

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING APRIL 30, 2019

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

- 1. APPROVAL OF MINUTES**
Regular Open Meeting March 26, 2019
Closed Session Meeting March 26, 2019
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2019-4-0036
APPROVAL OF UNPAID LIST - LEGAL INVOICES
RESOLUTION 2019-4-0037
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2019-4-0038
- 4. APPROVAL OF CREDITS – None**
- 5. APPROVAL OF CHANGE ORDERS -None**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2019-4-0039
- 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 – April 30, 2019



10. ADDITIONAL AGENDA ITEMS REQUIRING BOARD ACTION:

- A. RESOLUTION 2019-4-0040:** APPROVAL OF THE REVISED RULES & REGULATIONS HANDBOOK FOR SJPC EMPLOYEES
- B. RESOLUTION 2019-4-0041:** AWARD OF GRANT WRITING, MANAGEMENT AND ADMINISTRATIVE SERVICES
- C. RESOLUTION 2019-4-0042:** APPROVAL OF PRE-QUALIFIED ENGINEERS QUOTE FOR PIER 5 REFRIGERATION SYSTEM REPLACEMENT PROJECT
- D. RESOLUTION 2019-4-0043:** APPROVAL OF PRE-QUALIFIED ENGINEERS QUOTE FOR THE SALEM TERMINAL SEAWALL SURVEY/INSPECTION
- E. RESOLUTION 2019-4-0044:** AUTHORIZATION TO REQUEST QUOTES FROM PRE-QUALIFIED ENGINEERS FOR THE CATHODIC PROTECTION REPAIR PROJECT
- F. RESOLUTION 2019-4-0045:** APPROVAL OF PUBLIC OFFICIALS & EMPLOYMENT PRACTICES LIABILITY POLICY RENEWAL
- G. RESOLUTION 2019-4-0046:** AUTHORIZATION TO SUBMIT PORT SECURITY GRANT APPLICATION

11. SUPPLEMENTAL BOARD INFORMATION:

- H. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- I. PORT SECURITY UPDATE**
- J. PAULSBORO MARINE TERMINAL PROJECT UPDATES**
- K. STATE ETHICS – FINANCIAL DISCLOSURE STATEMENTS**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2019-4-0040: APPROVAL OF REVISED RULES & REGULATIONS FOR SJPC EMPLOYEES HANDBOOK

Staff, in coordination with Brown & Connery, SJPC's labor counsel, is presenting revisions to the Rules & Regulations for SJPC Employees Handbook. The revisions include adding to the handbook the existing parking permit policy, the minimum security requirements, and the discrimination policy, as well as minor updates to the TWIC program policy. The handbook was previously updated in 2010.

RECOMMENDATION:

Staff requests Board approval of the revised Rules & Regulations for SJPC Employees Handbook.



ACTION ITEM:

B. RESOLUTION 2019-4-0041: AWARD OF GRANT WRITING, MANAGEMENT AND ADMINISTRATIVE SERVICES

Staff is presenting the results of the Request for Proposals for Grant Writing, Management & Administrative Services. There successful firm will assist identifying grant opportunities in support of SJPC's overall programs, facilities and operations, preparing grant applications and provide administrative support for awarded grants. The grant writing services will significantly enhance the SJPC's current ability to seek, apply for and manage grants.

Proposals were due on Wednesday, April 17, 2019 by 3:00 p.m. The following proposals were received:

Firm	Proposed Cost
WSP USA, Inc., Lawrenceville, NJ	105,000.00
Triad Associates, Vineland, NJ	\$140.00 /hour

The proposals were evaluated based on the criteria of staff qualifications, experience, approach/methodology and cost. The recommendation is to select Triad Associates at a term for one (1) year.

RECOMMENDATION:

Board consideration to award the Grant Writing, Management and Administrative Services to Triad Associates for a term of one (1) year.



ACTION ITEM:

C. RESOLUTION 2019-4-0042: APPROVAL OF PRE-QUALIFIED ENGINEERS QUOTE FOR PIER 5 REFRIGERATION SYSTEM REPLACEMENT PROJECT

Pursuant to the Board's authorization to request quotations from the Port's Pre-Qualified Civil Engineering Community for the coordination of the final design and construction management requirements for a multiple refrigerated warehouse (totaling 195,120 ') and central plant retrofit NH3 refrigeration system, four (4) quotes were received for consideration.

All of the quotes were evaluated as to the relevance and criteria of the project requirements in relation to the distributed information and meeting discussions as presented during the Pre-Quote meeting; all were found to be compliant and acceptable with the project's requirements. There were no interrogatories received or presented for further clarification. Lump Sum pricing ranged from \$109,300.00 to \$87,120.00. Staff is recommending that T and M Associates be the awarded recipient in the 'Lump Sum' amount of \$87,120.00. Funding is available in the 2017 Bond proceeds.

RECOMMENDATION:

Staff recommends Board consideration to award the Pier 5 Refrigeration System Replacement System Project to T&M Associates in the lump sum amount of \$87,120.00.



ACTION ITEM:

D. RESOLUTION 2019-4-0043: APPROVAL OF PRE-QUALIFIED ENGINEERS QUOTE FOR THE SALEM TERMINAL SEAWALL SURVEY/INSPECTION

Pursuant to Board's authorization, staff requested quotations from the Pre-Qualified Marine Engineering firms to evaluate and report on the condition of the Salem Terminal seawall along the Salem River and provide any recommendations to address any conditional issues with the seawall. Quotations will also include a final report and cost estimates of any repair recommendations which the SJPC can provide to the tenant. Quotes were due on Wednesday, April 17, 2019.

The following quotes were received:

Firm	Cost
S. T. Hudson Engineers	\$22,000.00
W. J. Castle & Associates	\$12,000.00
JMT / Johnson, Mirmiran & Thompson	\$9,680.00
Mid Atlantic Engineering Partners	\$8,400.00

It is recommended to approve Mid Atlantic Engineering Partners quote for a lump sum amount of \$8,400.00.

RECOMMENDATION:

Staff recommends Board approval Mid Atlantic Engineering Partners quote for a lump sum amount of \$8,400.00 to perform the Salem Terminal seawall survey/inspection.



ACTION ITEM:

E. RESOLUTION 2019-4-0044: AUTHORIZATION TO REQUEST QUOTES FROM PRE-QUALIFIED ENGINEERS FOR THE CATHODIC PROTECTION REPAIR PROJECT

Staff is requesting Board authorization to request quotes from pre-qualified engineers to prepare a Request for Proposals for the Cathodic Protection System repair and maintenance for the three berths at the Balzano Terminal.

Based on the findings of a previous conditional maintenance survey, significant damage has occurred to the water borne wiring apparatus in addition to the anticipated degradation of the sacrificial anode assemblies necessary for the corrosion protection of the berths.

RECOMMENDATION:

Staff recommends Board authorization the request quotes from pre-qualified engineers to prepare a Request for Proposals for the Cathodic Protection System repair and maintenance for the three berths at the Balzano Terminal.



ACTION ITEM:

F. RESOLUTION 2019-4-0045: APPROVAL OF PUBLIC OFFICERS & EMPLOYMENT PRACTICES LIABILITY POLICY

Conner Strong & Buckelew are presenting a recommendation to renew the Public Officials and Employment Practices Liability Policy on 06/01/2019. The current program with Navigators Insurance Company provides a \$5,000,000 Limit for Public Officials and a \$5,000,000 Limit for Employment Practices Liability claims. The expiring premium is \$50,466 (including NJ surcharges). Navigators' renewal quote for the 6/1/2019 – 6/1/2020 policy term is the same premium as last year, at \$50,466 (including NJ surcharges).

In order to align this policy back on a March 1st renewal date with your other Casualty Coverages, Conner Strong & Buckelew is proposing that South Jersey Port Corporation renew under a short term basis, from June 1, 2019 to March 1, 2020, for a pro-rated premium of \$37,884 (including NJ surcharges). We approached several other insurance companies on behalf of the Port and the results of our marketing effort are discussed in greater detail in our proposal. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew their Public Officials Liability and Employment Practices Liability program with Navigators Insurance Company.

RECOMMENDATION:

Staff recommends board consideration for the approval for the above insurance renewal, on a short term basis of June 1, 2019 through March 1, 2020, at a pro-rated cost of \$37,884 (including NJ surcharges).



ACTION ITEM:

G. RESOLUTION 2019-4-0046: AUTHORIZATION TO SUBMIT PORT SECURITY GRANT APPLICATION

The Port Security Grant Program (PSGP) is one of the Department of Homeland Security (DHS)/Federal Emergency Management Agency's (FEMA) grant programs that directly support maritime transportation infrastructure security activities. The FY 2019 PSGP plays an important role in the implementation of the National Preparedness System by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal of a secure and resilient nation. The FY 2019 PSGP's allowable costs support efforts to build and sustain core capabilities across the prevention, protection, mitigation, response, and recovery mission areas.

In FY 2019, the total amount of funds under this grant program is \$100 million. The FY 2019 PSGP is focused on supporting increased port-wide maritime security risk management; enhancing maritime domain awareness; supporting maritime security training and exercises; and maintaining or reestablishing maritime security mitigation protocols that support port recovery and resiliency capabilities. PSGP investments must address U.S. Coast Guard (USCG) and Area Maritime Security Committee (AMSC) identified vulnerabilities in port security.

SJPC staff requesting authorization to prepare and submit a grant application for a program to harden and enhance the physical perimeter barriers and gates for the Balzano Terminal and the Broadway Terminal; both MTSA regulated facilities. The total grant project is approximately \$1M, which would provide \$750,000 in federal funding for the program. All public sector and non-governmental, nonprofit PSGP award recipients—meaning recipients other than private, for-profit entities—must provide a non-federal entity contribution supporting 25 percent of the total of all project costs as submitted in the application and approved in the award. The application submission deadline is May 29, 2019 at 5:00 p.m. ET. Funding is available for the program.

RECOMMENDATION:

Staff recommends Board authorization to prepare and submit a FY2019 Port Security Grant application.



INFORMATION ITEM:

H. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.



INFORMATION ITEM:

I. SECURITY UPDATE

The security update is prepared by Mr. Jay Jones.

MTSA 33CFR105 ANNUAL AUDIT: Per 33CFR105.415, 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. Ronin Security has completed the annual audit and the FSO has provided audit letter to the COTP.

MTSA 33CFR USCG ANNUAL COMPLIANCE INSPECTION: The SAFE Port Act requires that the Coast Guard “verify the effectiveness of each facility security plan periodically, but not less than two times per year, at least one of which shall be an inspection of the facility that is conducted without notice to the facility”. To implement this requirement, the Coast Guard will conduct, within each 12 month period, a minimum of: (1) one announced annual MTSA Compliance Examination for each facility; (2) at least one unannounced Facility Security Spot Check for each facility; and, (3) where the Facility Security Spot Check or deficiency history warrants, an unannounced MTSA Compliance Examination. On Tuesday, April 23, 2019, representatives from the U.S. Coast Guard Sector Delaware Bay conducted the annual Maritime Compliance Examination (MTSA 105) of the SJPC’s Facility Security Plan and security program for the Balzano Terminal and Broadway Terminal.

The USCG facility inspectors examine:

- Compliance Documentation
- Waivers & Equivalents
- Maritime Security (MARSEC) Directives
- Facility Security Officer Knowledge and Training
- Facility Personnel With Security Duties Training
- Facility Personnel Without Security Duties Training
- Drill & Exercise Requirements
- Facility Recordkeeping Requirements
- MARSEC Level Coordination and Implementation
- Communications
- Declaration of Security
- Security Systems and Equipment Maintenance
- Security Measures for Access Control
- Security Measures for Newly-Hired Employees
- Security Measures for Restricted Areas
- Security Measures for Handling Cargo
- Security Measures for Delivery of Vessel Stores and Bunkers
- Security Measures for Monitoring
- Security Incident Procedures

USCG facility inspectors also conduct in the filed TWIC checks, spot checks of TWIC Escort performance, gate and vessel operations and knowledge of personnel within each facility of the

SOUTH JERSEY PORT CORPORATION

Board of Directors Meeting – April 30, 2019



basic security requirements. The inspection found no discrepancies and the SJPC's program is in compliance with the federal 33 CFR 105.

33CFR105 FINAL RULE – SEAFARERS' ACCESS TO MARITIME FACILITIES: The Coast Guard published the Seafarers' Access to Maritime Facilities Final Rule in the Federal Register April 1, 2019, requiring owners and operators of Maritime Transportation Security Act-regulated facilities to provide seafarers holding valid U.S. visas and other covered individuals with the ability to transit through the facility in a timely manner and at no cost to the individuals.

Under this rule, each owner or operator of a maritime facility regulated by the Coast Guard is required to implement a system providing seafarers, pilots, and representatives of seamen's welfare and labor organizations access between vessels moored at the facility and the facility gate, in a timely manner and at no cost to the seafarer or other individuals. The final rule provides regulatory flexibility to owners and operators to determine the method of shore access that best suits the size and function of their facility. These methods may include, but are not limited to, providing regularly scheduled or on-call shuttle service, taxi service, arrangements with seafarers' welfare organizations, or monitoring of pedestrian routes.

The access procedures must be documented in the Facility Security Plan for each facility, and approved by the local Captain of the Port. Although the final rule is effective May 1, 2019, each facility owner or operator has 14 months after publication of the final rule (June 1, 2020) to implement a system. This delayed implementation allows the Captain of the Port to work with each facility in the event of deficiencies in the plan.

The notice for proposed rulemaking was issued in December 2014. SJPC's Facility Security Officer, Mr. Jay Jones, has revised the Facility Security Plan accordingly and has submitted the revised FSP to the USCG COTP.



INFORMATION ITEM:

J. PAULSBORO MARINE TERMINAL PROJECT UPDATES

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



INFORMATION ITEM:

K. STATE ETHICS –FINANCIAL DISCLOSURE STATEMENTS

On March 28, 2019, the NJ State Ethics Commission sent out the annual notices regarding the Financial Disclosure Statements (FDS) filing for 2019. Executive Order No. 2 (Murphy) requires the annual filing of FDS by certain designated State employees and Special State Officers (Board members). These designated State employees are also subject to the casino-related post-employment restriction of *N.J.S.A. 52:13D-17.2(c)*. All filers must submit an FDS no later than May 15, 2019.

FDS forms, with instructions, are available on the State Ethics Commission's website, www.nj.gov/ethics. Once received and processed, the FDS will be posted on the Commission's website, as required by *N.J.S.A. 52:13D-21(n)*.

Please note that a \$50 per day late filing fee will be assessed for the late filing of a 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. CAMDEN WATERFRONT DEVELOPMENT – Pier 5
Lease Issue**
 - 3. PERSONNEL**
 - a. Nonunion Employees Compensation/Benefits**
 - b. Local 1040 CWA CBAs Negotiations**
 - c. Local 18 IFPTE CBA Negotiations**
 - d. Local 169 Teamsters Negotiations**
 - e. Open Staff Positions**