



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
BROADWAY TERMINAL
CAMDEN, NEW JERSEY
June 11, 2019
12:30 p.m.

Directors Present:	Richard Alaimo	Chairman
	Chad Bruner	Director ☎
	Christopher Chianese	State Treas. Designee
	Robert DeAngelo	Director
	Jonathan Gershen	Director
	Joseph Maressa	Director ☎
	Sheila Roberts	Director
	Carl Styles	Director ☎
Directors Absent:	Eric Martins	Director
In Attendance:	Craig Ambrose	Governor's Authorities Unit
	Raymond Zane, Esq.	Gen. Counsel – Zane & Assoc.
	Jay Jones	Acting Exec. Dir. / Board Secretary
	Bruno Cellucci	Treasurer
	George Englehardt	Facilities Engineer
	Neil Grossman	GB Associates – FA ☎
	Dennis Culnan, Sr.	Marketing Consultant – PS&AC
	Paul Breeman	Holt Logistics
	Daniel Bontempo	Stantec
	Mark Stettler	T&M Associates
	Francesco Nestore	Local 18
	Rose Hope	CWA Local 1040
	Robert Palaima	DRS

The Board Secretary opened the meeting at 12:30 p.m. with the following statement:

Pursuant to the provisions of the Open Public Meetings Act, Chapter 231, Public laws of 1975, adequate notice of this meeting has been provided. On January 17, 2019, the Secretary of the Corporation sent a legal notice with a schedule of Regular Meetings to be held by the South Jersey Port Corporation's Board of Directors, during the calendar year 2019, indicating the time and place to the County Clerks within the seven counties of the Port District and the Secretary of State. A legal notice was sent to the following newspapers: Courier-Post, South Jersey Times and the Burlington County Times.

In addition, the meeting schedule was posted at the Port Corporation's designated Bulletin Board at the main entrance to the Broadway Terminal, its official place for posting and maintaining a

schedule of the monthly Board of Director’s Meetings for 2019. The meeting schedule was also placed on the Port Corporation’s website at www.southjerseyport.com.

Roll call was taken and recorded. **PLEDGE OF ALLEGIANCE RECITED.**

PRESENTATION OF REGULAR MEETING MINUTES – March 26, 2019

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on April 30, 2019.

A motion was made to approve the April 30, 2019 Board of Directors regular Open Session Meeting Minutes as presented.

Moved by:	C. Chianese
Seconded by:	S. Roberts
Voting for motion:	All
Voting against motion:	None
Abstaining:	J. Gershen
	C. Styles

PRESENTATION OF CLOSED MEETING MINUTES – April 30, 2019

The minutes for the South Jersey Port Corporation Board of Directors closed meeting sessions held on April 30, 2019 were presented for approval.

A motion was made to approve the April 30, 2019 Board of Directors Closed meeting minutes, as presented, with the condition that any matters contained in the closed session minutes may be withheld and not disclosed to the public until the need for the closed session has passed.

Moved by:	C. Chianese
Seconded by:	S. Roberts
Voting for motion:	All
Voting against motion:	None
Abstaining:	J. Gershen
	C. Styles

OPERATING BILLS

The Operating Unpaid Bill list for the period 4/17/2019 – 5/28/2019 were presented for approval.

A motion was made to adopt Resolution 2019-6-0047 for the approval of the Operating Unpaid Bill list for the period 4/17/2019 – 5/28/2019.

Moved by:	J. Maressa, Jr.
Seconded by:	J. Gershen
Voting for motion:	All
Voting against motion:	None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 4/17/2019 – 5/28/2019 was presented for approval. The AMEX statement was reviewed by the Audit Committee.

A motion was made to adopt Resolution 2019-6-0048 for the approval of the Advance Payment Bills for the period 4/17/2019 – 5/28/2019.

Moved by: R. DeAngelo
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ending April 30, 2019 was presented. The list provides one credit in the amount of \$6.56.

A motion was made to adopt Resolution 2019-6-0049 for the approval of the Advance Payment Bills for the period 4/17/2019 – 5/28/2019.

Moved by: R. DeAngelo
Seconded by: J. Maressa, Jr.

Voting for motion: All
Voting against motion: None

CHANGE ORDERS

No change orders were presented.

CONSTRUCTION FUND REQUISITIONS

Staff presented one (1) unpaid construction fund requisitions in the amount of \$38,778.12 and five (5) advance construction fund requisitions in the amount of \$599,826.48.

A motion was made to adopt Resolution 2019-6-0050 for the approval Construction Fund Requisitions presented for the period ending April 16, 2019 as presented.

Moved by: J. Maressa, Jr.
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

The Treasurer presented the Treasurer's Report for the period ending April 30, 2019. For April 2019, the net income before interest, depreciation and amortization is \$377,888 versus the budgeted amount of \$212,584 for the month. This is a deviation of \$165,304 better than budget. The interest on investments and the accounts receivables reports were also presented.

A motion was made to accept the Treasurer's Report as presented.

Moved by: R. DeAngelo
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

COUNSEL'S REPORT

The Counsel's Report will be discussed in closed session.

EXECUTIVE DIRECTOR'S REPORT

The Acting Executive Director for the South Jersey Port Corporation reports cargo tonnage for May 2019 is 410,712 s/tons; a 43% change compared to May 2018. Total tonnage through May year-to-date is 1,841,202 s/tons. This is a deviation of -6% compared to May YTD 2018.

Breakbulk tonnage activity for May 2019 totaled 121,699 s/tons; an improvement of 107% compared to May 2018. The year-to-date tonnage is 924,488 s/tons; and change of -11%. We handled steel and cocoa imports during May. Import steel on the year is only -4% off of last year. Although we did not handle import wood products during May, we do expect additional tonnages to move through the docks later in the year. The ongoing federal trade war and tariffs have made an impact on securing consistency in cargo throughput.

Bulk activity for May 2019 reached 288,004 s/tons; an improvement of 43% compared to May 2018. The year-to-date tonnage is 916,713, compared to 916,469 s/tons for the same period last year.. Export recycled metals with CIM/EMR is off -18% for the month compared 2018 and down -18% for YTD period compared to 2018. Import cement with Lehigh Hansen was 120,952 s/tons; which is 118% better than May 2018. For the first five months of 2019, cement tonnage reached 222,836 s/tons; off of 2018 by -2%. SJPC's marine terminals received 22 ships in May 2019; 6 less than the same period last year.

We had 55 ship days (i.e. the number of days a ship is loading or unloading at its terminals) during the month and 332 ships days for May YTD 2019. Goods in storage as of June 3, 2019 was 45,237.50 s/tons.

A motion was made to accept the Acting Executive Director's as presented.

Moved by: J. Gershen
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-6-0051: APPROVAL OF LEASE AGREEMENT FOR 1535 BROADWAY WITH CAMDEN IRON & METAL

Camden Iron & Metal (CIM) has requested to lease the property located at 1535 Broadway, referred to as the Liedtka property, which consists of 8.03 acres with two (2) buildings, the first of which consists of approximately 21,100 square feet (“Building One”) and the second of which consists of approximately 4,200 square feet (“Building Two”). The property has been vacant for many years and has been impacted by vandalism and graffiti.

Staff recommends the standard lease with a term of 15 years, with two (2) fifteen year options, with a rental rate of \$70,000 per annum, with a monthly rental of \$5,833.33. CPI adjustments would be applied accordingly.

A motion was made to adopt Resolution 2019-6-0051 approving the 1535 Broadway lease proposals as presented by staff.

Moved by: R. DeAngelo
Seconded by: C. Bruner

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-6-0052: APPROVAL OF QUOTE FOR PRE-QUALIFIED ENGINEERING FIRM SERVICES FOR THE KOCKS CRANE MODERNIZATION PROJECT

Pursuant to the Board’s authorization at the January 2019 meeting, staff requested quotes from pre-qualified engineers to provide services to assist in preparing the Request for Proposals and project management for the Kocks Crane Modernization project. The project includes updating the drives system for Kocks Crane at the Balzano Terminal, as well as end stops on the crane rail that will provide additional operational safety.

The current drives system on the crane can no longer be adequately supported and requires to be replaced with current technology. We did have the crane manufacturer, Kocks Krane, complete an inspection of the structural aspects of the crane and found the crane to be well maintained and sound, with only minor maintenance items to address.

Staff received one quote. The S.T. Hudson quote includes two phases. Phase 1 services will include the following tasks, leading up to award of the control systems modifications contract at a cost of \$54,500.00. Phase 2 will include the oversight services during the construction phase at a cost of \$76,900.00. It is staff’s recommendation to award the project to S.T. Hudson at a cost of \$131,400.

A motion was made to adopt Resolution 2019-6-0052 to award the engineering services for the Kocks Crane Modernization Project to S.T. Hudson in the amount of \$131,400.

Moved by: C. Chianese
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-6-0053: APPROVAL OF AMENDMENT #4 WITH EPORTATION FOR THE PASS & STOW BARCODE CARGO TRACKING SYSTEM

Staff is presented addendum #4 to the agreement with ePortation for the Pass & Stow Barcode Cargo Tracking System. The amendment would extend the current annual rate for the system and services through June 15, 2020 at the current rate of \$155,352.68 per annum. The system provides real-time cargo data to principal cargo customers to support the logistics data necessary. The addendum has been reviewed by General Counsel and the expense has been budgeted in the Operating Budget.

A motion was made to adopt Resolution 2019-6-0053 approving the ePortation Agreement Addendum #4 for the Pass & Stow Barcode Cargo Tracking System in the amount of \$155,352.68 for a term of one year to June 15, 2020.

Moved by: J. Gershen
Seconded by: C. Bruner

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-6-0054: AUTHORIZATION TO CONDUCT REVERSE AUCTION BIDDING FOR ELECTRICAL SUPPLY

Staff is requested Board authorization to again participate in a Reverse Auction Bidding process to secure the lowest available electrical “supply” market. The Board had previously authorized a reverse auction bid for the electrical supply at both the June 2014, and the August 2017 meetings. Current pricing was secured in the previous bid process and expires January 1, 2020; and coincidental with a new pricing agreement and electrical supply schedule. The recommended Reverse Auction participation date is still undecided as it will depend on the overall Electrical Market portfolio, but expected to be reasonably close to what was scheduled the last time in September 2016, and is again anticipated for the September 2019 timeframe. This will also be predicated on a 36 month secure purchase period as previously recommended and modeled for the anticipated Electrical Supply Market savings.

Due to the nature of the reverse auction bidding process, staff is requesting the Board to authorize the Executive Director to award the best priced result at the immediate conclusion of the bidding and auction process following consultation with the Chairman as has been the past practice.

A motion was made to adopt Resolution 2019-6-0054 to authorize staff to conduct a reverse auction bid process for electrical supply.

Moved by: J. Gershen
Seconded by: C. Bruner

Voting for motion: All
Voting against motion: None

RESOLUTION 2019-6-0055: BID RESULTS FOR THE CONVEYOR BELTS REPLACEMENT PROJECT

Pursuant to the Board's authorization at the March 2019 Board meeting, staff released the Request for Proposals for Conveyor Belts Replacement Project; subsequent to General Counsel's review of the RFP and legal notice. The RFP requests proposals for the complete conveyor belt replacements and installations of both the C-1, and C-2 material conveyors belt assemblies located at the Broadway Terminal Pier 1-A installation. These two conveyor belts transport material aggregate from the pier to a tenant occupied cement aggregate plant for production and processing. There have been a number of splices performed over the years to repair various sections of the Broadway Pier 1A conveyor belts, and during the most recent series of repairs it was recommended to replace these original belts in entirety.

The schedule of the RFP includes: On May 21, 2019, Request for Proposals notice was posted on the SJPC website and in the three (3) official newspapers. A Pre-Bid Meeting was held on Thursday, May 23, 2018 at 10:00 a.m. and attended by three (3) contractors.

Lump-sum proposals were received on Wednesday, June 5, 2019, by 3:00 p.m. Two bids were received. One did not include the required bond and the second bid was priced more than double the amount of the estimate for the project. It is staff's and General Counsel's recommendation to reject the bids and authorize staff to re-advertise for proposals.

A motion was made to adopt Resolution 2018-6-0055 to reject the bids received and to re-advertise the Request for Proposals for Conveyor Belts Replacement Project.

Moved by: C. Chianese
Seconded by: J. Gershen

Voting for motion: All
Voting against motion: None

INFORMATION ITEMS:

MARKETING REPORT - PHOENIX STRATEGIES / ARTLIP COMMUNICATIONS

Mr. Dennis Culnan, Sr., presented the Marketing Report. He reported work continues to finalize the Port-O-Call newsletter and work is ongoing on the 2018 Annual Report.

The report was received and filed.

PORT SECURITY UPDATE

Mr. Jay Jones, Acting Executive Director / Facility Security Officer, presented the Security Update.

USCG AREA MARITIME SECURITY COMMITTEE MEETING: The next USCG Sector Delaware Bay Area Maritime Security Committee Meeting was on Friday, June 7th. The agenda included:

- Supervisory Special Agent Nathan Able, Homeland Security Investigations (HSI) Seaport Border Enforcement Security Taskforce (BEST) who provided an overview of HSI Seaport Border Enforcement BEST which is comprised of HSI, CBP, and state and local officers; and investigates maritime smuggling activities as it relates to the Philadelphia Area;
- Mr. Franco Cappa, Cybersecurity Advisor, presented an overview of DHS' Cybersecurity and Infrastructure Security Agency (CISA). In 2018, DHS' National Protection and Programs Directorate (NPPD) was reorganized into a new agency, CISA, and prioritize its mission as the Federal leader for cyber and physical infrastructure security;
- There will also a brief discussion on UAS.

PORT SECURITY GRANT PROGRAM: As authorized by the Board, SJPC submitted a Port Security Grant application to FEMA for a project to upgrade the restricted/secure perimeter fencing by the May 29th deadline.

The Acting Executive Director reported that he will be participating in the AMSC grant sub-committee's review and scoring of all the Sector Delaware Bay grant applications at the USCG Headquarters on Wednesday, June 12, 2019 for the COTP.

USCG HURRICANE SEASONAL ALERT: The Captain of the Port, Sector Delaware Bay, is setting Hurricane Seasonal Alert on June 1, 2019. Seasonal Alert will remain in effect through November 30, 2019, unless otherwise established. All vessels, facilities, and marinas are asked to take adequate precautions and review the U.S. Coast Guard Sector Delaware Bay Port Hurricane Contingency Plan, dated April 2016, and their individual Heavy Weather Plans. The FSO, Mr. Jay Jones, distributed the plan checklist to staff accordingly. The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

Mr. Dan Bontempo with Stantec presented the update on the Paulsboro Marine Terminal project.

- Proposals are due June 12, 2019 for the Spine Road Project. The GCIA Board will approve a contract at their June or July meeting
- The Wharf Construction Project (PMT-20) is on schedule and on budget. We are mobilizing pile deliveries for the upriver wharf and barge berth. The contract with Commerce, valued at \$142M, is 38% billed, which includes all of the piles for the overall project. We have paid 25% of the contract for work in place. The wharf construction is on schedule to be completed by August 2021.

2018 FINANCIAL AUDIT

Regarding the 2018 financial audit, as a result of Governmental Accounting Standards Board pronouncement number 75 (GASB 75), "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," the SJP C auditor cannot opine on the statements until the required disclosure is provided to us.

The State will provide the SJPC auditor with the required disclosure(s) when they are available. The report from the State has been delayed and we do not know when the information will be available.

We are endeavoring to meet the Executive Order 122 Audit Committee requirements and to have the full Board adopt the audit at the July Board meeting as is customary. This delay has impacted our ability to meet our statute's requirement to make available to the Governor and Legislator the audit report on or before April 30.

PUBLIC COMMENTS

The Chairman asked if there were any public comments.

Mr. Robert Palaima, President of the Delaware Stevedores, addressed the Board and extended his congratulations to Mr. Jones on his retirement and thanked him for his 28 years of service to the Port and SJPC.

The Chairman asked if there were any additional public comments.

Hearing none, he asked for a motion to adjourn the regular session meeting and enter closed session.

A motion was made to adjourn the Regular Open Meeting.

Moved by:	J. Maressa, Jr.
Seconded by:	S. Roberts
Voting for motion:	All
Voting against motion:	None

At 1:06 p.m. the regular open session was adjourned.

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Regular Open Session of the Board of Director's Meeting held Tuesday, June 11, 2019.

Jay Jones,
Board Secretary

Following closed session, the Regular Session was reopened at 1:24 p.m.

RESOLUTION 2019-6-0056: AUTHORIZATION TO ADD SIGNATORY ON THE SJPC BANK ACCOUNTS

Staff is requested Board approval of a resolution authorizing the Acting Executive Director and the Treasurer to add employee Patrick Haley as an authorized signature for existing SJPC Bank accounts. The banks require a resolution from the governing Board authorizing this action.

A motion was made to adopt Resolution 2018-6-0056 to approve Patrick Haley to be added as a signatory on the SJPC bank accounts.

Moved by: J. Gershen
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

The Chairman asked if there was any additional business for open session. Hearing none, he asked for motion to adjourn the meeting.

A motion was made to adjourn the Regular Open Meeting.

Moved by: S. Roberts
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

At 1:45 p.m. the regular open session was adjourned.

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Regular Open Session of the Board of Director's Meeting held Tuesday, June 11, 2019.

Jay Jones,
Board Secretary