

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING JUNE 13, 2017

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

- 1. APPROVAL OF MINUTES**
Regular Meeting April 25, 2017
Closed Meeting April 25, 2017
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2017-6-0045
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2017-6-0046
- 4. APPROVAL OF CREDITS**
RESOLUTION 2017-6-0047
- 5. APPROVAL OF CHANGE ORDERS – None**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2017-6-0048
- 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 2017-6-0049: JOSEPH OAT CORPORATION LEASES OPTION**
- B. RESOLUTION 2017-6-0050: AUTHORIZATION TO REQUEST QUOTATIONS FROM PRE-QUALIFIED MARINE ENGINEERS FOR MAINTENANCE DREDGING PERMITS & MAINTENANCE REPAIR PERMITS**
- C. RESOLUTION 2017-6-0051: FTZ REVENUE SHARING AGREEMENT WITH CITY OF SALEM**
- D. RESOLUTION 2017-6-0052: AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR KOCKS CRANE CLAMSHELL BUCKET**

11. SUPPLEMENTAL BOARD INFORMATION

- E. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- F. PORT SECURITY UPDATE**
- G. PAULSBORO MARINE TERMINAL PROJECT UPDATE**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2017-6-0049: JOSEPH OAT CORPORATION LEASES OPTION

Joseph Oat Company has “conditionally” requested to exercise their pre-approved five (5) year lease renewal option; and to request an additional five (5) year renewal option with the existing language and conditions.

This proposed “condition” is to allow Joseph Oat a six (6) month lease-end notification option as opposed to the current two year language, as Joseph Oat has concerns of now being in a competitively disadvantaged market segment.

The existing leasehold is comprised of ten (10) individual leases, which combined generate an annual revenue of \$389,113.00; the renewal rate will increase by the CPI of 1.7%. A lease addendum will be executed for the lease-end language and the additional option, if so approved.

RECOMMENDATION:

Staff recommends Board consideration of the Joseph Oat Corporation request to exercise their lease options with a revision to the period permitted to vacate the lease(s).



ACTION ITEM:

B. RESOLUTION 2017-6-0050: AUTHORIZATION TO REQUEST QUOTATIONS FROM PRE-QUALIFIED MARINE ENGINEERS FOR MAINTENANCE DREDGING PERMITS AND MAINTENANCE REPAIR PERMITS

Staff is requesting authorization to request quotations from our Pre-Qualified Marine Engineering firms to provide Consulting Engineering Services for obtaining 1) maintenance repair permits, and for 2) obtaining maintenance dredging permits from the New Jersey Department of Environmental Protection (NJDEP) for the Broadway and Balzano Terminals.

The two individual requested requests are consistent with the Regulatory Requirements associated with the pre-construction maintenance activities for the berths and riparian necessities of both the Broadway and Balzano Terminals. The results of the requests will be presented to the Board for final selection.

RECOMMENDATION:

Staff recommends Board authorization to request quotations from the Pre-Qualified Marine Engineers for Consulting Engineering Services for obtaining 1) maintenance repair permits, and for 2) obtaining maintenance dredging permits from the New Jersey Department of Environmental Protection (NJDEP) for the Broadway and Balzano Terminals.



ACTION ITEM:

C. RESOLUTION 2017-6-0051: FTZ REVENUE SHARING AGREEMENT WITH CITY OF SALEM

A proposed Foreign Trade Zone #142 Revenue Sharing Agreement with the City of Salem will be discussed in Closed Session. A final agreement may be presented for Board approval.

RECOMMENDATION:

Staff recommends Board consideration of a proposed FTZ Revenue Sharing Agreement with the City of Salem.



ACTION ITEM:

D. RESOLUTION 2017-6-0052: AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR KOCKS CRANE CLAMSHELL BUCKET

Staff is requesting authorization to release a Request for Proposals for Clamshell Bucket for the Broadway Terminal Kocks Crane to replace the current equipment. The 24 yard clamshell bucket currently in use has been frequently repaired over its 17 year life and is now approaching end of life. The bucket is used to support the Essroc bulk cargo, as well as other dry bulk cargoes handled at Pier 1A Broadway. Acquiring a new bucket is financially and operationally prudent.

Results of the RFP will be presented to the Board for consideration.

RECOMMENDATION:

Staff recommends Board approval to release the Request for Proposals for Clamshell Bucket.



INFORMATION ITEM:

E. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



INFORMATION ITEM:

F. SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

U.S. COAST GUARD PROPOSED RULE – PERMANENT SECURITY ZONE: The U.S. Coast Guard recently published a proposed rule that, if finalized, would create a permanent security zone within the Delaware and Schuylkill Rivers in the vicinity of the airport. As planned, Coast Guard would only enforce the rule when VIPs are arriving/departing the airport. This rule is necessary to expedite the establishment and enforcement of the security zones when short notice is received by the Coast Guard for VIP(s) traveling to the Philadelphia area. The proposed rule would have minimal impact to the SJPC facilities.

AMERICAN SOCIETY FOR INDUSTRIAL SECURITY (ASIS) PRESENTATION: Mr. Jones will be the featured speaker at the ASIS International South Jersey Chapter #170 meeting on Tuesday, June 6th, to discuss Delaware River Port Security.

FEMA - PORT SECURITY GRANT PROGRAM FOR 2017: On June 2, 2017, the Notice of Funding Opportunity Fiscal Year 2017 Port Security Grant Program (PSGP) was published by FEMA. Available funding for the PSGP is \$100,000,000 nationally. The application submission deadline is June 22, 2017, 5:00 p.m. EDT. All PSGP award recipients must provide a non-Federal entity contribution supporting 25% of the total of all project costs. Staff will evaluate project opportunities for a submission.



INFORMATION ITEM:

G. PAULSBORO MARINE TERMINAL PROJECT UPDATES

The Paulsboro Marine Terminal Project updates are provided by the Gloucester County Improvement Authority.

CHANGE ORDERS:

Kyle Conti Construction Inc. Change Order #6 (PMT-016): In accordance with the Gloucester County Improvement Authority Board of Commissioners action at the 5/18/17 meeting a Change Order No. 6 was approved. This Change Order pertains to the PMT-016 contract. It has been determined that Change Order #6 to the regular contract with Conti Construction Inc. is needed as proposed to the Gloucester County Improvement Authority dated May 17, 2017.

- COR-021R1: Due to AC Electric not providing site service in a timely manner and the PMT-008M contractor not providing access for the under wharf work in a timely manner, the electrical subcontractor, Riggs-Distler, was delayed in completing their work. The additional time their equipment remained on site and the additional labor hours incurred due to these delays was not included in their original bid for this contract, and as such, they are a change to the contract for which the Contractor is entitled to additional compensation.
 - Agreed Upon Compensation: \$33,173.38 with no time extension.
- COR-022: In order to facilitate the tenant's operations, two additional disconnect switches at the crane power source locations (480V receptacles) at the wharf were required. This work was not called for in the original contract documents, and as such, they are a change to the contract for which the Contractor is entitled to additional compensation.
 - Agreed Upon Compensation: \$2,479.54 with no time extension.
- COR-023R1: In order to install the guard booth in time for the port's grand opening ceremony on March 2, 2017, the booth foundation and associated electrical ductbank needed to be installed on a Time & Material basis. The installation of the guard booth foundation and associated conduit was not called for in the original contract documents, and as such, they are a change to the contract for which the Contractor is entitled to additional compensation.
 - Agreed Upon Compensation: \$28,557.78 with no time extension.
- COR-024: The guard booth requires a power source co-located with the existing TX/LP-4 power station at the site entrance to the port. The new power station includes a new transformer, a new power rack, and associated conduit. The new power station was also sized to provide power to the contractor's designated trailer complex area to power future contractor's trailers, which will be metered separately. The installation of the guard booth / trailer complex power station was not called for in the original contract documents, and as such, they are a change to the contract for which the Contractor is entitled to additional compensation.
 - Agreed Upon Compensation: \$92,040.81 with no time extension.

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – June 13, 2017



Lump Sum this Change Order\$ 156,251.51

Original Contract Sum.....\$ 6,360,600.00

Net change by previously authorized Change Orders.....	\$ 451,637.61
Contract Sum prior to this Change Order was.....	\$ 6,812,237.61
Contract Sum will be increased/decreased by this Change Order in the amount of.....	\$ 156,251.51
New Contract Sum including this Change Order will be.....	\$ 6,968,489.12
Original Contract Completion Date.....	October 15, 2016
Net Contract Time adjustments by prior Change Orders.....	0 Days
Contract Time adjustment as provided by this Change Order.....	0 Days
Current Adjusted Contract Completion Date.....	October 15, 2016

Kyle Conti Construction Inc. Change Order #11 (PMT-013): In accordance with the Gloucester County Improvement Authority Board of Commissioners action at the 5/18/17 meeting a Change Order No. 11 was approved. This Change Order pertains to the PMT-013 contract. It has been determined that Change Order #11 to the regular contract with Conti Construction Inc. is needed as proposed to the Gloucester County Improvement Authority dated May 17, 2017.

- COR-037R1: In order to facilitate the tenant’s access to and from the trestle for trucks hauling steel slabs and to make their operations more efficient, a new rail crossing is required just south of the trestle and west of the new proposed Shop Building location. This crossing was not included in the original contract documents. As such, it is a change for which the Contractor is entitled to compensation.
 - **Agreed Upon Compensation: \$42,676.58.** Any time extensions associated with this added work will be addressed by a separate COR and change order.

Lump Sum this Change Order\$ 42,676.58

Original Contract Sum.....	\$ 14,777,777.00
Net change by previously authorized Change Orders.....	\$ 721,627.29
Contract Sum prior to this Change Order was.....	\$ 15,499,404.29
Contract Sum will be increased/decreased by this Change Order in the amount of.....	\$ 42,676.58
New Contract Sum including this Change Order will be.....	\$ 15,542,080.87
Original Contract Completion Date.....	December 31, 2015
Net Contract Time adjustments by prior Change Orders.....	0 Days
Contract Time adjustment as provided by this Change Order.....	TBD
Current Adjusted Contract Completion Date.....	December 31, 2015



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. COLLECTIVE BARGAINING AGREEMENTS

a. LOCAL 18 (labor)

b. LOCAL 169 (security guards)

3. FOREIGN TRADE ZONE #142 REVENUE SHARING AGREEMENT WITH CITY OF SALEM

4. CAMDEN YARDS STEEL LEASE

5. HOLTEC