

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING February 25, 2014

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

- 1. APPROVAL OF MINUTES**
Regular Meeting January 28, 2014
Closed Meeting January 28, 2014
- 2. APPROVAL OF OPERATING BILLS
RESOLUTION 2014-2-0016**
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST
RESOLUTION 2014-2-0017**
- 4. APPROVAL OF CREDITS
RESOLUTION 2014-2-0018**
- 5. APPROVAL OF CHANGE ORDERS**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS
RESOLUTION 2014-2-0019**
- 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 2014-2-0020: APPROVAL OF OPEN SPACE AND YARD TRAILER LEASE RENEWAL FOR TRI-STATE BULK HANDLING**
- B. RESOLUTION 2014-2-0021: APPROVAL OF OPEN SPACE, X-1, and D-1 LEASE RENEWALS FOR TRI-STATE BULK HANDLING**

11. SUPPLEMENTAL BOARD INFORMATION

- C. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- D. PORT SECURITY UPDATE**
- E. PAULSBORO MARINE TERMINAL PROJECT UPDATES**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2014-2-0020: APPROVAL OF OPEN SPACE AND YARD TRAILER LEASE RENEWAL FOR TRI-STATE BULK HANDLING

Tri-State Bulk Handling, Inc. is requesting a one year lease renewal for approximately 2600 square feet of open space and a yard trailer at Broadway Terminal. Tri-State Bulk Handling, Inc., is a bulk cargo stevedore who currently supports the Holcim cement and Gramcem® operations, as well as various other bulk cargo movements within the terminals. The current lease expires March 31, 2014 at an annual rental rate of \$1,836.00 (\$0.71/per square foot) for the open space and \$708.00 for the yard trailer. Their new lease would begin on April 1, 2014 at an annual rate of \$1,860.00 (\$0.72/per square foot) for the open space and \$720.00 for the yard trailer.

RECOMMENDATION:

Staff recommends Board approval of the lease renewal for Tri-State Bulk Handling, Inc.



ACTION ITEM:

B. RESOLUTION 2014-2-0021: APPROVAL OF OPEN SPACE, X-1, AND D-1 YARD LEASE RENEWALS FOR TRI-STATE BULK HANDLING

Tri-State Bulk Handling, Inc. is requesting a one year lease renewal for approximately 16,920 square feet of open space, approximately 6,755 square feet of X-1 Building, and approximately 1,600 square feet of D-1 Building at Broadway Terminal. Tri-State Bulk Handling, Inc., is a bulk cargo stevedore who currently supports the Holcim cement and Gramcem® operations, as well as various other bulk cargo movements within the terminals. All three leases expire April 30, 2014.

OPEN SPACE: The open space lease for approximately 16,920 square feet has an annual rental rate of \$6,420.00 (\$0.38/per square foot). The new open space lease would be at an annual rate of \$6,516.00 (\$0.39/per square foot), commencing May 1, 2014.

X-1 BUILDING: The current X-1 building lease for approximately 6,755 square feet expires April 30, 2014 at an annual rental rate of \$23,532.00 (\$3.48/per square foot). The new lease would have an annual rate of \$23,580.00 (\$3.54/per square foot), commencing May 1, 2014.

D-1 BUILDING: The current D-1 building lease for 1,600 square feet expires April 30, 2014 at an annual rental rate of \$6,528.00 (\$4.08/per square foot). The new lease would have an annual rate of \$6,625.00 (\$4.14/per square foot), commencing on May 1, 2014.

RECOMMENDATION:

Staff recommends Board approval of the open space, X-1 building and D-1 building lease renewals as present for Tri-State Bulk Handling, Inc.



INFORMATION ITEM:

C. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



INFORMATION ITEM:

D. SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

FEMA PREPAREDNESS & PROGRAM MANAGEMENT TECHNICAL ASSISTANCE PROGRAM: As reported previously, SJPC has submitted three applications through the NJ Office of Homeland Security & Preparedness (OHSP) for a FEMA Technical Assistance Grant. The U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), National Preparedness Directorate (NPD) and Grant Programs Directorate (GPD), Technical Assistance (TA) Program seeks to build and sustain capabilities through specific services and analytical capacities across two primary functional areas: 1) Preparedness TA activities in support of the four homeland security mission areas (prevention, protection, response, and recovery) and 2) Homeland security program management.

SJPC is seeking technical assistance to enhance our planning and documentation for the following three areas: 1) Emergency Operations Plan, 2) Continuity of Operations Plan and 3) Evacuation Plan. The NJOHSP approved the applications at the state level and forwarded the applications to FEMA.

On January 14, 2014, we received notification from FEMA to schedule scoping call to fully define the tasks for each of the applications. The scoping call for the Continuity of Operations Plan was held on Friday, February 7, 2014 with representatives from FEMA and NJOHSP. As a result of the scoping call and subsequent vetting by FEMA, the technical assistance request was approved and the initial workshop will be schedule for the first week of March for the COOP development. The scoping call for the Evacuation Plan and the Emergency Operations Plan is tentatively scheduled for Tuesday, February 18, 2014.

USCG SECTOR DELAWARE BAY ANNUAL COMPLIANCE INSPECTIONS: The USCG Sector Delaware Bay will conduct the annual Maritime Transportation Security Act - 33CFR105 compliance inspection for the Balzano Marine Terminal and the Broadway Terminal, as well as the annual Designated Waterfront Facility Inspection for the Balzano Marine Terminal on Thursday, March 20, 2014.



INFORMATION ITEM:

E. PAULSBORO MARINE TERMINAL PROJECT UPDATES

The Paulsboro Marine Terminal Project updates are provided by Mr. Marlin Peterson, Gloucester County Improvement Authority.

CHANGE ORDERS

No change orders are requested for presentation at this time.

CONSTRUCTION UPDATE

PMT-003: Substantial completion of the bridge portion of the contract was achieved December 20, 2013. Substantial completion of the roadway is pending completion of the guardrail and stripping components. Removing false work (e.g. overhand brackets), completing fender bolt-up, restoration of retaining wall & service road and other miscellaneous items continue as weather permits. Punch list generated and forwarded to contractor. See the Project Monthly Report for further details.

PMT-005: The project is substantially complete. Two remaining monitoring wells will be lowered to final design height once the existing surcharge stockpile has been relocated. This work is scheduled for April / May 2014 timeframe.

PMT-006: The project is substantially complete. Final surveys and project close-out continue.

PMT-008TP: Driving of 1st test pile commenced December 11 and completed December 20, 2013. False work for Test Piles 2 and 3 have been installed. Preparations continue for test pile driving during weeks of February 17th and 24th, 2014.

PMT-009: Select demolition, storm water pipe, sanitary sewer connections and electrical ductbank installation continue. Monitoring of surcharge indicate that primary settlement continues. Site stabilization of linear berm / esplanade was completed for winter months. Fill material hauling is approximately 96% complete. Fill material hauling and placement will resume in Spring 2014 following southern surcharge relocation activities.

PMT-S01: Perimeter landscaping and lawn maintenance for the Paulsboro Marine terminal has completed for 2013. A new landscaping and lawn maintenance contract will need to be conducted for years 2014 and 2015.

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PROCUREMENT UPDATE

PMT-S02: A new perimeter landscaping and lawn maintenance contract for the Paulsboro Marine terminal was advertised February 11, 2014. This contract is scheduled to commence in spring 2014 and continue until November 2015. Bids are due March 13, 2014.

PMT-008: Wharf Construction. On March 25, 2013, all bids received as part of the Wharf Construction project were rejected. Bid documents for PMT-008M Modified Phase I Wharf Construction project have been prepared and reviewed by the Office of State Comptroller. In response to the award of Amendment No. 01 for the TIGER III grant, the upriver rail trestle has been integrated within the PMT-008M project. Advertisement of the PMT-008M contract was scheduled for January 31, 2014 but has been held pending finalization of tenant agreements.

PMT-015: Woodland Habitat Mitigation. The Woodland Habitat Mitigation (i.e. tree planting) contract was advertised on August 19, 2012. No bids were received by the due date of September 13, 2012. The team expects to commence the rebid of this contract in early 2014 following removal of existing phragmites from the PA-1 and PA-2 sites.

PMT-010: Terminal Civil Works. Based on available funding and the construction schedule, the balance of phase I civil works has been rescheduled such that public advertisement is targeted for the 2nd quarter of 2014. This contract is expected to follow after the completion of the PMT-009 fill material hauling activities.

PMT-E01: Material Handling - Mobile Harbor / STS Crane. Based on available funding and construction schedule, the mobile harbor or STS crane procurement has been targeted for public advertisement late in the 2nd quarter of 2014, in order to coincide with the completion of the wharf construction implementation schedule.

Refer to the enclosed Paulsboro Marine Terminal & Access Road and Bridge November and January 2014 Monthly Progress Reports, which include an Executive Summary, Critical Issues Identification, Construction Activities Update, OCIP, Project Budget Summary, Project Schedule, Construction Photographs and Submittal Logs for further details.

ACCOUNTING RECONCILIATION

A 3rd Quarter 2013 accounting reconciliation meeting between representatives of the GCIA and SJPC occurred on October 25, 2013. Based on the results of this meeting, no outstanding or unresolved accounting issues have been identified. A 4th quarter 2013 reconciliation meeting will be scheduled for March 2014.



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. PAULSBORO MARINE TERMINAL

a. Paulsboro Marine Terminal - PMT-004: Differing Site Condition (DSC) Claim

b. Paulsboro Marine Terminal & Access Road and Bridge - PMT-003: GCIA v. GRD Condemnation Matter - Property Valuation

3. HOLTEC

4. BROADWAY TERMINAL – SPRINKLER SYSTEM ISSUE