

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING September 29, 2014

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

- 1. APPROVAL OF MINUTES**
Regular Meeting August 26, 2014
Closed Meeting August 26, 2014
- 2. APPROVAL OF OPERATING BILLS
RESOLUTION 2014-9-0081**
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST
RESOLUTION 2014-9-0082**
- 4. APPROVAL OF CREDITS - None**
- 5. APPROVAL OF CHANGE ORDERS - None**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS
RESOLUTION 2014-9-0083**
- 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 2014-9-0084: PUBLIC AGENCY COMPLIANCE OFFICER APPOINTMENT**
- B. RESOLUTION 2014-9-0085: COMMERCE CONSTRUCTION LEASE RENEWAL**
- C. RESOLUTION 2014-9-0086: CAMDEN YARDS STEEL LEASE AMENDMENT**
- D. RESOLUTION 2014-9-0087: WORKERS COMPENSATION & EMPLOYER'S LIABILITY INSURANCE RENEWAL**
- E. RESOLUTION 2014-9-0088: APPROVAL OF HOLTEC INTERNATIONAL LEASE – BROADWAY TERMINAL**
- F. RESOLUTION 2014-9-0089: APPROVAL OF HOLT LOGISTICS LEASE – PAULSBORO MARINE TERMINAL**

11. SUPPLEMENTAL BOARD INFORMATION

- G. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- H. PORT SECURITY UPDATE**
- I. PAULSBORO MARINE TERMINAL PROJECT UPDATES**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2014-9-0084: APPOINTMENT OF THE PUBLIC AGENCY COMPLIANCE OFFICER

In accordance with N.J.A.C. 17:27-3.2, each public agency shall designate an individual to serve as its Public Agency Compliance Officer (P.A.C.O.). The P.A.C.O. is the liaison between the Division of Purchase and Property under the NJ Department of Treasury and the Public Agency and is the Public Agency point of contact for all matters concerning the implementation and administration of the statute N.J.A.C. 17:27-1.1 for EEO in Public Contracts. Each year, all Public Agencies are required to submit the name, title, address, telephone, number, fax, and email address of the P.A.C.O. designated by the Public Agency. This information must be submitted to the Division no later than January 10th of each year. In addition, it shall be the responsibility of the Public Agency to update the P.A.C.O. designation at any time during the year if any changes are made concerning the designated P.A.C.O.

A resolution to appoint SJPC's Treasurer, Bruno Cellucci, as the Public Agency Compliance Officer for the South Jersey Port Corporation for the year 2015 is presented for approval.

RECOMMENDATION:

Staff recommends Board approval of the resolution to fill the P.A.C.O. role for EEO Contract Compliance.



ACTION ITEM:

B. RESOLUTION 2014-9-0085: APPROVAL OF COMMERCE CONSTRUCTION LEASE RENEWAL

Commerce Construction has requested extending their current yearly lease for one more year starting November 1, 2014. The lease is for 650 linear feet of H-Slip at the Broadway Terminal. They are willing to accept a month-to-month lease due to current conditions. The current rental rate of \$5,145.00 per month will increase to \$5, 248.00 per month effective November 1, 2014. If the tenant is still at the leasehold after October 31, 2015, a CPI increase will be applied to the rental rate.

RECOMMENDATION:

Staff requests Board approval of the Commerce Construction lease renewal as presented.



ACTION ITEM:

C. RESOLUTION 2014-9-0086: APPROVAL CAMDEN YARDS
STEEL LEASE AMENDMENT

Camden Yards Steel has requested an additional 14,112 square feet of rental space to be added to the current leasehold of 6,636 square feet, that includes an area of a low ceiling and a width of 42 feet. This area has a rental rate of \$2.58 per sq.ft.

The additional area of 14,112 sq.ft. (42 ft.x 336 ft.) will also have a rental rate of \$2.58 per sq.ft for a total of \$26,408 per annum.

Staff will prepare an addendum to the lease for the 6,636 sq.ft. of space, increasing the total to 20,748 sq.ft. with annual CPI increases starting September 1, 2015.

RECOMMENDATION:

Staff requests Board approval of the amendment to the existing Camden Yards Steel lease for an additional 14,112 square feet of leasehold area.



ACTION ITEM:

D. RESOLUTION 2014-9-0087: APPROVAL OF WORKERS COMPENSATION & EMPLOYER'S LIABILITY INSURANCE RENEWAL

SJPC's Workers Compensation & Employers Liability policy renews November 4, 2014. The present carrier, New Jersey Casualty Insurance Company, has quoted a renewal cost at \$822,027 (subject to audit). The renewal cost increased this year over last year primarily due to three factors: an increase in SJPC's Experience Modification Factor from .820 on the expiring policy to .995 for the renewal policy (generating approximately \$145,000 of the total premium increase); an increase in rates issued by the New Jersey Compensation Rating & Inspection Bureau (generating approximately \$30,000 of the total premium increase); and a 37% increase in payroll from \$4,999,000 estimated for the expiring term to \$6,859,933 estimated for the renewal (generating approximately \$220,000 of the total premium increase). The renewal cost of \$822,027 is an increase of \$395,687 compared to last year's cost. Conner Strong & Buckelew, SJPC's Insurance Broker, recommends that SJPC renew with New Jersey Casualty Insurance Company at an estimated annual renewal cost of \$822,027.

RECOMMENDATION:

Staff recommends Board consideration of the recommendation from Conner Strong & Buckelew to approve the Workers Compensation & Employers Liability Policy renewal policy with New Jersey Casualty Insurance Company at a cost of \$822,027.



ACTION ITEM:

E. RESOLUTION 2014-9-0088: APPROVAL OF THE HOLTEC INTERNATIONAL LEASE - BROADWAY TERMINAL

Based on the Holtec Development Agreement approved by the SJPC Board of Directors at a special meeting held on July 10, 2014, a formal lease agreement will be presented for approval.

RECOMMENDATION:

Staff recommends Board approval of the Holtec International Lease at the Broadway Terminal.



ACTION ITEM:

F. RESOLUTION 2014-9-0089: APPROVAL OF HOLT LOGISTICS LEASE - PAULSBORO MARINE TERMINAL

Based on the term sheet approved by the SJPC Board of Directors at the special meeting held on July 10, 2014, a lease agreement will be presented for the Holt Logistics to lease the Paulsboro Marine Terminal and serve as the terminal operator.

RECOMMENDATION:

Staff requests Board approval of the Holt Logistics Lease for the Paulsboro Marine Terminal.



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.

FACILITY SECURITY PLAN – MTSA 33CFR105: Mr. Jones has submitted a formal request to the USCG Captain of the Port for an extension to submit a revised Facility Security Plan from December 2014 to June 2015 due to the significant changes occurring to the Broadway Terminal as a result of the Holtec International lease and terminal redevelopment. An initial meeting was held with USCG representatives to layout the schedule for FSP amendments and the final submission of a fully revised FSP.

VIDEO & ACCESS CONTROL SYSTEM RECONFIGURATION: Staff is working on the reconfiguration of the video surveillance system and the access control systems due to changes to the Broadway Terminal. These changes will require Security Policy and Procedures and FSP amendments.

EMERGENCY OPERATIONS PLAN AND EVACUATION ANNEX MODIFICATION: Staff is working on modifications to the Emergency Operations Plan and the Evacuation Annex as it pertains to the Broadway Terminal and the impact of the Holtec development.

CAMDEN CORPORATE WATCH: SJPC hosted the Camden Corporate Watch meeting on September 10, 2014. At the meeting, the president of the Corporation Watch presented Mr. Hank D'Andrea a plaque in recognition for his many years of support of the Camden Corporate Watch. Founded in 1982, the Camden Corporation Watch is an organization of various police, public safety and security agencies. These agencies are united and contribute to the safety and security of the City of Camden.



INFORMATION ITEM:

I. PAULSBORO MARINE TERMINAL PROJECT UPDATES

The Paulsboro Marine Terminal Project updates, provided by the Gloucester County Improvement Authority, are contained in the attached report.



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. Holt Logistics Lease**
 - 3. HOLTEC INTERNATIONAL LEASE**
 - 4. BROADWAY TERMINAL – SPRINKLER SYSTEM ISSUE**
 - 5. MAINTENANCE DREDGING**