staff is presented the results of the Request for Proposals for Grant Writing, Management & Administrative Services. There successful firm will assist identifying grant opportunities in support of SJPC's overall programs, facilities and operations, preparing grant applications and provide administrative support for awarded grants. The grant writing services will significantly enhance the SJPC's current ability to seek, apply for and manage grants.

Proposals were due on Wednesday, April 17, 2019 by 3:00 p.m. The following proposals were received:

Firm	Cost
WSP USA, Inc., Lawrenceville, NJ	105,000.00
Triad Associates, Vineland, NJ	\$140.00 /hour

The proposals were evaluated based on the criteria of staff qualifications, experience, approach/methodology and cost. The recommendation is to select Triad Associates at a term for one (1) year.

A motion was made to adopt Resolution 2019-4-0041 to award the Grant Writing, Management and Administrative Services agreement to Triad Associates at a cost not-to-exceed \$75,000.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-4-0042: APPROVAL OF PRE-QUALIFIED ENGINEERS QUOTE FOR PIER 5 REFRIGERATION SYSTEM REPLACEMENT PROJECT

Pursuant to the Board's authorization to request quotations from the Port's Pre-Qualified Civil Engineering Community for the coordination of the final design and construction management requirements for a multiple refrigerated warehouse (totaling 195,120 ') and central plant retrofit NH3 refrigeration system, four (4) quotes were received for consideration.

All of the quotes were evaluated as to the relevance and criteria of the project requirements in relation to the distributed information and meeting discussions as presented during the Pre-Quote meeting; all were found to be compliant and acceptable with the project's requirements. There were no interrogatories received or presented for further clarification. Lump Sum pricing ranged from \$109,300.00 to \$87,120.00. Staff is recommending that T&M Associates be the awarded recipient in the 'lump sum' amount of \$87,120.00. Funding is available in the 2017 Bond proceeds.

A motion was made to adopt Resolution 2019-4-0042 approving the quotation from T&M Associates in the amount of \$87,120.00 to provide final design and construction management services for the Pier 5 Refrigeration System Replacement Project.

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

RESOLUTION 2019-4-0043: APPROVAL OF PRE-QUALIFIED ENGINEERS QUOTE FOR THE SALEM TERMINAL SEAWALL SURVEY/INSPECTION

Pursuant to Board's authorization, staff requested quotations from the Pre-Qualified Marine Engineering firms to evaluate and report on the condition of the Salem Terminal seawall along the Salem River and provide any recommendations to address any conditional issues with the seawall. The task will include a final report and cost estimates of any repair recommendations which the SJPC can provide to the tenant. Quotes were due on Wednesday, April 17, 2019.

The following quotes were received:

Firm	Cost
S. T. Hudson Engineers	\$22, 000.00
W. J. Castle & Associates	\$12,000.00
JMT / Johnson, Mirmiran & Thompson	\$9,680.00
Mid Atlantic Engineering Partners	\$8,400.00

It is recommended to approve Mid Atlantic Engineering Partners quote for a lump sum amount of \$8,400.00.

A motion was made to adopt Resolution 2018-4-0043 to approve the quotation from Mid Atlantic Engineering Partners at a lump sum cost of \$8,400.00 to perform the Salem Terminal Seawall Survey/Inspection.

Moved by: S. Roberts
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-4-0044: AUTHORIZATION TO REQUEST QUOTES FROM PRE-QUALIFIED ENGINEERS FOR THE CATHODIC PROTECTION REPAIR PROJECT

Staff requested Board authorization to request quotes from pre-qualified engineers to prepare a Request for Proposals for the Cathodic Protection System repair and maintenance for the three berths at the Balzano Terminal. Based on the findings of a previous conditional maintenance survey, significant damage has occurred to the water borne wiring apparatus in addition to the anticipated degradation of the sacrificial anode assemblies necessary for the corrosion protection of the berths. The Board advised SJPC should seek the services of a qualified cathodic protection system firm.

A motion was made to adopt Resolution 2018-4-0044 to authorize staff to request proposals from qualified cathodic protection system firms for the repairs to the existing Balzano Terminal system.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-4-0045: APPROVAL OF PUBLIC OFFICERS & EMPLOYMENT PRACTICES LIABILITY POLICY

Mr. John Linden, with Conner Strong & Buckelew, presented a recommendation to renew the Public Officials and Employment Practices Liability Policy on 06/01/2019. The current program with Navigators Insurance Company provides a \$5,000,000 Limit for Public Officials and a \$5,000,000 Limit for Employment Practices Liability claims. The expiring premium is \$50,466 (including NJ surcharges). Navigators' renewal quote for the 6/1/2019 – 6/1/2020 policy term is the same premium as last year, at \$50,466 (including NJ surcharges).

In order to align this policy back on a March 1st renewal date with your other Casualty Coverages, Conner Strong & Buckelew is proposing that South Jersey Port Corporation renew under a short term basis, from June 1, 2019 to March 1, 2020, for a pro-rated premium of \$37,884 (including NJ surcharges). We approached several other insurance companies on behalf of the Port and the results of our marketing effort are discussed in greater detail in our proposal. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew their Public Officials Liability and Employment Practices Liability program with Navigators Insurance Company.

A motion was made to adopt Resolution 2018-4-0045 to approve the recommendation from the Insurance Broker to renew the Public Officials and Employment Practices Liability Policy for a period from June 1, 2019 to March 1, 2019 for a pro-rated premium of \$37,884 to align the renewal date with the other insurance policies.

Moved by: J. Maressa, Jr.
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-4-0046: AUTHORIZATION TO SUBMIT PORT SECURITY GRANT APPLICATION

SJPC staff requesting authorization to prepare and submit a grant application for a program to harden and enhance the physical perimeter barriers and gates for the Balzano Terminal and the Broadway Terminal; both MTSA regulated facilities. The Port Security Grant Program (PSGP) is one of the Department of Homeland Security (DHS)/Federal Emergency Management Agency's (FEMA) grant programs that directly support maritime transportation infrastructure security activities. The FY 2019 PSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal of a secure and resilient nation. The FY 2019 PSGP's allowable costs support efforts to build and sustain core capabilities across the prevention, protection, mitigation, response, and recovery mission areas.

In FY 2019, the total amount of funds under this grant program is \$100 million. The FY 2019 PSGP is focused on supporting increased port-wide maritime security risk management; enhancing maritime domain awareness; supporting maritime security training and exercises; and maintaining or reestablishing maritime security mitigation protocols that support port recovery and resiliency capabilities. PSGP investments must address U.S. Coast Guard (USCG) and Area Maritime Security Committee (AMSC) identified vulnerabilities in port security.

The total grant application project is \$1M, which would provide \$750,000 in federal funding for the program. SJPC's match would be \$250,000. All public sector and non-governmental, nonprofit PSGP award recipients—meaning recipients other than private, for-profit entities, must provide a non-federal entity contribution supporting 25 percent of the total of all project costs as submitted in the application and approved in the award. The application submission deadline is May 29, 2019 at 5:00 p.m. ET. Funding is available for the program.

A motion was made to adopt Resolution 2018-4-0046 to authorize the submission of a FEMA Port Security Grant Program application as presented.

Moved by: J. Maressa, Jr.
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

INFORMATION ITEMS:**MARKETING REPORT - PHOENIX STRATEGIES / ARTLIP COMMUNICATIONS**

Mr. Dennis Culnan, Jr., presented the Marketing Report. He reported work continues to finalize the Port-O-Call newsletter and work is ongoing on the 2018 Annual Report.

The report was received and filed.

PORT SECURITY UPDATE

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

MTSA 33CFR105 ANNUAL AUDIT: Per 33CFR105.415, the FSO must ensure an audit of the 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. Ronin Security has completed the annual audit and the FSO has provided audit letter to the COTP.

MTSA 33CFR USCG ANNUAL COMPLIANCE INSPECTION: The SAFE Port Act requires that the Coast Guard “verify the effectiveness of each facility security plan periodically, but not less than two times per year, at least one of which shall be an inspection of the facility that is conducted without notice to the facility”. To implement this requirement, the Coast Guard will conduct, within each 12 month period, a minimum of: (1) one announced annual MTSA Compliance Examination for each facility; (2) at least one unannounced Facility Security Spot Check for each facility; and, (3) where the Facility Security Spot Check or deficiency history warrants, an unannounced MTSA Compliance Examination. On Tuesday, April 23, 2019, representatives from the U.S. Coast Guard Sector Delaware Bay conducted the annual Maritime Compliance Examination (MTSA 105) of the SJPC’s Facility Security Plan and security program for the Balzano Terminal and Broadway Terminal.

The USCG facility inspectors examine:

- Compliance Documentation
- Waivers & Equivalents
- Maritime Security (MARSEC) Directives
- Facility Security Officer Knowledge and Training
- Facility Personnel With Security Duties Training
- Facility Personnel Without Security Duties Training
- Drill & Exercise Requirements
- Facility Recordkeeping Requirements
- MARSEC Level Coordination and Implementation
- Communications
- Declaration of Security
- Security Systems and Equipment Maintenance
- Security Measures for Access Control
- Security Measures for Newly-Hired Employees
- Security Measures for Restricted Areas

- Security Measures for Handling Cargo
- Security Measures for Delivery of Vessel Stores and Bunkers
- Security Measures for Monitoring
- Security Incident Procedures

USCG facility inspectors also conduct in the filed TWIC checks, spot checks of TWIC Escort performance, gate and vessel operations and knowledge of personnel within each facility of the basic security requirements. The inspection found no discrepancies and the SJPC's program is in compliance with the federal 33 CFR 105.

33CFR105 FINAL RULE – SEAFARERS' ACCESS TO MARITIME FACILITIES: The Coast Guard published the Seafarers' Access to Maritime Facilities Final Rule in the Federal Register April 1, 2019, requiring owners and operators of Maritime Transportation Security Act-regulated facilities to provide seafarers holding valid U.S. visas and other covered individuals with the ability to transit through the facility in a timely manner and at no cost to the individuals.

Under this rule, each owner or operator of a maritime facility regulated by the Coast Guard is required to implement a system providing seafarers, pilots, and representatives of seamen's welfare and labor organizations access between vessels moored at the facility and the facility gate, in a timely manner and at no cost to the seafarer or other individuals. The final rule provides regulatory flexibility to owners and operators to determine the method of shore access that best suits the size and function of their facility. These methods may include, but are not limited to, providing regularly scheduled or on-call shuttle service, taxi service, arrangements with seafarers' welfare organizations, or monitoring of pedestrian routes.

The access procedures must be documented in the Facility Security Plan for each facility, and approved by the local Captain of the Port. Although the final rule is effective May 1, 2019, each facility owner or operator has 14 months after publication of the final rule (June 1, 2020) to implement a system. This delayed implementation allows the Captain of the Port to work with each facility in the event of deficiencies in the plan.

The notice for proposed rulemaking was issued in December 2014. SJPC's Facility Security Officer, Mr. Jay Jones, has revised the Facility Security Plan accordingly and has submitted the revised FSP to the USCG COTP.

The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

Mr. Dan Bontempo with Stantec presented the update on the Paulsboro Marine Terminal project.

- PMT-19 Soundwall Project will be 100% completed by the end of May 2019.
- Proposals are due June 1, 2019 for the Spine Road Project. The GCIA Board will approve a contract at their June meeting and work is expected to begin July 1st.
- PMT-20: Wharf Construction Project. Commerce Construction completed the downriver wharf pile driving and they are installing pile caps. Piles for the upriver wharf construction are in fabrication. Of the \$142M contract, \$52M has been billed as of March 31st, which is 36% of the contract.

STATE ETHICS – FINANCIAL DISCLOSURE STATEMENTS

On March 28, 2019, the NJ State Ethics Commission sent out the annual notices regarding the Financial Disclosure Statements (FDS) filing for 2019. Executive Order No. 2 (Murphy) requires the annual filing of FDS by certain designated State employees and Special State Officers (Board members). These designated State employees are also subject to the casino-related post-employment restriction of *N.J.S.A. 52:13D-17.2(c)*. All filers must submit an FDS no later than May 15, 2019.

FDS forms, with instructions, are available on the State Ethics Commission's website, www.nj.gov/ethics. Once received and processed, the FDS will be posted on the Commission's website, as required by *N.J.S.A. 52:13D-21(n)*. Please note that a \$50 per day late filing fee will be assessed for the late filing of a FDS and may be collected in a summary proceeding pursuant to the Penalty Enforcement Law of 1999, P.L. 1999, c.274.

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

At 1:00 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, April 30, 2019.

Jay Jones,
Board Secretary

Following closed session, the Regular Session was reopened at 1:24 p.m.

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

A motion was made to adjourn the Regular Open Meeting.

Moved by:	S. Roberts
Seconded by:	R. DeAngelo

Voting for motion:	All
Voting against motion:	None

At 1:24 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, April 30, 2019.

Jay Jones,
Board Secretary