



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
BROADWAY TERMINAL
CAMDEN, NEW JERSEY
February 26, 2019
12:30 p.m.

Directors Present:	Richard Alaimo	Chairman
	Chad Bruner	Director
	Christopher Chianese	State Treas. Designee
	Robert DeAngelo	Director
	Jonathan Gershen	Director
	Joseph Maressa, Jr.	Director ☎
	Eric Martins	Director
	Sheila Roberts	Director
	Carl Styles	Director
Directors Absent:	Eric Martins	Director
	Carl Styles	Director
In Attendance:	Craig Ambrose	Governor's Authorities Unit
	Raymond Zane, Esq.	Gen. Counsel – Zane & Lafferty
	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
	George Strachan	Gloucester County I.A.
	Mario Christina	Gloucester County I.A.
	John Linden	Insurance Broker - CSB
	Daniel Bontempo	Stantec
	Tammy Wetzel	Triad Associates
	Carolyn Zumpino	Triad 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 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](#).

The Chairman announced two action items have been added the meeting agenda. 1. The Authorization for Property Acquisition. 2. Appointment of Bond Counsel

[PRESENTATION OF REGULAR MEETING MINUTES – JANUARY 29, 2019](#)

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on January 29, 2019.

A motion was made to approve the January 29, 2019 Board of Directors regular Open Session Meeting Minutes as presented.

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

[PRESENTATION OF CLOSED MEETING MINUTES – JANUARY 29, 2019](#)

The minutes for the South Jersey Port Corporation Board of Directors closed meeting sessions held on January 29, 2019 were presented for approval.

A motion was made to approve the January 29, 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:	J. Maressa, Jr.
Seconded by:	C. Chianese
Voting for motion:	All
Voting against motion:	None
Abstaining:	J. Gershen C. Bruner

[OPERATING BILLS](#)

The Operating Unpaid Bill list for the period 1/16/2019-2/12/2019 was presented for approval.

A motion was made to adopt Resolution 2019-2-0021 for the approval of the Operating Unpaid Bill list for the period 1/16/2019 – 2/12/2019.

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

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 1/16/2019-2/12/2019 was presented for approval. The AMEX statement was reviewed by the Audit Committee.

A motion was made to adopt Resolution 2019-2-0022 for the approval of the Advance Payment Bills for the period 1/16/2019 – 2/12/2019.

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

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ended February 26, 2019, containing one (1) credit for a total amount of \$306.57 was presented for approval.

A motion was made to adopt Resolution 2019-2-0003 for the approval of the Credit List for the period ended February 26, 2019 in the amount of \$306.57.

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

Voting for motion: All
Voting against motion: None

CONSTRUCTION FUND REQUISITIONS

Staff presented ten (10) unpaid construction fund requisitions in the amount of \$20,584,988.71 and two (2) advance construction fund requisitions in the amount of \$362,931.38.

A motion was made to adopt Resolution 2019-2-0024 for the approval Construction Fund Requisitions presented for the period ending February 26, 2019 as presented.

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

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

The Treasurer presented the Treasurer's Report for the period ending January 31, 2019. For January 2019, the net income before interest, depreciation and amortization is \$244,053 versus the budgeted amount of \$\$212,584 for the month. This is a deviation of 31,469 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. Bruner
Seconded by: J. Gershen

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 reports cargo tonnage for January 2019 was 274,780.80 s/tons; a -9% change compared to January 2018. Bulk cargoes improved in January by 44%; while breakbulk cargoes were down -32% due to tariffs and ship schedules for the month.

Breakbulk tonnage activity for January 2019 totaled 144,190 s/tons; a change of -32% compared to January 2018. Import steel was the only breakbulk cargo handled during January. Import steel in Camden and Paulsboro continue to lag behind, feeling the effects of the steel and aluminum tariffs. Import wood products and cocoa beans vessel schedule pushed the imports into February.

Bulk activity for January 2019 reached 129,829 s/tons; a change of 44% compared to January 2018. Export recycled metals with CIM/EMR was down -74% for the month compared 2018; as they only processed 19,919 s/tons of recycled metals across the dock during the month. We handled 25,356 s/tons of export Grancem® for Lehigh Hanson during the month and we handled a 54,602 s/tons gypsum vessel during the month. At the Salem Terminal, U.S. Concrete did not export sand due to weather impacting the quarry operation.

SJPC's marine terminals handled 17 ships in January 2019; three less than the same period last year. We had 48 ship days (i.e. the number of days a ship is loading or unloading at its terminals) during the month.

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

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-2-0025: ACCEPTANCE OF THE 2018 RATE STUDY

Staff presented the 2018 Rate Study. As required by our Bond Covenants, on an annual basis the South Jersey Port is required to do a rate study that evaluates our rates, fees and tariffs compared to our competitors in the region. The 2018 Rate Study was prepared by S.T. Hudson and is presented for acceptance. The report determined no rate increases are recommended at this time. It was noted the Philadelphia Marine Terminal Tariff Association, of which SJPC is member, increased rates 3%, effective January 1, 2019.

A motion was made to adopt Resolution 2019-2-0025 accepting the 2018 Rate Study as presented.

Moved by: R. DeAngelo

Seconded by: S. Roberts

Voting for motion: All

Voting against motion: None

RESOLUTION 2019-2-0026: AUTHORIZATION TO SUBMIT AN INFRASTRUCTURE FOR REBUILDING AMERICA (INFRA) GRANT APPLICATION

Staff is requesting authorization to submit a grant application through the Infrastructure for Rebuilding America (INFRA) discretionary grant program under the U.S. Department of Transportation (USDOT) to support the Paulsboro Marine Terminal Phase 2 buildout; similarly to the TIGER 3 grant that enhanced the Phase 1 program. This is the second round of the Infrastructure for Rebuilding America discretionary grant program through a Notice of Funding Opportunity (NOFO) in the Federal Register. The INFRA program will make approximately \$855-902.5 million available to projects that are in line with the Administration's principles to help rebuild America's crumbling infrastructure.

The INFRA grant program will fund both large and small projects. For a large project, the INFRA grant must be at least \$25 million. For a small project, the grant must be at least \$5 million. For each fiscal year of INFRA funds, 10 percent of available funds are reserved for small projects.

INFRA grants may be used to fund a variety of components of an infrastructure project, however, USDOT is specifically focused on projects in which the local sponsor is significantly invested and is positioned to proceed rapidly to construction. Eligible INFRA project costs may include: reconstruction, rehabilitation, acquisition of property (including land related to the project and improvements to the land), environmental mitigation, construction contingencies, equipment acquisition, and operational improvements directly related to system performance.

There is a cost sharing component for INFRA. INFRA grants may be used for up to 60 percent of future eligible project costs. However, preference will be given to projects that have a match larger than the required minimum. Applications are due on or before March 4, 2019.

South Jersey Port Corporation anticipates submitting an application for a scope that will continue the buildout of the remaining acreage at the Paulsboro Marine Terminal and crane acquisition for CWD (Holt). It is anticipated the application will be in the amount of \$100 million (\$60 million

federal and \$40 million match). The application will be reviewed by Bond Counsel and General Counsel prior submitting the application by the deadline date of March 4, 2019.

A motion was made to adopt Resolution 2019-2-0027 to authorize the submission of an INFRA Grant Application pending review by Bond Counsel and General Counsel.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-2-0027: AUTHORIZATION FOR PROPERTY ACQUISITION

SJPC presented a request to acquire the former Goldstein property located on the south side of Second Street, identified of the tax maps of the City of Camden as Block 157, Lot 11.02, from the City of Camden, for an amount not-to-exceed \$300,000, supported by an appraisal provided by Louis A. Iatarola Reality Appraisal Group. The property is adjacent to the Balzano Marine Terminal, and in its present use supports stevedoring operations within the Balzano and Broadway Terminals, as a maintenance shop and equipment depot.

A period of due diligence to determine the condition of title only, clear title free of all liens and encumbrances would be acceptable. An engineering assessment of the state of the utilities and electrical power service, as well as an environmental assessment, to determine if the property meets the needs of the SJPC, may be performed in a reasonable amount of time. Funding is available from bond proceeds.

A motion was made to adopt Resolution 2019-2-0027, authorizing the acquisition of the former Goldstein Property (Block 157, Lot 11.02) for an amount not to exceed \$300,000.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-2-0028: APPOINTMENT OF BOND COUNSEL

A recommendation was presented to appoint McManimon, Scotland & Baumann to serve as Bond Counsel, based on the proposal submitted dated October 24, 2018, in response to a Request for Proposals for Bond Counsel. Two proposals were received for the Request for Proposals for Bond Counsel and reviewed by the SJPC Review Committee.

The proposals received were from Capehart & Scatchard, who is the current Bond Counsel appointment and from McManimon, Scotland & Baumann, who is the Conflict of Interest Bond Counsel. Mr. Tom Hastie with Capehart & Scatchard, notified staff that he would be leaving the firm effective March 2019; thus creating the necessity to appoint new counsel. Capehart & Scatchard has been serving as a holdover since March 1, 2018. The term for the new appointment for Bond Counsel would be from March 15, 2019 through February 28, 2020.

A motion was made to adopt Resolution 2018-2-0028 to appoint McManimon, Scotland & Baumann to serve as Bond Counsel for a term from March 15, 2019 to February 28, 2020.

Moved by:	J. Gershen
Seconded by:	R. DeAngelo
Voting for motion:	All
Voting against motion:	None

INFORMATION ITEMS:

MARKETING REPORT - PHOENIX STRATEGIES / ARTLIP COMMUNICATIONS

Mr. Dennis Culnan, Sr., presented the Marketing Report. He reported the 2017 annual report is completed. Work continues on the next Port-O-Call magazine. We are coordinating to have new photography of port activity for the magazine and other uses.

The report was received and filed.

PORT SECURITY UPDATE

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

USCG AMSC/AC JOINT MEETING / PORT SECURITY GRANT WORKSHOP:

The 2019 Joint U.S. Coast Guard AMSC/AC Meeting scheduled for February 20, 2019 has been canceled due to the impacts of federal government shutdown issues. The Port Security Grant Workshop remained scheduled for February 20, 2019 at the Exxon Mobil Technology Center in Paulsboro, NJ, was cancelled due to weather.

USCG AMSC CYBER SUBCOMMITTEE MEETING: The Delaware Bay AMSC Cyber Subcommittee will hold its next meeting in conjunction with USCG Headquarters' National AMSC Cybersecurity Subcommittee's Leadership meeting. The meeting will address/discuss best practices and share information for the betterment of all port partners. In addition, information on the latest Cybersecurity/Marine Transportation System developments will be provided. The meeting will take place on February 28, 2019. Mr. Jones will be attending the subcommittee meeting.

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. He reported that PMT-19 Soundwall will be 95% completed on Monday. There was a weather delay impacting the installation of the panels. The final task will be planting vegetation in the Spring. The spine road project will be put out to bid in the Fall and scheduled to be completed by next Spring.

He reported on PMT-20 Wharf Construction Project. The downriver wharf construction will continue to work 6 days a week until the moratorium begins March 1st. Construction in the river will recommence in August following the imposed moratorium. The downriver wharf is scheduled to be completed March 19, 2020. The construction is 25% completed and the 35% of the contract is paid. We are on budget. Director DeAngelo inquired that with the six day schedule of installing piles, does it have to be on Sunday? There have been a number of complaints due to the notice of the construction. Mr. Bontempo advised that we have approval to work 7 days a week and Sunday is used to prepare for the coming week of work. He added that the construction will stop in a few days due to the moratorium for fish spawning, until August.

The report was received and filed.

MAINTENANCE DREDGING PROJECT UPDATE

Weeks Marine has completed the dredging of the South Jersey Port Balzano and Broadway Terminals. The dredging began on January 23, 2019 and was completed on February 6, 2019. Approximately 69,000 cubic yards was removed from Balzano Terminals' berth 2, 3, and 4 and 39,000 cubic yards from Broadway Terminals' pier 1 and 5. Pier 1A required no maintenance. After-dredging surveys were completed by S.T. Hudson Engineers and evaluated. It was concluded that the required depths were satisfactorily achieved in all areas. At Balzano Terminal, Berth 2 is clear to 30 feet; Berth 3 to 35 feet; and Berth 4 to 40 feet. At Broadway Terminal, Pier 1 is clear to 32 feet; Pier 5 to 35 feet, and Pier 1A to 40 feet. In most cases the depths are up to 1 to 2 feet deeper due to allowable overdepth digging. This overdepth will provide advance maintenance for the facilities.

In addition clean sand material spilled from the neighboring Georgia Pacific property was removed from the downstream end of Berth 4. Initial negotiations took place this week and a confirmatory survey is scheduled of the area. It is anticipated that an amicable solution to the magnitude of PSE&G responsibility will be reached shortly.

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: R. DeAngelo
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

At 1:05 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, February 26, 2019.

Jay Jones,
Board Secretary

Following closed session, the Regular Session was reopened at 1:23 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: R. DeAngelo
Seconded by: S. Roberts

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, February 26, 2019.

Jay Jones,
Board Secretary