

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING DECEMBER 2, 2014

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

- 1. APPROVAL OF MINUTES**
Special Regular Meeting October 22, 2014
Regular Meeting October 28, 2014
Closed Meeting October 28, 2014
- 2. APPROVAL OF OPERATING BILLS
RESOLUTION 2014-12-0099**
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST
RESOLUTION 2014-12-0100**
- 4. APPROVAL OF CREDITS
RESOLUTION 2014-12-0101**
- 5. APPROVAL OF CHANGE ORDERS - 0**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS
RESOLUTION 2013-12-0102**
- 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 2014-12-0103: 2015 BOARD OF DIRECTORS MEETING SCHEDULE**
- B. RESOLUTION 2014-12-0104: 2015 HOLIDAY SCHEDULE**
- C. RESOLUTION 2014-12-0105: 2015 PILOT AGREEMENTS WITH CITY OF CAMDEN CITY, CAMDEN COUNTY & CITY OF SALEM**
- D. RESOLUTION 2014-12-0106: DEBT SERVICE RESERVE & TAX RESERVE FUND CERTIFICATION LETTER**
- E. RESOLUTION 2014-12-0107: 2015 SJPC ANNUAL BUDGET**
- F. RESOLUTION 2014-12-0108: 2015/16 SALEM PORT AUTHORITY BUDGET**
- G. RESOLUTION 2014-12-0109: CENTRAL METALS LEASE RENEWAL**
- H. RESOLUTION 2014-12-0110: INDUSTRIAL COMMERCIAL LEASE RENEWAL**
- I. RESOLUTION 2014-12-111: 2014 RATE STUDY**

11. SUPPLEMENTAL BOARD INFORMATION

- J. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- K. PORT SECURITY UPDATE**
- L. PAULSBORO MARINE TERMINAL PROJECT UPDATES**
- M. GOVERNOR'S AUTHORITIES UNIT ANNUAL ASSESSMENT FOR FY14**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2014-12-0103: 2015 BOARD OF DIRECTORS MEETING SCHEDULE

Staff is presenting the official schedule of Board meetings for the calendar year 2015. The schedule below will be placed in the three designated newspapers, posted on the bulletin board at the Broadway Terminal and sent to the County Clerks in all seven Port District Counties and the NJ Secretary of State via certified mail.

DATE	MEETING	TIME
Tuesday, January 27, 2015	Regular	12:30 P.M.
Tuesday, February 24, 2015	Regular	12:30 P.M.
Tuesday, March 31, 2015	Regular	12:30 P.M.
Tuesday, April 28, 2015	Regular	12:30 P.M.
Tuesday, June 16, 2015	Regular	12:30 P.M.
Tuesday, July 28, 2015	Regular	12:30 P.M.
Tuesday, August 25, 2015	Regular	12:30 P.M.
Tuesday, September 29, 2015	Regular	12:30 P.M.
Tuesday, October 27, 2015	Regular	12:30 P.M.
Tuesday, December 8, 2015	Regular	12:30 P.M.

RECOMMENDATION:

Staff recommends Board approval of the proposed 2015 SJPC meeting schedule.



ACTION ITEM:

B. RESOLUTION 2014-12 -0104: 2015 HOLIDAY SCHEDULE

The 2015 Union and Nonunion Holiday Schedules are presented for approval as follows:

HOLIDAY	DATE
New Year's Day	Thursday, January 1, 2015
Martin Luther King Day	Monday, January 19, 2015
President's Day	Monday, February 16, 2015
Good Friday	Friday, April 3, 2015
Memorial Day	Monday, May 25, 2015
Independence Day	Friday, July 3, 2015
Labor Day	Monday, September 7, 2015
Veteran's Day	Wednesday, November 11, 2015
Thanksgiving Day	Thursday, November 26, 2015
Day After Thanksgiving Day	Friday, November 27, 2015 (Local 18 only)
Christmas Eve	Thursday, December 24, 2015
Christmas Day	Friday, December 25, 2015

RECOMMENDATION:

Staff requests Board approval for the 2015 Holiday Schedule.



ACTION ITEM:

C. RESOLUTION 2014-12-0105: 2015 PILOT AGREEMENTS WITH CITY OF CAMDEN, CAMDEN COUNTY & CITY OF SALEM

SJPC's General Counsel will present the 2015 calendar year pilot agreement for board's consideration.

The **Camden County 2015 calendar year PILOT agreement** is the same amount as last years pilot payment at \$419,000.00.

The **City of Salem 2015 calendar year PILOT agreement** is the same amount as last years pilot payment at \$31,224.37.

The **City of Camden 2015 fiscal year pilot agreement** is the same amount as last years pilot payment at \$4,000,000.00.

RECOMMENDATION:

Staff recommends Board approval for the 2015 Pilot Agreements for the County of Camden, City of Salem and the City of Camden.



ACTION ITEM:

D. RESOLUTION 2014-12-0106: DEBT SERVICE RESERVE & TAX RESERVE CERTIFICATION LETTER

The Certification Letter to the Governor for the Debt Service Reserve and Tax Reserve Fund Requirements has been prepared (attached). In summary, for the year ending December 31, 2014 a State appropriation of \$ 18,918,927 is necessary to restore the South Jersey Port Corporation's reserve fund to the amount of the debt service required per the provisions of N.J.S.A. 12:11A-14 and certifies that the sum of \$5,100,224.37 is required to be appropriated by the State of New Jersey to fund the Property Tax Reserve Fund for the Corporation's FY2015 tax payment obligations, which consist of tax payments to the Local Governments.

RECOMMENDATION:

Staff recommends Board approval of the Certification Letter.



ACTION ITEM:

E. RESOLUTION 2014-12-0107: 2015 SJPC ANNUAL BUDGET

The SJPC's bond covenants require that not less than 45 days prior to the beginning of each calendar year, the SJPC shall adopt an annual budget for the ensuing calendar year. Staff is proposing to the Board to adopt the attached operating budget for the 2015 fiscal year. In early 2015, after final figures have been evaluated, a revised 2015 budget may be presented to the Board for approval.

RECOMMENDATION:

Staff recommends Board approval of the proposed 2015 SJPC Preliminary Budget.



ACTION ITEM:

F. RESOLUTION 2014-12-0108: 2015/2016 SALEM PORT AUTHORITY BUDGET

The 2015/2016 Salem Port Authority Budget is presented for approval. It reflects an increase of \$846.00 over this year's budget. The increase is comprised of the following:

- increase of \$366 to health insurance expense
- increase of \$280 to pension expense (% increase based on prior year)
- increase of \$200 to telephone expense

All other amounts remain unchanged. In summary, Salem's current budget is \$57,957.00. The proposed budget for 2015/2016 totals \$58,803.00.

RECOMMENDATION:

Staff recommends Board approval of the Salem Port Authority Budget as presented.



ACTION ITEM:

G. RESOLUTION 2014-12-0109: CENTRAL METALS LEASE RENEWAL

Central Metals leases approximately 7850 square feet of open space of Second Street used for parking. They have requested a lease renewal for one year starting February 1, 2015 thru January 31, 2015 the current rental rate of \$331.00 per month will increase to \$338.00.

RECOMMENDATION:

Staff recommends Board approval of the Central Metals lease renewal as presented.



ACTION ITEM:

H. RESOLUTION 2014-12-0110: INDUSTRIAL COMMERCIAL LEASE RENEWAL

Industrial Commercial leases approximately 4500 square feet of cubical A-5 in Building A-1. They request a lease renewal for one year starting January 1, 2015 thru December 31, 2015. The current rental rate of \$1198.00 per month will increase to \$1,222.00.

RECOMMENDATION:

Staff recommends Board approval of the Industrial Commercial lease renewal as presented.



ACTION ITEM:

I. RESOLUTION 2014-12-0111: 2014 RATE STUDY

As required by our Bond Covenants on an annual base 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 report that was made by S.T. Hudson concluded that any significant increases in rates, fees, and charges above those made in year 2013 and planned for year 2014 does not appear to be either feasible or desirable at this time.

RECOMMENDATION:

Staff recommends Board acceptance of the 2014 Rate Study.



INFORMATION ITEM:

J. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



INFORMATION ITEM:

K. SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

U.S. COAST GUARD SECTOR DELAWARE BAY EBOLA TTX: On Monday, November 17, 2014, Mr. Jones participated in the USCG Sector Delaware Bay Ebola Table Top Exercise. The day long TTX brought in federal, state, county , municipal and private sector representatives from a variety of public health, public safety, port and emergency management sectors. The TTX drew the participants through 5 different scenarios of a vessel involved Ebola issue. The draft TTX minutes and lessons learned document will be issued to the participants.

U.S. COAST GUARD SECTOR DELAWARE BAY PRE-ICE SEASON CONFERENCE: On Thursday, November 20, 2014, Mr. Jones attended the annual USCG Sector Delaware Bay Pre-Ice Season Conference. Presentations included Ice Forecast for 2014-2015, National Ice Center, USCG Fifth District's Role, and the Sector Operational Plan. The weather forecast calls for above average precipitation and below average temperatures for Dec.2014 –Feb. 2015. The USCG identified and discussed their assets for breaking ice and the system for collecting ice formation information.

U.S. COAST GUARD SECTOR DELAWARE BAY AMSC MEETING: On Friday, November 21, 2014, Mr. Jones attended the USCG Sector Delaware Bay Area Maritime Security Meeting. The agenda included State Reports from NJ, DE and PA, MDA Working Group, Port Security Grant Working Group, Port Readiness Sub-Committee, Port Intel Brief, Vessel Security Brief, Facility Security Brief, Frontier Sentinel Full-scale Exercise Summary, Ebola Tabletop Exercise Summary, AMSC Annual report, State of Port Readiness Report, Poseidon Initiative Summary and Unmanned Aerial Vehicles (also known as drone).



INFORMATION ITEM:

L. PAULSBORO MARINE TERMINAL PROJECT UPDATES

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



INFORMATION ITEM:

M. GOVERNOR'S AUTHORITIES UNIT ANNUAL ASSESSMENT

Staff received the invoice (attached) for the Governor's Authorities Unit annual assessment for the Fiscal Year 2015 (July 1, 2014 to June 30, 2015) in the amount of \$21,926.31, an increase of \$183; over the FY2014 assessment. The assessment is to reimburse the Governor's Authorities Unit for advisory services as statutory executor of policy implementation for the Authority.

The Authorities Unit was created in 1987 as the designee for advisory services as statutory executor of policy implementation for the authorities. The Authorities Unit budget is funded through annual assessments of the authorities. The FY2014 annual assessment was in the amount \$21,779.31, the FY2013 assessment was \$22,857.57 and the FY2012 assessment was \$18,569.86.



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.

1. COUNSEL'S REPORT

2. HOLTEC