

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING July 29, 2014

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

- 1. APPROVAL OF MINUTES**
Regular Meeting June 17, 2014
Closed Meeting June 17, 2014
Special Teleconference Regular Meeting July 10, 2014
Special Teleconference Closed Meeting July 10, 2014
- 2. APPROVAL OF OPERATING BILLS
RESOLUTION 2014-7-0061**
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST
RESOLUTION 2014-7-0062**
- 4. APPROVAL OF CREDITS
RESOLUTION 2014-7-0063**
- 5. APPROVAL OF CHANGE ORDERS**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS
RESOLUTION 2014-7-0064**
- 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 2014-7-0048: AWARD OF CONTRACT- REPOWER AND RETROFIT FORKLIFTS PROJECTS**
- B. RESOLUTION 2014-7-0065: AWARD OF CONTRACT- WEBSITE REDEVELOPMENT AND SERVICES**
- C. RESOLUTION 2014-7-0066: AWARD OF CONTRACT – TRASH REMOVAL SERVICES**
- D. RESOLUTION 2014-7-0067: APPROVAL OF LEASE OPTION FOR NATIONAL DOCKS – SALEM TERMINAL**
- E. RESOLUTION 2014-7-0068: AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR DATA CENTER HVAC SYSTEM**
- F. RESOLUTION 2014-7-0069: PAULSBORO MARINE TERMINAL – 1st AMENDMENT TO GROUND LEASE ACKNOWLEDGEMENT AND AGREEMENT FOR CONVEYANCE OF RESERVED PARCEL FROM BP FOR RAIL LOOP TRACK**

11. SUPPLEMENTAL BOARD INFORMATION

- G. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- H. PORT SECURITY UPDATE**
- I. PAULSBORO MARINE TERMINAL PROJECT UPDATES**
- J. ELECTRICAL POWER REVERSE AUCTION BIDDING**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2014-7-0048: AWARD OF CONTRACT – REPOWER AND RETROFIT FORKLIFTS PROJECT

Pursuant to the Board’s action at the April 29, 2014 meeting, the staff readvertised the Request for Sealed Bids for the equipment repower and retrofit program for certain cargo moving equipment, supported through a federal EPA grant. A legal notice was posted on May 20, 21, and 22, 2014. A mandatory Pre-Bid Conference will be held on Friday, May 23, 2014. The sealed bids were due on June 12, 2014 by 10:00 a.m. EST. At the June 17, 2014 SJPC Board meeting, the staff presented the bid results, but recommended tabling any consideration to award the contract until General Counsel could conducted a review of the apparent lowest qualified bidder. General Counsel is now advising that they are satisfied Melton Sales and Service are qualified and can be awarded the contract.

The original requirement for tier 4 engines has been modified since the release of the RFP. EPA has revised the requirements and agreed that tier 3 or tier 2 engines would be acceptable for repowering older equipment. The specifications within the RFP were modified to reflect the change in the EPA requirement. The Repower and Retrofit Project is funded through an EPA federal grant which provides \$1,000,000 towards equipment and installation costs. SJPC provided \$333,000 as cost share for a total equipment and installation budget of \$1,333,000. Eight (8) units in SJPC’s fleet have already been repowered with new engines. Per the April 2014 RFP, NESCAUM and SJPC identified ten (10) additional units to repower. This is the third in a series of Request for Proposals. The exact number of units to be repowered is to be determined on the basis of price, emission reduction potential and other factors to be determined by NESCAUM and SJPC. The remaining budget is \$627,170.83 in federal grant funds and \$208,723.61 in SJPC cost share funds for the project.

The following two bids were received on June 12, 2014:

UNIT	VENDOR: MELTON BID *	VENDOR: JOHNSON/TOWERS BID **
39412	\$77,933.97	\$97,305.00
3947	\$73,078.43	No Bid
30130	\$77,729.65	\$97,452.00
0354	\$119,391.31	\$136,947.00
39614	\$74,875.16	No Bid
39723	\$79,933.97	\$101,083.00
3948	\$69,130.07	No Bid
39410	\$69,130.07	No Bid
B904	No Bid	No Bid
30542	\$73,130.07	No Bid

* The Melton pricing based upon the award of multiple units at a total cost of \$714,332.70

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – July 29, 2014



** The Johnson/Towers pricing does not include refurbishing the convertor or transmission and must add eight (8) at \$10,000 each.

RECOMMENDATION:

Following the review of the bids by staff, NESCAUM and General Counsel, and a further evaluation of the firm conducted by General Counsel, staff recommends the Board awarding the contract to Melton Sales and Service.



ACTION ITEM:

B. RESOLUTION 2014-7-0065: AWARD OF CONTRACT – WEBSITE REDESIGN AND WEB SUPPORT SERVICES

Per Board authorization, staff released the Request for Proposals for Website Redesign and Web Support Services. The specifications call for a complete re-design and development of the SJPC website and includes in this request monthly management services for site maintenance and hosting of this site as well as providing a content management system. The RFP established in the request the respondents to be a professional full-service vendor with proven experience, preferably with other governmental and/or maritime industry entities. The deadline for proposal was July 9, 2014.

The evaluation committee was comprised of SJPC staff and SJPC’s marketing consultant, Phoenix Strategies/Artlip Communication. The major evaluation factors for this request include technical capabilities (project approach and methodology), past performance (qualifications and experience) and cost/price. Each criteria was scored and the committee’s scores were tallied to determine a recommendation. Technical capabilities are of paramount consideration in the award of the contract. Both past performance and cost/price are also important to the overall contract award decision. Vendors were advised that the award will be made to that vendor whose proposal provides the combination of features that offers the greatest overall value to the SJPC. The SJPC evaluated the quality of the vendor's past performance based on information obtained from references provided by the vendor, as well as other relevant past performance information obtained from URLs provided by the vendor, and other sources known to the SJPC. The following proposals were received:

Firm	Development	Maintenance	Hosting	Total Score
Stokes Creative Group, Inc., Vincentown, NJ	\$37,000.00	30 hours Per Year Included	Hosting provided	155
CivicLive, Toronto, Canada	\$31,000.00	\$5,000 annually *	*	149
CivicPlus, Manhattan, Kansas	\$20,878.00	\$9,652 annually	\$4,039 annually	144
Webmechanics/Galiana, New York, New York	Incomplete \$19,678.00	\$900 monthly	\$60 - \$300 monthly	143
Concilio Labs, McLean, Virginia	\$50,573.00	\$7,398 annually	\$7,500 annually	131
Civica Software, Newport Beach, California	\$55,980.00	\$4,910 annually	\$4,800 annually	116
Interpersonal Frequency, New York, New York	\$83,928.00	1 hour per month * (\$150 per hr.)	\$6,000 annually *	98
Blenderbox, Brooklyn, New York	Incomplete \$94,800.00			95
Ivyserve Web Solutions, Miramar, Florida	\$63,155.39	\$340 - \$1,200 monthly	\$10,000 - \$25,000 annually	67

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – July 29, 2014



RECOMMENDATION:

The evaluation committee recommends the Board awarding the contract for Website Redesign and Support Services to Stokes Creative Group, Inc. at a cost of \$37,000.



ACTION ITEM:

C. RESOLUTION 2014-7-0066: TRASH REMOVAL SERVICES
BIDS

Staff advertised and received the following bid for the trash removal from both terminals. Estimated volumes are twenty five (25) 40 cubic yard containers per month and up to three (3) cubic yard containers to be emptied twice per week. The contract is for one year starting September 1, 2014 with two (2) one year options. Several vendors inquired for specifications, but only one bid was received.

CONTRACTOR	Cost Per 40 Yard	Cost Per 3 Yard
Waste Management	\$648.50	\$21.88

RECOMMENDATION:

Staff and General Counsel are reviewing the bid and will provide a recommendation to the Board at the meeting.



ACTION ITEM:

D. RESOLUTION 2014-7-0067: ACCEPTANCE OF LEASE OPTION FOR NATIONAL DOCK – SALEM TERMINAL

National Docks has notified SJPC of their desire to exercise the first of two, five (5) year lease options for the Salem Terminal. The initial term of the lease expires on August 31, 2014. The current monthly rental rate of \$5,000 will be increased per the CPI to \$5,100.00 per month with a CPI adjustment applied annually during the five year term commencing on September 1, 2014.

RECOMMENDATION:

Staff recommends Board acceptance of National Dock, LLC. request to exercise the five year option for their lease for the Salem Terminal leasehold to commence September 1, 2014.



ACTION ITEM:

E. RESOLUTION 2014-7-0068: AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR DATA CENTER HVAC SYSTEM

Staff is requesting authorization to release a Request for Proposals for a Data Center HVAC System. The current A/C system is inadequate to maintain the necessary environment for temperature and humidity for the SJPC servers and has been failing. The A/C system also shuts off when the facility experiences any power outage and does not restart automatically when electrical power is restored.

The specifications will be prepared using the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE) Technical Committee set of guidelines for optimal temperature and humidity set points for the data center. These guidelines specify both a required and allowable range of temperature and humidity.

Recommended Temperature Ranges:

- Low-end temperature 64.4°F (18°C)
- High-end temperature 80.6°F (27°C)
- Low-end moisture 40% relative humidity and 41.9°F (5.5°C) dew point
- High-end moisture 60% relative humidity and 59°F (15°C) dew point

Other aspects of the requirement will include installing the necessary exhaust, filtering, proper air flow through the server racks, and power redundancy.

RECOMMENDATION:

Staff recommends Board authorization to release the Request for Proposals for Data Center HVAC System.



ACTION ITEM:

**F. RESOLUTION 2014-7-0069: PAULSBORO MARINE TERMINAL
-1st AMENDMENT TO GROUND LEASE
ACKNOWLEDGEMENT AND AGREEMENT FOR
CONVEYANCE OF RESEVED PARCEL FROM BP FOR LOOP
RAIL TRACK**

For approximately 2/3rd of the Paulsboro Marine Terminal footprint, the SJPC has a sublease agreement with the Borough of Paulsboro, which is virtually identical to a ground lease agreement between BP and the Borough of Paulsboro. This First Amendment to the Ground Lease (and ultimately to the Sublease between the Borough of Paulsboro and the SJPC) is required for BP to transfer approximately 1.65 acres of land to the SJPC for terminal operations – notably rail car moves to the wharf. At the time of the ground lease and redevelopment agreement negotiations, BP had ‘reserved’ these parcels for its ongoing ground water treatment plant operations (GWTP). The land to be transferred is located between the GWTP and the under construction esplanade.

Exhibit A shows the acreage to be transferred and the proposed rail track alignment, which continues north to the wharf. Exhibit B shows a series of new fence and gates, Exhibit C indicates a culvert and Exhibit D depicts 4 locations where additional measures are required to bridge existing remediation systems, all of which the SJPC via GCIA must provide as part of the amendment. The cost of which is part of contract PMT-010, which is funded by 2009 Series P Bonds. Exhibit E shows where BP staff has alternative access locations in case rail cars block the GWTPs main gate area and BP staff must leave the GWTP due to emergency or similar incidence. Lastly, Exhibit F provides for a series of protocols and procedures during simultaneous SJPC Terminal and BP/GWTP operations. The classifications deal with emergency and non-emergency situations. In short, BP staff must have 24 hour, 7-day per week access to the GWTP, which will almost always require access via the GWTP entrance gate. In some situations, PMT operations will require rail cars to access the wharf and could block the primary GWTP access gate. In these situations, BP staff understands that compliance with MTSA security provisions must be maintained at all times. The protocols and procedures are intended to educate all involved.

RECOMMENDATION:

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – July 29, 2014



Staff requests Board approval for the Executive Director and SJPC legal counsel to finalize and execute (1) the Acknowledgement and Agreement page of the First Amendment to Ground Lease (by and between BP and the Borough of Paulsboro and (2) finalize and execute a First Amendment to Sublease Agreement (by and between the Borough of Paulsboro and SJPC).

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, Deputy Executive Director / Facility Security Officer.

FEMA PREPAREDNESS & PROGRAM MANAGEMENT TECHNICAL ASSISTANCE PROGRAM: SJPC was awarded three technical assistance grants 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:

The FEMA Team arrived onsite and held a kickoff meeting with SJPC and our tenants and partners on Tuesday, May 20, 2014 laying out the planning objectives and assembling the stakeholder team for the Emergency Operations Plan and the Evacuation Plan development. The FEMA team returned for the week on Monday, June 2, 2014 and a EOP stakeholder meeting was held and various meetings and working sessions with SJPC and our tenants and partners were held in developing the draft EOP. The Evacuation Plan development will begin on Monday, June 9, 2014, with a stakeholder group kickoff meeting and then the FEMA team will work through developing the draft Evacuation Annex during the remainder of the week.

The stakeholder team was comprised of SJPC staff, Camden Iron & Metal, Delaware River Stevedores, Camden Waterfront Development (Holt), Joseph Oat Corporation, Camden Yards Steel, Camden International Commodities Terminal, Susquehanna Center, Battleship NJ, City of Camden Office of Emergency Management, Camden County Office of Emergency Management, the City of Camden Fire Department, and NJ Office of Homeland Security and Preparedness.

The draft Emergency Operations Plan and Evacuation Plan was delivered to SJPC and we are going through modifications. Staff will finalize the documents for presentation to the SJPC Board of Directors for adoption and to authorize revision to standard lease agreements to require tenants to address and to follow the EOP. General Counsel will evaluate revising our standard lease agreement to include a provision for tenants about their responsibility to follow the SJPC EOP/EP. Following adoption, the plan will be distributed to SJPC tenants and partners for implementation. The EOP/EP will be evaluated annual for any potential revisions. The Continuity of Operations Planning will resume in the fall.

SOUTH JERSEY PORT CORPORATION

Board of Directors Meeting – July 29, 2014



FACILITY SECURITY PLAN – MTSA/33CFR105: Mr. Jones is preparing the updated Security/Threat Analysis, the CG-6025 Forms and an updated Facility Security Plan for August submission to the U.S. Coast Guard for the five year approval.

15th BIENNIAL HARBOR SAFETY AND AREA MARITIME COMMITTEE CONFERENCE: Mr. Jay Jones will be participating in the 15th Biennial Harbor Safety Committee and Area Maritime Security Committee Conference: *Partnering for Safe, Secure, and Resilient Port Operations* which will be conveniently held in Philadelphia this year on August 25-27, 2014. The conference will focus on best practices of Harbor Safety Committees (HSCs) and Area Maritime Security Committees (AMSCs) as well as new ideas and technology to address critical safety and security issues.



INFORMATION ITEM:

I. PAULSBORO MARINE TERMINAL PROJECT UPDATES

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

CHANGE ORDERS: None for presentation.

CONSTRUCTION UPDATE

PMT-003: The project is substantially complete. Work on remaining punch list items and project close-out continues.

PMT-005: The project is substantially complete.

PMT-006: Final survey has been received; project close-out continues.

PMT-007: The project is substantially complete. Two remaining monitoring wells will be lowered to final design height once the existing surcharge stockpile has been relocated as part of the PMT-009 project. This work has commenced and is scheduled through August 2014.

PMT-008TP: The project is substantially complete. Project close-out continues.

PMT-009: Select demolition, storm water pipe, sanitary sewer connections and electrical ductbank installation continue. Monitoring of surcharge indicates that primary settlement has abated. Fill material hauling is approximately 96% complete. Relocation of surcharge fill material hauling resumed in May 2014 and is likely to continue into August 2014. Additional importing of fill material is scheduled to resume in August 2014, with earthwork to complete in fall 2014. Substantial completion is targeted for November 2014.

PMT-015: Woodland Habitat Mitigation

The Woodland Habitat Mitigation contract with Turf Construction has been executed. Plantings in PA-1 (Little Mantua Creek location) are targeted for fall 2014 and for PA-2 (Mantua Creek location) in Spring 2014.

SOUTH JERSEY PORT CORPORATION

Board of Directors Meeting – July 29, 2014



PMT-S02: Expanded perimeter landscaping and lawn maintenance, which includes the new linear esplanade areas and along the access road alignment commenced in June 2014 and will continue through years 2014 and 2015.

Traffic Signal Warrant Study

A kick-off meeting for the traffic signal warrant study with Shropshire Associates was held July 17, 2014. Initial findings are scheduled to be available in October 2014.

PROCUREMENT UPDATE

PMT-008M: Modified Phase I Wharf Construction

Following the SJPC's Special Board Meeting of July 10, 2014 and pending approval of the meeting minutes for the GCIA's Board Meeting of July 17, 2014, the Phase I Wharf contract will be awarded to Weeks Marine.

PMT-010: Terminal Civil Works. Based on available funding, the construction schedule and NJDEP utility connection approvals, the balance of phase I civil works has been rescheduled such that public advertisement is targeted for 4th quarter 2014. This contract is expected to follow after the completion of the PMT-009 fill material hauling activities.

PMT-013: Stage I (TIGER III) Upland Rail Works. Based upon USDOT's categorical exception (CE) for the rail portion of PMT's redevelopment program and completion of the PMT-009 fill material placement, public advertisement is targeted for late 4th quarter 2014.

PMT-014: Stage II (NJDOT) Upland Rail Works. Following execution of a NJDOT Rail Freight Assistance Grant agreement and completion of the PMT-009 fill material placement, public advertisement is planned for 1st quarter of 2015.

PMT-012: Esplanade and Kayak Launch. Based on available funding and construction schedule, public advertisement is slated for late 1st quarter 2015.

Refer to the enclosed Paulsboro Marine Terminal & Access Road and Bridge June 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 1st Quarter 2014 accounting reconciliation meeting between representatives of the GCIA and SJPC was conducted June 13, 2014. Based on the results of this meeting, no outstanding or unresolved accounting issues have been identified. A 2nd quarter 2014 reconciliation meeting will be scheduled for August 2014.



INFORMATION ITEM:

J. ELECTRICAL POWER REVERSE AUCTION BIDDING

Pursuant to the Board's action and authorization, staff and World Energy, have scheduled the reverse auction bidding for electric energy prices to be held on Tuesday, August 5, 2014. As is the nature of the reverse auction bids, the Executive Director has been given authorization to commit to a bid following consultation with the Chairman if the results are favorable. Any new rates will not be effective until 2015.

In 2012, SJPC conducted a reverse auction that will have saved approximately \$231,700 in energy costs through 2014. Eighteen companies participated in the electrical energy reverse auction bidding process hosted by World Energy that included an option for 10 percent of green renewable energy. Direct Energy Business with a \$0.0713 per kilowatt hour rate and 10% of the energy supply coming from green renewable sources won the auction. The new rate will took effect on the first metering reading in January 2013.



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. 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. HOLT LOGISTICS**
 - 5. BROADWAY TERMINAL – SPRINKLER SYSTEM ISSUE**
 - 6. MAINTENANCE DREDGING**