

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING August 28, 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
Regular Meeting July 31, 2018
Closed Meeting July 31, 2018
- 2. APPROVAL OF OPERATING BILLS
RESOLUTION 2018-8-0048**
- 3. APPROVAL OF ADVANCE PAYMENT BILLS
RESOLUTION 2018-8-0049**
- 4. APPROVAL OF CREDITS
RESOLUTION 2018-8-0050**
- 5. APPROVAL OF CHANGE ORDERS – Two
RESOLUTION 2018-8-0062: HARRING FIRE PROTECTION
RESOLUTION 2018-8-0063: T&M ASSOCIATES**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS
RESOLUTION 2018-8-0051**
- 7. RECEIPT OF TREASURER’S REPORT**
- 8. RECEIPT OF COUNSEL’S REPORT**
- 9. RECEIPT OF EXECUTIVE DIRECTOR’S REPORT**

SOUTH JERSEY PORT CORPORATION
Board of Directors Meeting – August 28, 2018



10. ADDITIONAL AGENDA ITEMS REQUIRING BOARD ACTION

- A. RESOLUTION 2018-8-0052:** ACCEPTANCE OF THE 2017 AUDIT REPORT
- B. RESOLUTION 2018-8-0053:** REQUEST FOR PROPOSALS FOR EMERGENCY LIGHTING PROJECT – AWARD OF PROJECT
- C. RESOLUTION 2018-8-0054:** AUTHORIZATION TO RELEASE REQUEST FOR PROPOSALS FOR MAINTENANCE DREDGING AT BALZANO & BROADWAY TERMINALS
- D. RESOLUTION 2018-8-0055:** AUTHORIZATION TO REQUEST QUOTATIONS FROM PRE-QUALIFIED ENGINEERS FOR SERVICES FOR THE PIER 5 BROADWAY REFRIGERATION SYSTEM REPLACEMENT PROJECT
- E. RESOLUTION 2018-8-0056:** AUTHORIZATION TO REQUEST QUOTES FROM PRE-QUALIFIED ENGINEERS TO PROVIDE A SCOPE AND ESTIMATE FOR THE DEMOLITION OF THE BROADWAY TERMINAL POWERHOUSE
- F. RESOLUTION 2018-8-0057:** APPROVAL OF LEASE EXTENSION FOR CAMDEN INTERNATIONAL COMMODITIES TERMINAL
- G. RESOLUTION 2018-8-0058:** AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSALS FOR GRANT WRITING/MANAGEMENT & ADMINISTRATIVE SERVICES
- H. RESOLUTION 2018-8-0059:** APPROVAL OF SISTER PORT AGREEMENT WITH NAMIBIA PORT AUTHORITY
- I. RESOLUTION 2018-8-0060:** AWARD OF ENGINEER/ARCHITECT SERVICES FOR RENOVATION OF P BUILDING OFFICE
- J. RESOLUTION 2018-8-0061:** APPROVAL OF SUPPORT OF THE DELAWARE RIVER AND BAY PHYSICAL OCEANOGRAPHIC REAL-TIME SYSTEM (PORTS)

11. SUPPLEMENTAL BOARD INFORMATION

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

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2018-8-0052: 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 2018-8-0053: 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.

Funding for this project is available from the Construction Fund – Bond.

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 2018-8-0054: 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.

Funding for this project is available from the Construction Fund – Bond.

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 2018-8-0055: 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 2018-8-0056: 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 2018-8-0057: 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 2018-8-0058: 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 2018-8-0059: 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.

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 2018-8-0060: AWARD OF ENGINEERING/ARCHITECT SERVICES FOR THE RENOVATION OF P BUILDING OFFICE

The SJPC requested quotations from the Pre-Qualified Civil Engineering firms to provide for an interior design and facility renovation into an intended Boardroom/ Meeting room area compatible with ADA accessibility requirements of approximately 4,000 sq.’ within the first floor of the existing Broadway Terminal “P-1” building. A scheduled Site Meeting was held on Thursday, July 26, 2018 at 10:00 a.m., with eight (8) Pre-Qualified Civil Engineering Firms in attendance.

Elements of the Proposal were to include and provide for all structural and environmental considerations; Fire and Building Code compliance; ADA accessibility for the intended area of the re-design; the installation of HVAC equipment; Lighting; upgraded bathrooms; windows; window treatments; wall and floor coverings; ceiling remediation(s); and the cabling installations for the convenience of electrical and A/V communications accessibility.

In addition to a comprehensive cost analysis, the quotations were also requested to provide for the provisions of Project Management, including the contractor Bid document preparation, selection process, permitting, and final approval of all construction requirements for the entire renovation.

Proposals were due Thursday, August 16th, 2018 @ 3:00 p.m., with three (3) Firms submitting proposals.

| Firm | Quote |
|---------------------------------------|--------------|
| Pennoni Engineers, Haddon Heights, NJ | \$94,970.00 |
| French and Parrello, Wall, NJ | \$98,280.00 |
| TandM Associates, Mt. Laurel, NJ | \$123,700.00 |

Following review of the quotations, it is Pennoni Engineers at a cost of \$94,970 is recommended. Funding for this project is available from the Construction Fund – Bond pending Bond Counsel Review.

RECOMMENDATION:

Staff recommends Board approval of the quote from Pennoni Engineers in the amount of \$94,970.00 for the Renovation of P Building Office project.



J. RESOLUTION 2018-8-0061: APPROVAL OF SUPPORT OF THE NATIONAL OCEANIC ATMOSPHERIC ADMINISTRATION PHYSICAL OCEANOGRAPHIC REAL TIME SYSTEM (PORTS®) FOR THE DELAWARE RIVER AND BAY

Staff is requesting approval of the continued funding for the Delaware River and Bay National Oceanic Atmospheric Administration (NOAA) Physical Oceanographic Real Time (PORTS®) system in the amount of \$27,113.33. SJPC has provided the NJ funding share of the PORTS® since 2013. SJPC provided \$100,000 each year from 2013 – 2016. No funding was needed in 2017. Pennsylvania, Delaware and NJ share the cost to support this vital system.

PORTS® is a critical tool for vessel navigation, which affects both the safety of our tri-state waterway and the economic health of the commercial port. PORTS® is a decision support tool that improves the safety and efficiency of maritime commerce and coastal resource management through the integration of real-time environment observations, forecasts and other geospatial information.

Further, though initially installed to assist with safe navigation of commercial cargo ships, PORTS is also critical in the preparation for and response to natural and man-made disasters, environmental protection, recreational boating, and all manner and means of scientific research. PORTS is also vital for coastal resource protection, emergency preparedness and response for both natural and man-made disasters, as well as municipal and county waterway planning and the monitoring of municipal drinking water resources.

Funding for this project is available from the Operating Fund.

RECOMMENDATION:

Staff recommends Board approval of the PORTS® funding in the amount of \$27,113.33.



INFORMATION ITEM:

K. MARKETING COMMITTEE REPORT

Phoenix/Artlip Communications will present the Marketing Report.



INFORMATION ITEM:

L. SECURITY UPDATE

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

33CFR105 FACILITY SECURITY PLAN: SJPC is working on updates to the Facility Security Plan for the Balzano and Broadway Terminals. The completed FSP will be submitted to the U.S. Coast Guard for review and approval.



INFORMATION ITEM:

M. 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 from NJDEP responded to. Corps is waiting for response from NOAA, expected in Early September. Once received, Corps has what they need to issue permit.

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

A Notice-to-proceed date of August 20 was issued to Commerce Construction on August 15. A kickoff meeting was held on August 22, 2018. Per SJPC Board request, a brief presentation summarizing the wharf project will be provided

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

PMT-018 substantially completed. Minor punch list items remain.

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

Construction initiated for the Sound Wall Project. The Submittal Process, Site Clearing and Survey are currently underway, with Construction Field Work commencing week of 08/20. Construction completion is expected in January 2019.

Paulsboro Marine Terminal Secure Entrance (PMT-021):

Secure Entrance being rescoped and will be rebid.

Change Order

Wyndham Construction LLC Change Order #1 (PMT-018): Temporary Utility Connections

The Gloucester County Improvement Authority Board of Commissioners action at the 8/16/18 meeting - Change Order No. 1 to the regular contract with Wyndham Construction LLC for the Temporary Utility Connections PMT-018.

| | |
|--|-----------------------|
| Lump Sum This Change Order | \$67,180.10 |
| Original Contract Sum | <u>\$1,295,000.00</u> |
| New Contract Sum including this Change Order will be | \$1,362,180.00 |



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. PERSONNEL**
 - a. Local 1040**
 - b. Executive Director/CEO Position**
 - 3. PMT – Chlorox Property Acquisition**