

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING APRIL 26, 2016

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

- 1. APPROVAL OF MINUTES**
Regular Meeting March 29, 2015
Closed Meeting March 29, 2015
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2016-4-0037
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2016-4-0038
- 4. APPROVAL OF CREDITS**
RESOLUTION 2016-4-0039
- 5. APPROVAL OF CHANGE ORDERS**
RESOLUTION 2016-4-0040: TRIAD ASSOCIATES GRANT ADMINISTRATION
RESOLUTION 2016-4-0041: T&M ASSOCIATES – BWY RAIL PROJECT
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2016-4-0042
- 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 2016-4-0043: AWARD OF KOCKS CRANE FESTOON SYSTEM REPLACEMENT PROJECT**
- B. RESOLUTION 2016-4-0044: AWARD OF UNDERWATER SURVEY OF BALZANO TERMINAL BERTHS**
- C. TABLED**

11. SUPPLEMENTAL BOARD INFORMATION

- D. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- E. PORT SECURITY UPDATE**
- F. PAULSBORO MARINE TERMINAL PROJECT UPDATES**
- G. 2015 AUDIT REPORT**
- H. STATE ETHICS COMMISSION – FINANCIAL DISCLOSURE STATEMENTS**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2016-4-0043: AWARD OF KOCKS CRANE FESTOON SYSTEM REPLACEMENT PROJECT

Pursuant to the Board's prior authorization, staff released the Request for Proposals for the Kocks Crane Festoon System Replacement Project. Four potential bidders attended the March 21st Pre-Bid meeting for the advertised Festoon Replacement project on the Balzano Terminal's Berth 4 Kocks Crane. SJPC received only one Proposal on the April 13th submission date. Three of the four potential bidders notified SJPC they would not be able to submit a bid for various reasons.

The proposal was tendered by the preferred contractor, and within the range of the anticipated and budgeted cost: Reading Crane and Engineering submitted a Lump-Sum price of \$264,800.00. The project is highly sophisticated and specialized, which significantly limits the number of contractors who would be able to participate.

General Counsel has reviewed the Reading Crane bid and has found all the documents and proposal to be acceptable. Acknowledging the associated urgency of the repair, and with the Manufacturing lead times now increased to an approximate 160 days from the date of acceptance, the SJPC is requesting the Board's consideration and subsequent approval to award this contract with Counsel's approval. The Treasurer certifies funds available in the Bond Series O-1 and the operating account.

RECOMMENDATION:

Staff recommends Board award the Kocks Crane Festoon System Replacement Project to Reading Crane and Engineering in the amount of \$264,800.



ACTION ITEM:

B. RESOLUTION 2016-4-0044: AWARD OF UNDERWATER SURVEY OF THE BALZANO TERMINAL BERTHS

Pursuant to the Board’s prior authorization, staff requested quotations from the SJPC’s pre-qualified Marine Engineer firms to conduct an underwater conditions survey of berths at the Balzano Marine Terminal. The scope will include providing a diving team with a trained and certified Commercial Hard Hat Diver/Professional Engineer. The diving team shall perform a visual and tactical inspection in accordance with the ASCE Underwater Investigation Standard Practice Manual of all steel and concrete piles, bulkheads, and steel cell structures. River bottom profiles underneath the pier will also be obtained.

Twelve (12) pre-qualified engineering firms were represented at the March, 22nd Pre-bid meeting.

The following six (6) quotations were received on April 14, 2016:

Marine Engineer Firm	Quote
S.T. Hudson Engineers	\$43,000.00
W. J. Castle	\$70,425.00
Moffit & Nichol	\$87,000.00
Urban Engineers	\$89,000.00
Lloyd Engineering	\$125,800.00
McLaren	\$219,406.00

Following staff’s review of the quotations, it is recommended to award the survey project to S.T. Hudson Engineers at a cost of \$43,000.00 to perform a complete and comprehensive Level I, II, and III Pier Inspection of the SJPC piers and berths. Treasurer certifies funds are available in the operating account.

RECOMMENDATION:

Staff recommends the Board award the underwater survey of the Balzano Terminal Berths to S.T. Hudson Engineers in the amount of \$43,000.00.



ACTION ITEM:

C. TABLED



INFORMATION ITEM:

D. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



INFORMATION ITEM:

E. SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

U.S. COAST GUARD ANNUAL MTSA COMPLIANCE INSPECTION: The USCG Sector Delaware Bay conducted the annual Maritime Transportation Security Act (MTSA) compliance inspection on March 30, 2016. The USCG found the SJPC in full compliance with the federal MTSA 105 regulations and issued a clean inspection report. The inspection includes audit of security documentation for drills and exercises, training, incidents, changes in MARSEC level, inspection of security equipment, testing the FSO's knowledge of 33CFR105 and the FSP, annual audits, screening logs, as well as conducting spot inspections throughout the Balzano and Broadway Terminals.

Unique to this year's inspection, Transportation Security Administration (TSA) agents accompanied the USCG during the inspection. The TSA agents advised that they are taking a more active role to fulfill their obligation to enforce TWIC. The agents were equipped with handheld TWIC card readers and performed many TWIC spot checks throughout the facility. A TWIC cards they inspected were valid and current.

PAULSBORO MARINE TERMINAL SECURITY: On Thursday, April 14, 2016, SJPC facilitated a meeting between with the PMT terminal operator, Holt, and representatives from the Paulsboro Police Department, Gloucester County Sheriff's office, USCG and the NJ Office of Homeland Security and Preparedness. The meeting was an opportunity for Holt's FSO, Mr. Bill Johnson, to meet and share the general security plans for the terminal with the local police and public safety officials.

USCG CYBER RESILLIENCY WORKSHOP: Mr. Jones will be attending the Cyber Resiliency Workshop hosted by the USCG Sector Delaware Bay and the DHS Office of Cybersecurity & Communications National Protection and Programs Directorate on Tuesday, April 19th.

The workshop is designed to introduce cyber security stakeholders and practitioners to cyber resilience concepts and to build capability and capacity across key performance areas related to cyber security, IT operations, and business continuity within critical services and will result in tangible, useful "take-away" information related to risk-based decision-making and security planning for critical IT services underpinning core operations. Mr. Jones will provide any recommendations resulting from the workshop.

NJ NATIONAL GUARD: SJPC is partnering with the NJ National Guard to develop and run a live CBRN exercise. SJPC's FSO will design elements to satisfy the 33CFR105 MTSA compliance exercise requirements.



INFORMATION ITEM:

F. PAULSBORO MARINE TERMINAL PROJECT UPDATES

The Paulsboro Marine Terminal Project updates are provided by the Gloucester County Improvement Authority. See the attached monthly report.



INFORMATION ITEM:

G. 2015 AUDIT REPORT

As reported to the Board on April 1, 2016, regarding the 2015 financial audit, as a result of Governmental Accounting Standards Board pronouncement number 68 (GASB 68), the State of NJ is transferring each portion of pension liability from its financial statements to the each state agencies' financial statements. The amount for each agency, including the amount for SJPC, is being calculated by KPMG and the SJPC will be mandated to publish that number.

The State expects to have this number by late April. The SJPC auditor cannot opine on the statements until this number is provided to us. We are endeavoring to meet the Executive Order 122 Audit Committee requirements and have the full Board adopt the audit at the April Board meeting as is customary. This delay may impact our ability to meet our statute's requirement to make available to the Governor and Legislator the audit report on or before April 30.

Treasury has not yet released the number for the auditor to complete the audit report.



INFORMATION ITEM:

H. 2016 STATE ETHICS – FINANCIAL DISCLOSURE STATEMENTS

Public disclosure of the personal financial interests of public officials and employees serves to maintain the public's faith and confidence in its governmental representatives and guards against conduct violative of the public trust. Accordingly, on April 27, 2010, Governor Christie issued Executive Order No. 24 requiring the annual filing of Financial Disclosure Statements ("FDS") by certain designated State employees.

In March 2016, the Governor's Authorities Unit issued the guidance (attached) outlining the 2016 requirement and deadline. Pursuant to Executive Order No. 24, your FDS must be filed on or before **May 15, 2016**, or 120 days after you were appointed to your State position, whichever occurs later.

The FDS form is available in a fillable PDF format, with instructions, on the NJ State Ethics Commission's website, www.nj.gov/ethics. Board members and select SJPC staff must file their FDS electronically and filers must retrieve an authentication code from the Commission's website authentication code. If you are unable to file electronically, please contact the SEC or Mr. Jay Jones, SJPC's Ethics Liaison Officer as soon as possible. Please be aware that your FDS will be posted on the SEC website, as required by N.J.S.A. 52:13D-21(n).

Pursuant to N.J.S.A. 52:13D-21(i), a \$50 per day late filing fee will be assessed for late filing of the FDS, and may be collected in a summary proceeding pursuant to the Penalty Enforcement Law of 1999, P.L. 1999, c.274.



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: Owner-Controlled Insurance Program (OCIP)**
 - 3. PAULSBORO MARINE TERMINAL: Terminal Operator Tenant – Camden Waterfront Development/Holt: Shop Construction Proposal**
 - 4. PERSONNEL**
 - a. Local 18 Collective Bargaining Agreement**
 - b. Local 169 Collective Bargaining Agreement**
 - c. CWA Supervisory and Non Supervisory Collective Bargaining Agreements**
 - d. Administrative**
 - 5. BROADWAY SPRINKLER SYSTEM**
 - 6. MAINTENANCE DREDGING**