

# **SOUTH JERSEY PORT CORPORATION**



## **BOARD OF DIRECTORS MEETING JULY 31, 2018**

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

- 1. APPROVAL OF MINUTES**  
Regular Meeting April 24, 2018  
Closed Meeting April 24, 2018  
Special Meeting June 26, 2018
- 2. APPROVAL OF OPERATING BILLS**  
**RESOLUTION 2018-7-0048**
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**  
**RESOLUTION 2018-7-0049**
- 4. APPROVAL OF CREDITS**  
**RESOLUTION 2018-7-0050**
- 5. APPROVAL OF CHANGE ORDERS – Two**  
**RESOLUTION 2018-7-0061: HARRING FIRE PROTECTION**  
**RESOLUTION 2018-7-0062: T&M ASSOCIATES**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**  
**RESOLUTION 2018-7-0051**
- 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 2018-7-0052:** ACCEPTANCE OF THE 2017 AUDIT REPORT
- B. RESOLUTION 2018-7-0053:** REQUEST FOR PROPOSALS FOR EMERGENCY LIGHTING PROJECT – AWARD OF PROJECT
- C. RESOLUTION 2018-7-0054:** AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR MAINTENANCE DREDGING AT BALZANO & BROADWAY TERMINALS
- D. RESOLUTION 2018-7-0055:** AUTHORIZATION TO REQUEST QUOTATIONS FROM PRE-QUALIFIED ENGINEERS FOR SERVICES FOR THE PIER 5 BROADWAY REFRIGERATION SYSTEM REPLACEMENT PROJECT
- E. RESOLUTION 2018-7-0056:** AUTHORIZATION TO REQUEST QUOTES FROM PRE-QUALIFIED ENGINEERS TO PROVIDE A SCOPE AND ESTIMATE FOR THE DEMOLITION OF THE BROADWAY TERMINAL POWERHOUSE
- F. RESOLUTION 2018-7-0057:** APPROVAL OF LEASE EXTENSION FOR CAMDEN INTERNATIONAL COMMODITIES TERMINAL
- G. RESOLUTION 2018-7-0058:** AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSALS FOR GRANT WRITING/MANAGEMENT & ADMINISTRATIVE SERVICES
- H. RESOLUTION 2018-7-0059:** APPROVAL OF SISTER PORT AGREEMENT WITH NAMIBIA PORT AUTHORITY
- I. RESOLUTION 2018-7-0060:** APPROVAL OF PROFESSIONAL SERVICES AGREEMENTS FOR GENERAL COUNSEL, MARITIME COUNSEL, LABOR COUNSEL, BOND COUNSEL, FINANCIAL ADVISOR, MARKETING CONSULTANT, AND GENERAL HEALTH & INSURANCE BROKER

**11. SUPPLEMENTAL BOARD INFORMATION**

- J. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- K. PORT SECURITY UPDATE**
- L. PAULSBORO MARINE TERMINAL PROJECT UPDATE**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

**12. CLOSED SESSION AND/OR ADJOURNMENT**



**ACTION ITEM:**

**A. RESOLUTION 2018-7-0052: 2017 AUDIT PRESENTATION AND CERTIFICATION**

Brent W. Lee & Company, LLC, will present the completed 2017 Financial Audit Report. As required under Executive Order #122, our Board's Audit Committee has received and reviewed the draft 2017 Financial Audit Report.

SJPC falls under the requirements of the Governmental Accounting Standards Board pronouncement number 68 (GASB 68) whereby the State of NJ transfers each portion of pension liability from its financial statements to each state agencies' financial statements. The State did not have this information available in order for SJPC to complete the 2017 financial statement audit in time to meet the statute's requirement to make available to the Governor and Legislator the audit report on or before April 30. This delay was reported to the State accordingly.

The auditors have issued what is equivalent to an unmodified opinion for the 2017 Audit Report for fiscal year ending December 31, 2017.

The Board Audit Committee and Staff recommends acceptance of the 2017 Financial Audit and approval of the resolution certifying that each member of the SJPC Board of Directors has reviewed the audit report and specifically the sections entitled "General Comments" and Recommendations" resulting from such audit.

**RECOMMENDATION:**

Staff recommends Board acceptance and certification of the 2017 Financial Audit as reviewed by the SJPC Board Audit Committee and as presented by Brent W. Lee & Company.



**ACTION ITEM:**

**B. RESOLUTION 2018-7-0053: REQUEST FOR PROPOSALS FOR EMERGENCY LIGHTING PROJECT – AWARD OF PROJECT**

The Board of Directors' awarded the Emergency Lighting Project to Liberty Construction & Investment Group in the amount of \$153,170.00 at the April 24, 2018 Board meeting. Prior to issuing a notice to proceed, Liberty Construction was unable to provide the required performance bond. As such, staff and General Counsel concurred that a recommendation is in order to the Board to reject the proposal from Liberty Construction and award the project to the next lowest, responsive proposal. Any proposal that fails to conform to the essential requirements of the invitation for proposals shall be rejected. The bond is required prior to the issuing of a contract.

Staff and General Counsel reviewed the proposal from Facility Solutions Group and find that the proposal and all required documents, as well as the bond, are in order. The proposal from Facility Solutions Group is in the amount of \$156,397.94. This is only a difference of \$3,227.94 compared to the rejected proposal. Funding is available for this project. The project is related to the NJDCA agreement to make certain fire code improvements.

**RECOMMENDATION:**

Staff recommends the Board to reject the proposal from Liberty Construction and Investment Company and award the Emergency Lighting Project to Facility Solutions Group in the amount of \$156,397.94.



**ACTION ITEM:**

**C. RESOLUTION 2018-7-0054: AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR MAINTENANCE DREDGING AT BALZANO AND BROADWAY TERMINALS**

Staff is requesting authorization to release a Request for Proposals for Maintenance Dredging for the Berths and Piers at the Balzano and Broadway Terminals. We are in receipt of the required NJDEP and U.S. Corp of Army Engineers Pier Maintenance and Dredging permits as processed by S.T. Hudson Engineers (Resolution 2017-7-0058).

Since the time of the last maintenance dredging activities (estimated at over 10 years), the need for maintenance dredging activity is becoming critical. Funding is available for this project in the 2017 Bond. Hudson Engineers is preparing the specifications for the Request for Proposals. The RFP will not be released until a review of the RFP by General Counsel is concluded. Results of the RFP will be presented to the Board for consideration.

**RECOMMENDATION:**

Staff recommends Board to authorize staff to release a Request for Proposals for Maintenance Dredging at the Balzano and Broadway Terminals following review of the Request for Proposals by General Counsel.



**ACTION ITEM:**

**D. RESOLUTION 2018-7-0055: AUTHORIZATION TO REQUEST QUOTATIONS FROM PRE-QUALIFIED ENGINEERS FOR SERVICES FOR THE PIER 5 BROADWAY REFRIGERATION SYSTEM REPLACEMENT PROJECT**

Staff is requesting authorization to request quotations from pre-qualified engineering firms for professional services for the design and construction management for the replacement of the refrigeration systems for the existing warehouses totaling 195,120 sf at Pier 5 Broadway, to extend the useful life through the end of the lease with Camden Waterfront Development LLC. (Holt). Pre-qualified engineer firms may include in their quotation, a subcontractor who specializes in the type of refrigeration system necessary at Pier 5.

SJPC did have the systems evaluated at the time we repaired the refrigeration system for Transit Shed 1, which included a recommendation for a single system to support all three warehouses. Funding for this project is available through the 2017 Bond.

**RECOMMENDATION:**

Staff recommends Board consideration to authorize staff to request quotations from pre-qualified engineering firms for professional services for the design and construction management for the replacement of the refrigeration systems at Pier 5 Broadway.



**ACTION ITEM:**

**E. RESOLUTION 2018-7-0056: AUTHORIZATION TO REQUEST QUOTES FROM PRE-QUALIFIED ENGINEERS TO SCOPE AND ESTIMATE THE COST OF DEMOLITION OF THE BROADWAY TERMINAL POWERHOUSE**

Staff is requesting Board authorization to request quotations from pre-qualified engineers to prepare a scope and cost estimate for the systematic demolition of the Powerhouse facility at the Broadway Terminal. The cost estimate would include the relocation of electrical systems, environmental mitigation, relocation of SJPC spaces and maintenance shop.

**RECOMMENDATION:**

Staff recommends Board authorization to request quotations from pre-qualified engineers to develop a cost estimate to demolition the Broadway Terminal Powerhouse facility.



**ACTION ITEM:**

**F. RESOLUTION 2018-7-0057: APPROVAL OF LEASE EXTENSION FOR CAMDEN INTERNATIONAL COMMODITIES TERMINAL**

Camden International Commodities Terminal (CICT) has requested the addition of two 5 year extensions to the current lease for the H, F1 and F2 buildings, a total of 254,000 sq. ft., used for the purpose of the importation of cocoa beans. The current lease has a term through 2020 with a 5 year option that extends the term to 2025. The two additional options would extend the term to 2030 and 2035 respectively, and is being requested to satisfy requirements from their lending institutions.

CICT has requested that the rent increases for the additional options are limited to no more than 1.5% or CPI, whichever is less. It is SJPC's standard practice to apply CPI to lease rent.

**RECOMMENDATION:**

Staff recommends Board consideration of the Camden International Commodities Terminal request to add two 5 year options to the existing lease.





**G. RESOLUTION 2018-7-0058: AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSALS FOR GRANT WRITING, MANAGEMENT AND ADMINISTRATIVE SERVICES**

Staff is requesting authorization to release a Request for Proposals for Grant Writing/Management & Administrative Services. There are grant opportunities that SJPC could investigate and/or pursue of the support of the SJPC facilities, programs and projects and our partners. This service will significantly enhance the SJPC's current ability to seek and manage grants.

The services would include:

- Consultant shall conduct research to identify all grant and funding resources/opportunities available to the SJPC to address SJPC priorities
- Consultant shall advise the SJPC Executive Director of salient issues regarding grants acquired by the SJPC
- Consultant shall develop a schedule in an effort to monitor, track and take action on all grants acquired and/or submitted on behalf of the SJPC
- Consultant shall file all required compliance reports on time and with a degree of accuracy commensurate with industry standards.
- Consultant shall coordinate and manage in-house meetings with appropriate staff and stakeholders (if any), project managers and other interested parties in order to manage the progress for all assigned grants.
- Consultant shall close out grants when appropriate
- Consultant shall keep detailed financial and programmatic records on activities, apprise the Executive Director of all its activities and invoice hourly for its activities.
- Consultant shall, on a regular basis, provide summaries of potential grants and funding resources/opportunities it has identified. Summaries should include, but not limited to: name of agency, due date for applications, eligibility, program summary and level of funding available
- Consultant shall issue status reports when requested or required
- Consultant shall perform other duties related to the management and administration of grants acquired by the SJPC

**RECOMMENDATION:**

Staff recommends Board authorization to release a Request for Proposals for Comprehensive Grant and Implementation Service.



**H. RESOLUTION 2018-7-0059: APPROVAL OF SISTER PORT AGREEMENT WITH THE NAMIBIAN PORTS AUTHORITY**

Staff has been engaged in discussions with the Namibian Ports Authority (Namport) to create a Sister Port Agreement between the two agencies to reflect the importance of port authorities and terminal operators, which are the backbone of sustainable economic development in their respective countries, and as such are desirous to cooperate and assist each other in port related matters.

Both SJPC and Namport share similar goals of international cooperation, mutual prosperity, world peace, as well as their shared similarities between their respective ports, more particularly, their strategic positioning, geographical setting and immediate proximity to commercial and industrial activity zones.

SJPC hosted a meeting in Camden with Mr. Bisey Uirab, the CEO of Namport, and has garnered the assistance of Governor Florio with coordination with the Republic of Namibia's, Ambassador, Mr. Martin Andjaba, in furthering the relationship. A sister port agreement signing is anticipated to occur sometime in September.

General Counsel has participated in the development of the agreement.

**RECOMMENDATION:**

Staff recommends Board approval of the Sister Port Agreement with the Namibian Ports Authority.



**ACTION ITEM:**

**I. RESOLUTION 2018-7-0060: APPOINTMENT OF PROFESSIONAL SERVICES AGREEMENTS FOR GENERAL COUNSEL, LABOR COUNSEL, MARITIME COUNSEL, BOND COUNSEL, FINANCIAL ADVISOR, MARKETING CONSULTANT, AND GENERAL HEALTH AND INSURANCE BROKER**

Staff re-released the Request for Proposals/Qualifications for Professional Services Agreements for categories of General Counsel, Labor Counsel, Maritime Counsel, Bond Counsel, Financial Advisor, Marketing Consultant and Insurance Broker.

The legal notices were published beginning on April 17, 2018 in the three official newspapers and the notice was posted on SJPC website. Each RFP packet was publicly available for download from the SJPC website. Proposals were due on Wednesday, May 23, 2018, by 3:00 p.m. EST.

The Board Review Committee has reviewed proposals received and will provide recommendations.

**RECOMMENDATION:**

Staff recommends Board consideration of the Board Review Committee's recommendations.



**INFORMATION ITEM:**

**J. MARKETING COMMITTEE REPORT**

Phoenix/Artlip Communications will present the Marketing Report.



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**INFORMATION ITEM:**

**K. SECURITY UPDATE**

The security update is prepared by Mr. Jay Jones, Deputy Executive Director / Facility Security Officer.

**SECURITY GUARD TRAINING:** As a matter of enhancing the skill and responsiveness of the SJPC guard force, and in compliance with federal security regulations, we have provided *“Facility Security Search, Screening and Sweeping Techniques”* training to the guard personnel. The training covers positive identification, screening individuals, screening vehicles, screening trucks and trailers, screening of stores, facility security sweeps, searching restricted areas, and incident response.

**USCG AREA MARITIME SECURITY COMMITTEE:** Mr. Jones participated in the Delaware Bay AMSC Meeting scheduled on June 8<sup>th</sup>.

In addition to the sub-committee reports, there were two presentations.

1. Transportation Worker Identification Credential (TWIC) Next Generation (NexGen): This presentation provided information of the next generation of TWIC that focuses on enhanced card functionality, new physical security features, and changes to the Technology Infrastructure Modernization (TIM) system. The enhanced credential was implemented beginning on July 10, 2018. The new TWIC will also use Nearfield technology which will allow for a smartphone app read data from the TWIC and carry a compliant digital version of a person’s TWIC. An app will also allow for persons to be able to scan the 1D barcode on the credential to check the TWIC card against the TSA’s Canceled Card List to determine if the credential has been canceled, revoked, or suspended.

2. DHS Joint Task Force – East (JTF-E): This presentation addressed how the Joint Task Force is working to address the threats posed by Transnational Criminal Organizations to the safety and security of the United States and how JTF-E connects the dots across government and industry.

**USCG MSIB – HURRICANE SEASONAL ALERT:** The USCG release Marine Safety Information Bulletin, 26-18, announcing the Captain of the Port has set the Hurricane Seasonal Alert which will remain in effect through November 30, 2018. Facilities are to take the necessary precautions and review the U.S. Coast Guard Sector Delaware Bay Port Hurricane Contingency Plan. Mr. Jones has distributed the notice and plan to staff accordingly.



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**INFORMATION ITEM:**

**L. PAULSBORO MARINE TERMINAL PROJECT UPDATE**

Updates for the Paulsboro Marine Terminal project are provided by the Gloucester County Improvement Authority.

**Paulsboro Marine Terminal Permitting**

Applications for US Army Corps and NJDEP permits for the wharf extensions have been submitted. Minor comments received from NJDEP. Corps permit still expected in August.

**Paulsboro Marine Terminal Phase II Wharf Construction (PMT-020)**

Bids were received on June 26, 2018, with Commerce Construction as the apparent low bidder at \$142,267,025. Bids were reviewed by the Solicitor, Engineer and CM, and bids were determined to be complete, responsive, and reasonable. Award to Commerce was confirmed by GCIA Board on 07/19/2018. Concurrence by the SJPC Board is requested.

**Paulsboro Marine Terminal Temporary Utilities Connections Project (PMT-018):**

PMT-018 construction continues. Final completion is expected on July 27, 2018

**Paulsboro Marine Terminal Sound Wall Project (PMT-019):**

Construction has been initiated for the Sound Wall Project. Construction completion is expected in January 2019.

**Paulsboro Marine Terminal Secure Entrance (PMT-021):**

Bids for PMT-021 were received on July 18, 2018. One bid was received (\$636,600) that was over twice the Engineer's estimate (\$307,860). The bid was rejected by the GCIA board on July 19, 2018. Options to repackage the project, and solicit more interest are being considered, with a goal of securing more competitive bids.



## **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. PERSONNEL**
    - a. Local 1040**
    - b. Executive Director/CEO Position**
  - 3. Professional Services Appointments**
  - 4. Kocks Crane**
  - 5. CIM/EMR**