



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
BROADWAY TERMINAL
CAMDEN, NEW JERSEY
December 8, 2015
12:30 p.m.

Directors Present:	Richard Alaimo	Chairman
	Christopher Chianese	State Treas. Designee
	Robert DeAngelo	Director
	Jonathan Gershen	Director
	Joseph Maressa, Jr.	Director ☎
	Eric Martins	Director ☎
	Craig Remington	Director
	Sheila Roberts	Director
Directors Absent:	Chad Bruner	Director
	Carl Styles	Director
In Attendance:	Michael Collins	Governor's Authorities Unit ☎
	Raymond Zane, Esq.	Gen. Counsel – Zane & Lafferty
	Kevin Castagnola	Executive Director & CEO
	Jay Jones	Dep. Exec. Dir. / Board Secretary
	Bruno Cellucci	Treasurer
	George Englehardt	Facilities Engineer
	Neil Grossman	Financial Advisor - GBA
	Dennis Culnan, Jr.	Marketing Consultant – PS&AC
	Linda Artlip	Marketing Consultant – PS&AC
	Dennis Culnan	Marketing Consultant – PS&AC
	Darryl Eng	AECOM
	Phil Girandola	AECOM
	Mario Christina	Glouc.Cty. Improvement Authority
Paul Bremen	Holt Logistics	

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 5, 2015, 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 2015, indicating the time and place to the following newspapers: Courier-Post, Gloucester County Times and the Burlington County Times.

In addition, the meeting was posted at the Port Corporation's designated Bulletin Board at its main entrance to the Broadway Terminal, its official place for posting and maintaining a schedule of the monthly Board of Director's Meetings for 2015. 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.](#)

[PRESENTATION OF REGULAR MEETING MINUTES - October 27, 2015](#)

The minutes for the South Jersey Port Corporation Board of Directors held on October 27, 2015, were presented for approval.

A motion was made to approve the October 27, 2015 Board of Directors Regular Meeting Minutes as presented.

Moved by:	C. Chianese
Seconded by:	S. Roberts
Voting for motion:	All
Voting against motion:	None
Abstaining:	R. DeAngelo
	J. Gershen
	E. Martins

[PRESENTATION OF CLOSED MEETING MINUTES – October 27, 2015](#)

The minutes for the South Jersey Port Corporation Board of Directors closed meeting session held on October 27, 2015, were presented for approval.

A motion was made to approve the October 27, 2015 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:	C. Chianese
Seconded by:	S. Roberts
Voting for motion:	All
Voting against motion:	None
Abstaining:	R. DeAngelo
	J. Gershen
	E. Martins

OPERATING BILLS

The Operating Unpaid Bill list for the period 10/15/2015 to 11/25/2015 was presented for approval.

A motion was made to adopt Resolution 2015-12-0098 for the approval of the Operating Unpaid Bill list for the period 10/15/2015 to 11/25/2015.

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

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 10/15/2015 to 11/25/2015 was presented for approval. The Board Audit Committee reviewed the AMEX statement and reviewed an expense report for the executive director in the amount of \$924.00.

A motion was made to adopt Resolution 2015-12-0099 for the approval of the Advance Payment Bills for the period 10/15/2015 to 11/25/2015 and the expense report in the amount of \$924.00.

Moved by: C. Remington
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ended December 8, 2015, containing twenty-five (25) credits for a total amount of \$6,253.77 was presented for approval.

A motion was made to adopt Resolution 2015-12-0100 for the approval of the Credit List for the period ended December 8, 2015 in the amount of \$6,253.77.

Moved by: C. Chianese
Seconded by: C. Remington

Voting for motion: All
Voting against motion: None

CONSTRUCTION FUND REQUISITIONS

Staff presented eight (8) construction fund requisitions in the amount of \$4,708,846.29.

A motion was made to adopt Resolution 2015-12-0101 for the approval of the nine (9) Construction Fund Requisitions totaling 4,708,846.29 as presented.

Moved by: C. Remington
Seconded by: C. Chianese

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

The Treasurer, Mr. Bruno Cellucci, presented the Treasurer's Report. He presented the report for the period ending October 31, 2015. He reported that the net income before interest, depreciation and amortization totaling \$155,102 versus the budgeted amount of \$240,207. This is a deviation of (\$85,105) below budget. For the year-to-date, net income before interest, depreciation and amortization is \$3,031,590. This is \$629,525 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. Chianese
Seconded by: R. DeAngelo

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 Executive Director reported on port activity through November 2015. Cargo tonnage for November 2015 was 162,385 s/tons and is 3% ahead of November 2014. Total tonnage for the year-to-date through November 2015 is 2,315,663 s/tons. Total cargo tonnage is 15% ahead of 2014 on the year. We are projecting the year end tonnage to be approximately 15% better than 2014. Import steel, which set a record last year with over 900,000 s/tons, is on pace to break that mark.

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

Moved by: S. Roberts
Seconded by: C. Chianese

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0102: 2016 BOARD OF DIRECTORS MEETING SCHEDULE

Staff is presented a recommendation for the official schedule of Board meetings for the calendar year 2016. The schedule 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 26, 2016	Regular	12:30 P.M.
Tuesday, February 23, 2016	Regular	12:30 P.M.
Tuesday, March 29, 2016	Regular	12:30 P.M.
Tuesday, April 26, 2016	Regular	12:30 P.M.
Tuesday, June 14, 2016	Regular	12:30 P.M.
Tuesday, July 26, 2016	Regular	12:30 P.M.
Tuesday, August 30, 2016	Regular	12:30 P.M.
Tuesday, September 27, 2016	Regular	12:30 P.M.
Tuesday, October 25, 2016	<u>Regular</u>	12:30 P.M.
Tuesday, December 13, 2016	Regular	12:30 P.M.

A motion was made to approve Resolution 2015-12-0102 to approve the 2015 Board of Directors meeting schedule.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0103: 2016 HHOLIDAY SCHEDULE

The 2016 Union and Nonunion Holiday Schedules were presented for approval as follows:

HOLIDAY	DATE
New Year’s Day	Friday, January 1, 2016
Martin Luther King Day	Monday, January 18, 2016
President’s Day	Monday, February 15, 2016
Good Friday	Friday, March 25, 2016
Memorial Day	Monday, May 30, 2016
Independence Day	Monday, July 4, 2016
Labor Day	Monday, September 5, 2016
Veteran’s Day	Friday, November 11, 2016
Thanksgiving Day	Thursday, November 24, 2016
Day After Thanksgiving Day	Friday, November 25, 2016 (Local 18 only)
Christmas Eve	Friday, December 23, 2016
Christmas Day	Monday, December 26, 2016

A motion was made to approve Resolution 2015-12-0103 to approve 2016 Holiday Schedule for union and nonunion employees.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0104: 2016 PILOT AGREEMENTS WITH THE CITY OF CAMDEN, COUNTY OF CAMDEN AND THE CITY OF SALEM

SJPC's General Counsel presented the 2016 calendar year pilot agreement for board's consideration.

The **Camden County 2016 calendar year PILOT agreement** is the same amount as last years pilot payment at \$419,000.00.

The **City of Salem 2016 calendar year PILOT agreement** is the same amount as last years pilot payment at \$31,224.37.

The **City of Camden 2016 fiscal year pilot agreement** is the same amount as last years pilot payment at \$4,000,000.00.

A motion was made to approve Resolution 2015-12-0104 approving the 2016 PILOT agreements with the City of Camden, County of Camden and the City of Salem as presented.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0105: DEBT SERVICE RESERVE & TAX RESERVE CERTIFICATION LETTER

The Certification Letter to the Governor for the Debt Service Reserve and Tax Reserve Fund Requirements was presented. In summary, for the year ending December 31, 2015, a State appropriation of **\$ 18,898,929** 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 FY2016 tax payment obligations, which consist of tax payments to the Local Governments.

A motion was made to approve Resolution 2015-12-0106 to approve the Debt Service Reserve and Tax Reserve Fund Certification Letter to the Governor as presented.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0106: 2016 SJPC OPERATING 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 presented operating budget for the 2016 fiscal year. In early 2016, after final figures have been evaluated, a revised 2016 budget may be presented to the Board for approval.

A motion was made to approve Resolution 2015-12-0106 to adopt the preliminary 2016 Operating Budget as presented.

Moved by: C. Chianese
Seconded by: C. Remington

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0107: 2016/2017 SALEM PORT AUTHORITY BUDGET

The 2016/2017 Salem Port Authority Budget was presented for approval. It reflects an increase of \$749.00 over this year's budget. The increase is comprised of the following:

- increase of \$372 to health insurance expense
- increase of \$302 to pension expense
- increase of \$ 75 to telephone expense

All other amounts remain unchanged. In summary, Salem's current budget is \$58,803.00. The proposed budget for 2016/2017 totals \$59,552.00.

A motion was made to approve Resolution 2015-12-0107 to approve the 2016/2017 Salem Port Authority Budget as presented.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0110: APPROVAL OF CAMDEN COUNTY EASEMENT AGREEMENT – DRAINAGE BASIN BROADWAY TERMINAL

Staff presented an easement agreement with the County of Camden for property near the Broadway Terminal for purpose of installing a drainage basin adjacent to the re-routed Broadway roadway. The agreement has been reviewed by General Counsel.

A motion was made to approve Resolution 2015-12-0110 to approve the Right-of-Way Easement Agreement with the County of Camden for the new Broadway Roadway drainage basin.

Moved by: C. Chianese
Seconded by: C. Remington

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0111: APPROVAL OF STATE METALS LEASE

Staff presented a new lease for existing tenant, State Metals for “I” building. The new lease will have a term of five (5) years with two (2) options of five (5) years each. The lease will contain the \$25,000 penalty applied annually when there is no waterborne cargo activity. The rental is \$17,993 per month / \$215,916 annually at a rate of \$3.82 per sq. ft. with CPI adjustments.

A motion was made to approve Resolution 2015-12-0111 to approve “I” Building lease agreement with State Metals, Inc. as presented.

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

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0112: ACCEPTANCE OF THE DVRPC COMPETITIVE CONGESTION MITIGATION AND AIR QUALITY GRANT WITH NJDEP

SJPC partnered with the NJ Department of Environmental Protection to submit a grant application for consideration from the Delaware Valley Regional Planning Commission through their Competitive Congestion Mitigation and Air Quality Grant Program (CMAQ). CMAQ seeks to fund transportation related projects that can help the region reduce emissions from mobile sources and meet the National Ambient Air Quality Standards. Selected CMAQ projects will demonstrably reduce air pollution emissions and in many cases reduce traffic congestion.

The SJPC/NJDEP grant application submitted was selected as a recipient. The approved application is for a project entitled “South Jersey Port Corporation Fleet Modernization Program” in the amount of \$1,000,000. The grant will fund the replacement of approximately nine (9) of the oldest (22 to 50 years old), highest use forklifts with new Tier 4 engine forklifts.

The CMAQ Program is a reimbursement program for only those costs that are eligible under federal law. The sponsor does not receive grant funds up front to start the project; rather, the sponsor is reimbursed for costs incurred after receiving federal authorization of the project and a notice to proceed.

The CMAQ Grant was awarded on 10/23/15. The project end date is September 30, 2019. A Memorandum of Agreement between NJDOT and NJDEP will have to be established. This will explain how the project will be executed which will include how the movement of money between agencies.

A Memorandum of Agreement between NJDEP and SJPC will have to be established. This will include how payment of equipment will be handled as well as how to handle the removal of old equipment. If forklift replacements cannot be purchased off of existing government contracts a RFP will have to be issued.

Staff is requesting Board authorization to accept the grant and enter into a Memorandum of Agreement with NJDEP and to issue a RFP for acceptable equipment pending General Counsel's review. SJPC does have funding available as an advance to the reimbursement process.

A motion was made to approve Resolution 2015-12-0112 to accept the DVRPC CMAQ Grant in the amount of \$1,000,000 and pending counsel's review, execute the Memorandum of Agreement with NJDEP for the grant.

Moved by: J. Gershen
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0113: APPROVAL OF KOCKS CRANE CABLE INSTALLATION

Staff is requesting the Board's approval to hire Kocks Krane (Kraneunion Crane & Transport Systems) to perform and oversee the complete installation of the Replacement High Voltage Power Cable and the required Engineering and necessary components.

As the originally supplied cable is no longer available or manufactured, it was necessary for Kocks Krane to source an approved replacement specific to their operational requirements. Due to the proprietary nature of the Kocks crane equipment and the operational dynamics and complexity involved with the Cavotec reel tensioning system, and suitably accompanied with the recommendation of Michael Fasnacht P.E., Vice President of Engineering for S.T. Hudson Engineers, the Port is requesting the approval of the Board to accept the appended Quotation from Kocks Krane for the complete and warrantable installation of the previously Kocks approved and pre-ordered High Voltage Cable assembly.

Pursuant to State of NJ Executive Order #37, a memorandum is provided for the sole-source justification for this contract. The installation of the high voltage cable must be provided through the manufacturer of the crane, Kocks Krane, in order to maintain the warranty and to ensure proper operation of this multi-purpose, fully electric cargo crane located at Pier 1A Broadway Terminal. Competitive alternatives are not available as this is a necessary proprietary purchase. The cost for the installation is \$48,000.

Staff requested Board approval of the quotation from Kocks Krane (Kraneunion Crane & Transport Systems) for the installation of the high voltage power cable in the amount of \$48,000.

A motion was made to approve Resolution 2015-12-0113 to approve the installation of the high voltage power cable on the Kocks Crane in the amount of \$48,000 through Kraneunion Crane & Transport Systems.

Moved by: C. Remington
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

INFORMATION ITEMS:**MARKETING REPORT - PHOENIX STRATEGIES / ARTLIP COMMUNICATIONS**

Ms. Linda Artlip presented the Marketing Report. She reported they are assisting the development of content for the SJPC website, working on the next edition of the Port-O-Call magazine, assisting in the layout of the annual greeting card and working on updating the tradeshow displays and graphics.

The report was received and filed.

PORT SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

U.S. COAST GUARD – APPROVAL OF FIVE YEAR FACILITY SECURITY

PLAN: We received notification from the USCG that the five year approval letter for the Facility Security Plan (FSP) for the Balzano and Broadway Terminals has been executed. On November 30, 2015, the approval letter was received. SJPC's MTSA regulated facilities are operating under the new FSP.

ANNUAL FSP AUDIT: Upon the approval of the five year FSP, we can proceed with the audit process. The FSO must ensure an audit of the FSP is performed annually, beginning no later than one year from the initial date of approval, and attach a letter to the FSP certifying that the FSP meets the applicable requirements of this part. Personnel conducting internal audits of the security measures specified in the FSP or evaluating its implementation must: (i) Have knowledge of methods for conducting audits and inspections, and security, control, and monitoring techniques; (ii) Not have regularly assigned security duties; and (iii) Be independent of any security measures being audited.

Mr. Jones has requested quotations from qualified security firms to conduct an annual audit of the FSP and program following the USCG approval of the five year plan and conducting per the MTSA 333CFR105 requirements. The estimated cost of the MTSA security audit is \$2,600 below the State quote threshold of \$2,625. We have received one quote less than the threshold.

TWIC ESCORT VESTS: SJPC's MTSA regulated facilities see 16%-40% of truck drivers arrive daily without a TWIC requiring an escort. In addition, our tenants and our agency have visitors and vendors arrive daily without TWIC requiring escort assignments. In an effort to enhance the TWIC Escort program, we are deploying red TWIC Escort vests to any escort performing escort duties in an area that requires a safety vest, providing a visual confirmation of who and where escorts are throughout the facility. The escort training has been updated to reflect the vest requirement.

U.S. COAST GUARD AND TRANSPORTATION SECURITY ADMINISTRATION NEXT-GEN TWIC: TSA and the Coast Guard are seeking the assistance from the principal stakeholders currently using the card, namely the regulated maritime industry and the biometric credential industry to submit potential card options and features for future development of a standard which is sensible, achievable, and timely to meet the objectives of DHS' Technology "Alternatives Analysis" for TWIC.

Current TWIC Statistics:

- 3.5M+....Enrollments
- 2.1M.....Currently Active Cards
- 60,000.....Applicants Determined by TSA to be Ineligible
- \$128.00....Enrollment Fee (five-year card)
- 30,000+....Average new enrollments per month
- Approximately 300 Universal Enrollment Centers now provide TWIC enrollment services nationwide
- Proof of U.S. citizenship for U.S.-born applicants is now required (implemented July 1, 2015)
- New and replacement cards can be sent directly to applicants by mail. 70% of cardholders choose to receive their cards by mail.

TSA is looking to implement a number of physical changes including:

- Improve digital quality of the photo to be ICAO compliant
- Mint mark for the production facility, “1” DC; “2” Stennis
- Expiration date format updated with year font size change, addition of shading and removal of century “20”.
- Add new metallic security features onto surface of the card similar to eagle on the current DHS PIV card.
- Bottom View of card: Use of multi-layered card stock with middle layer of different custom colored layer shown as green

TSA is also looking at the usefulness of offering a version of TWIC that is compatible with federal smartcard standards (PIV-I) cards. A PIV-1 TWIC option would make it easier for TWIC holders to access other government facilities, such as the Department of Defense.

We suggest a Next-Gen TWIC card should be aligned with the TSA pre-check or CBP’s trusted traveler program rather than the federal access PIV credential to make the TWIC more versatile and enrollment more accessible to those individuals who need unescorted access to marine terminals. The card needs to have more value to transportation workers who are not likely to need access to government facilities. Aligning the card with the TSA pre-check or CBP’s trusted traveler perhaps would make TWIC more attractive to those who would benefit from possessing a TWIC. TSA may not offer the PIV-1 compatibility. It won’t be until they complete the conversion of TSA vetting programs to the new operating system.

At SJPC terminals, we see an average of 30% of truck drivers monthly arriving without a TWIC and requiring TWIC Escort services. If the card had other transportation/travel uses, those truck drivers who may infrequently call on MTSA regulated facilities could deem the \$128 investment having more value and we would see a reduction in non-TWIC arrivals.

Regarding TWIC card readers, the U.S. Coast Guard advised that the final rule for the use of TWIC readers had not yet made its way from DHS to the Office of Management and Budget for approval. Coast Guard estimates the rule will be published “early next year.”

The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

Mr. Daryl Eng with AECOM provided updates on the Paulsboro Marine Terminal project and provided a PowerPoint containing photos highlighting the current construction activities.

The following change orders were presented.

PMT-Wharf Construction – Change Order No. 05 Weeks Marine: On June 18, 2015, the GCIA approved Change Order No. 5 for Weeks Marine. This is a unilateral change setting the pile unit price for piles that require to be cut and re-drilled and the quantity to \$3,000 per pile at a quantity of 160 piles. The magnitude of the Change Order is \$480,000.00 with no time extension. The CO was presented to SJPC at the September 29, 2015 Board meeting.

Original Agreement Amount:	\$46,558,765.00
Change Order No. 1	-\$888,408.34
Change Order No. 2	\$326,568.90
Change Order No. 3	\$11,584.65
Change Order No. 4	\$295,000.00
Change Order No. 5	\$480,000.00
New Contract Sum	\$46,783,510.21
Change Order No. 5 Total Value	\$480,000.00
Change Order No.5 Work performed to date is	(\$60,000.00)
Change Order Total Value to date	\$420,000.00

As an update, the GCIA has paid work performed under this unit price category \$60,000 (pay app. #10) and \$102,000 (pay app. #13) for a total of \$162,000.

PMT-008M Wharf Construction – Change Order No. 07 for Weeks Marine: After the contract was awarded the Engineer determined that in order to provide enough resistance to uplift forces the dowel bars in the batter piles needed to be upsized from #6 bars to #8 bars. The #8 bars at the batter piles were not called for in the original design documents and as such, their incorporation into the design was a change for which the Contractor is entitled to compensation.

- Agreed Upon Compensation: \$29,955.54 with no time extension.

After the PMT-008M contract was awarded it was decided that in order to make future expansions of the wharf easier and more economical to construct, mechanical couplers which will allow future contractors to attach rebar directly to the rebar already poured within the wharf should be added to the PMT-008M contract. Since the installation of these mechanical couplers was not called for in the original contract documents, their

inclusion in the work is a change for which the contractor is entitled to additional compensation.

- Agreed Upon Compensation: \$32,765.11 with no time extension.

Original Agreement Amount:	\$46,558,765.00
Change Order No. 1	-\$888,408.34
Change Order No. 2	\$326,568.90
Change Order No. 3	\$11,584.65
Change Order No. 4	\$295,000.00
Change Order No. 5	\$480,000.00
Change Order No. 6	-3,544.98
Change Order No. 7	62,720.65
New Contract Sum	\$46,842,685.88

PMT-13 for Stage 1 Rail & East Parcel Development Owner Controlled Insurance Program Credit – Change Order No. 01 Kyle Conti Construction: The PM-13 contract is insured through an Owner Controlled Insurance Program (OCIP). The contract documents specified that all bids are to be submitted including insurance costs and that insurance amounts, as calculated in accordance with the OCIP Procedures Manual, will be removed from the Contract Price via deductive change orders. The PMT-13 contract is not yet completed, finalized or closed out. However, a calculation based on the original contract value and the contractor’s original estimate of man-hours has determined that the initial value for insurance costs is \$378,461.32. The initial amount (\$378,461.32) is being deducted in this change order. The amount will be adjusted by a future change order once the PMT-13 project is 100 percent complete and final labor total cost and the final contract value determined.

Original Agreement Amount:	\$14,777,777.00
Change Order No. 1	-\$378,461.32
New Contract Sum	\$14,399,315.68

PMT-13 for Stage 1 rail & East Parcel Development - Change Order No. 02 Kyle Conti Construction: Perform the work in accordance with the following:

1. Perform the added work in accordance with the Construction Manager’s Proposal Request 003 and the Contractor’s COR-001, both attached.
2. Perform the added work in accordance with the Contractor’s COR-002R1, attached.
3. Perform the added work in accordance with the Construction Manager’s Proposal Request 003 and the Contractor’s COR-004R2, both attached.
4. Perform the added work in accordance with the Engineer’s response to RFI-088 and the Contractor’s COR-005, both attached.
5. Perform the added work in accordance with the Construction Manager’s Proposal Request 004 and the Contractor’s COR-006, both attached.

6. Perform the work in accordance with the Contractor's COR-008R1, attached.
7. Perform the work in accordance with the Engineer's response to RFI-089 and the Contractor's COR-009R1, both attached.
8. Perform the work in accordance with the Engineer's response to RFI-102, the Construction Manager's Proposal Request 006 and the Contractor's COR-010R2, all attached.
9. Perform the work in accordance with the response to Submittal 301 and the Contractor's COR-011R1, both attached.
10. Perform the work in accordance with the Construction Manager's Proposal Request 012A and the Contractor's COR-012, both attached.
11. Perform the work in accordance with the Construction Manager's Proposal Request 010 and the Contractor's COR-013R1, both attached.
12. Perform the work in accordance with the Construction Manager's Proposal Request 016 and the Contractor's COR-014R1, both attached.
13. Delete 55,500 tons of Contingent DGA material from Contingent Line Item #2, "Placement of Additional gravel East Parcel" from the PMT-013 Contract.

The justification for the changes:

- COR-001: BP's groundwater monitoring well MW-7 was located in conflict with the construction of the new rail lines, and as such, MW-7 needed to be abandoned so the rail line could be constructed over it. The abandonment of MW-7 required that a replacement monitoring well located in the same general area to be commissioned. Existing MW-6 was in the area, however it was not operational. Therefore the contractor was directed to redevelop MW-6 so it could be utilized as the replacement for MW-7. This work was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$3,650.75 with no time extension
- COR-002R1: The contract documents omitted direction to the Contractor to install grounding rods and grounding assemblies for several communications handholes and communications manholes. It was necessary to have these grounding items installed in these structures in order to make the handholes and manholes safe for workers and equipment. Therefore the contractor was directed to install these ground rods and grounding assemblies. This work was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$31,459.49 with no time extension.
 -

- COR-004R2: After the PMT-013 contract was awarded Conrail required that various rail work components such as new ties, new track and new mountain plates be incorporated into the work. Due to the fact that Conrail's trains will utilize the PMT Project's tracks, the rail work components were incorporated into the PMT-013 contract. None of the Conrail required components were included in the PMT-0013 bid documents and as such, their inclusion in the work was a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$672,592.12 with no time extension.

- COR-005: The construction of the permanent access road and rail crossing was to be done under the PMT-010 contract. However the PMT-013 contract was put out to bid and awarded before the PMT-010 contract was and, therefore, the installation of the rail work under the PMT-013 contract would have eventually cut the existing temporary access road leaving no way for vehicles, workers or deliveries to cross the tracks and get access to the river front. In order to avoid cutting access to the river front the permanent rail crossing at the location of the permanent access road was added to the PMT-013 contract. This work was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$60,000 with no time extension.

- COR-006: The PMT-013 contractor was to install a manhole frame and cover to be supplied by the Owner. This manhole frame and cover was procured under an earlier contract, PMT-004, and left on the jobsite for over two years before the PMT-013 contract was awarded. When it came time for the PMT-013 contractor to install the manhole frame and cover the job site was searched, but it could not be located. Therefore the contractor was directed to procure a new frame and cover to replace the missing one. This work was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$1,101.99 with no time extension.

- COR-008R1: The PMT-013 contract includes the construction of rail lines at specific grades and elevations, and in order to bid this work the contractor needs to know what the existing ground elevations are along the route of the rail lines in order to calculate, and price, the cut and fill work required to attain the design grades and elevations. The existing ground elevations were provided on Plan Drawing C-4001. However, the existing ground elevations were omitted from the other plan sheets. This work was originally included in the PMT-009 contract; but it was not performed by the PMT-009 contractor due to rail alignment changes requested by the tenant (Holt). Due to the absence of data in the bid documents for the existing ground elevations on all drawings other than C-4001 the contractor assumed that the existing ground was at its design elevation and that no cut or fill work would be required to attain those elevations. However these areas were not at their design elevations, the existing elevations were erroneously omitted from the plan sheets, and this resulted in the contractor performing cut and fill work that was not indicated in contract drawings, and as such this work was a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$149,337.70 with no time extension

- COR-009R1: The PMT-004 contractor used approximately 7,000 cubic yards of crushed concrete that had been stockpiled by the PMT-002 demolition contractor on the Essex Parcel as subgrade material during the construction of the amendment pad. The PMT-013 contract includes the demolition and removal of the amendment pad, as well as the construction of Swale D in the area that was formally occupied by the amendment pad. During the construction of Swale D the PMT-013 contractor encountered the crushed concrete and dealt with it in accordance with the contract. However due to the crushed concrete containing constituents of concern (COC's), the PMT-013 contractor was required to undercut Swale D by two feet and cap the crushed concrete beneath Swale D with two feet of clean fill material. This undercutting and capping work was not indicated in the contract documents, and as such, this was a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$14,389.91 with no time extension

- COR-10R2: Several electrical and communications manholes along with their accompanying conduit were installed under the PMT-009 contract. Subsequent to the installation of these structures under the PMT-009 contract, the layout of the rail lines were revised to better accommodate the PMT's future tenant (Holt), and these rail layout revisions resulted in two of the PMT-009 structures being located within the path of the rail work. These structures and their accompanying conduit were planned to be relocated under the PMT-010 contract. However the PMT-013 contract was put out to bid and awarded before the PMT-010 contract was, and, therefore, these structures had to be relocated by the PMT-013 contractor in order to allow the rail work to proceed. This work was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$57,732.30 with no time extension.

- COR-011R1: The contract documents called for sawcut and sealed joints to be installed at 30-foot intervals along the RTG concrete runways located on either side of the rail yard. However the review noted on the Contractor's Submittal 301 required sawcut and sealed joints to be installed every 10 feet and this resulted in an additional 168 sawcut and sealed joints that were not called for in the bid documents. Additionally, the review notes on Submittal 301 added four each #5 reinforcement bars at the 82 dowel basket locations, and this additional rebar was not called for in the contract documents. This additional work at the RTG runway was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$10,939.00 with no time extension

- COR-012: The construction of the permanent access road and rail crossing was to be done under the PMT-010 contract. However the PMT-013 contract was put out to bid and awarded before the PMT-010 contract was and, therefore, the installation of the rail work under the PMT-013 contract would have eventually cut the existing temporary access road leaving no way for vehicles, workers or deliveries to cross the tracks and get access to the river front. In order to avoid cutting access to the river front, the permanent rail crossing at the location of the permanent access road was added to the PMT-013 contract (see Item 4, COR-005 above), as well as the

- construction of the permanent DGA access road leading to and from the added permanent rail crossing. This item, Item 11 for COR-012, addresses the construction of the permanent DGA access road. The construction of the permanent DGA access road was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
- Agreed Upon Compensation: \$27,045.03 with no time extension.
- COR-013R1: A future sanitary sewer main is planned to be installed at Track #2 Station 14+72, however, the installation of the casing that will carry this future sewer line under the rail line was omitted from the PMT-013 bid documents. The PMT-013 contractor is constructing the rail lines, and the casing that will carry the future sewer main must be installed prior to the construction of the rail in order to avoid cutting the rail line and interrupting service when the future sewer main is installed. Therefore, the PMT-013 contractor was directed to install the casing. This work was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$16,852.72 with no time extension.
 - COR-014R1: Manhole structures E010 and C010 were installed under the PMT-009 contract; however some of the conduit runs into and out of these structures were originally intended to be installed under the PMT-016 contract, and those conduit runs are located underneath the rail lines that are being installed under the PMT-013 contract. The PMT-013 contract was put out to bid and awarded before the PMT-016 contract was and, therefore, the installation of the conduit runs passing underneath the rail lines had to be added to the PMT-013 contract to avoid future rail service interruptions that would have been required had they been installed by under PMT-016. This work was not included in the original contract documents, and as such, it is a change for which the contractor is entitled to compensation.
 - Agreed Upon Compensation: \$65,562.06 with a time extension of “To Be Determined”.
 - 55,500 tons of contingent DGA material is being removed from the PMT-013 due to the fact that it will not be utilized on the Project.
 - Agreed Upon Compensation: -\$1,110,000.00 with no time extension.

Original Agreement Amount:	\$14,777,777.00
Change Order No. 1	- 378,461.32
Change Order No. 2	663.07
Change Order Total Value to date	\$14,399,978.75

The report was received and filed.

GOVERNOR’S AUTHORITIES UNIT ANNUAL ASSESSMENT

Staff received the invoice (attached) for the Governor’s Authorities Unit annual assessment for the Fiscal Year 2016 (July 1, 2015 to June 30, 2016) in the amount of \$21,926.31. This is the same amount as the FY2015 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 FY2015 assessment was 21,926.31, the FY2014 assessment was \$21,779.31, the FY2013 assessment was \$22,857.57 and the FY2012 assessment was \$18,569.86.

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:	C. Remington
Seconded by:	C. Chianese
Voting for motion:	All
Voting against motion:	None

At 1:06 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, December 8, 2015.

Jay Jones, Board Secretary

Following the Closed Session, the regular open session was reopened at 1:20 p.m.

RESOLUTION 2015-12-0108: APPROVAL OF THE ACQUISITION OF THE TERRACES PROPERTY FOR THE HOLTEC DEVELOPMENT LEASE

An agreement for purchase of property known as the Terraces, contiguous to the Broadway Terminal and for purposes of the Holtec Development lease, with the Camden Redevelopment Agency was presented for consideration. General Counsel has reviewed the agreement of sale and advises the agreement is in order.

A motion was made to approve Resolution 2015-12-0108 to approve the acquisition of the property known as the Terraces for purpose of the Holtec Development leasehold at the Broadway Terminal.

Moved by: G. Remington
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

RESOLUTION 2015-12-0109: APPROVAL OF THE COUNTY OF CAMDEN EASEMENT - TERRACES PROPERTY

Following the approval of the acquisition of the Terraces property, staff is presenting a Right-of-Way Easement agreement with the County of Camden for a portion of the Terraces property for the new Broadway roadway. The agreement has been reviewed by General Counsel.

A motion was made to approve Resolution 2015-12-0109 to approve the Right-of-Way Easement Agreement with the County of Camden for a portion of the Terraces property near the Broadway Terminal for the new Broadway roadway.

Moved by: C. Chianese
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

The Chairman asked if there was an additional business. Hearing none, the Chairman asked for a motion to adjourn the meeting.

A motion was made to adjourn the Regular Open Meeting.

Moved by: C. Chianese
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

At 1:22 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, December 8, 2015.

Jay Jones, Board Secretary