

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING July 28, 2020

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

- 1. APPROVAL OF MINUTES**
Regular Open Meeting June 16, 2020
Closed Session Meeting June 16, 2020
Regular Open Meeting July 8, 2020
Closed Session Meeting July 8, 2020
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2020-07-0054
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2020-07-0055
- 4. APPROVAL OF CREDITS**
RESOLUTION 2020-07-0056
- 5. APPROVAL OF CHANGE ORDERS - NONE**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2020-07-0057
- 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 2020-07-0058: APPROVAL OF PREQUALIFIED LIST OF PROFESSIONAL FIRMS TO PERFORM PORT PLANNING SERVICES**

- B. RESOLUTION 2020-07-0059: APPROVAL OF 2019 FINANCIAL AUDIT STATEMENT**

- C. RESOLUTION 2020-07-0060: APPROVAL TO SOLICIT BIDS FOR THE ENVIRONMENTAL ABATEMENT AND STRUCTURAL DEMOLITION OF THE GOLDSTEIN BUILDING**

- D. RESOLUTION 2020-07-0061: APPROVAL OF PORT OF CAMDEN TERMINAL TARIFF 200 UPDATE AND RENAMING AS PORT OF CAMDEN TERMINAL TARIFF 300**

- E. RESOLUTION 2020-07-0062: APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN SOUTH JERSEY PORT CORPORATION AND DELAWARE RIVER STEVEDORES (DRS)**

- F. RESOLUTION 2020-07-0063: APPROVAL OF TATA STEEL FRAMEWORK AGREEMENT**

- G. RESOLUTION 2020-07-0064: APPROVAL OF 1ST AMENDMENT TO THE JOHN LAWRIE LEASE**

- H. RESOLUTION 2020-07-0065: APPROVAL TO AWARD CATHODIC PROTECTION REPAIR PROJECT PROPOSAL**

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- I. RESOLUTION 2020-07-0066: APPROVAL FOR ACQUISITION OF USED WATER TRUCK**
- J. RESOLUTION 2020-07-0067: AWARD OF ASPHALT REPAIR AND REPAVING PROJECT PROPOSAL**
- K. RESOLUTION 2020-07-0068 - APPROVAL TO AWARD A CONTRACTOR FOR THE BALZANO TERMINAL FENDER PILE REPAIR**

11. SUPPLEMENTAL BOARD INFORMATION:

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

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2020-07-0058: APPROVAL OF PREQUALIFIED LIST OF PROFESSIONAL FIRMS TO PERFORM PORT PLANNING SERVICES

Request

Staff is requesting Board approval for a prequalified list of professional firms to perform port planning services.

Background

A Request for Qualifications (RFQ) was publicly advertised to solicit proposals from qualified professional firms that engage in port planning activities such as port land use planning, master plan studies, market analysis, supply chain management, strategic planning, bulk and project cargo, preparation of simulation studies, intermodal rail analysis, auto processing, containerization, and warehousing and break bulk distribution. Four proposals were received on June 15, 2020 from the following firms:

Martin Associates
AECOM
Stantec
Jacobs

Requested Prequalified List of Professional Firms to Perform Port Planning Services

- All firms responding to the RFQ have the experience and staff capable of performing these planning services.
- This is the initial development of a prequalified list of professional firms for port planning services. The approved prequalified list will expire in July 2025.
- Future planning assignments will be bid to these firms such that capital investments for port expansion and development are consistent with the demands and opportunities of the South Jersey region.
- The Board Review Committee evaluated the four proposals and thus presented the following recommendation to approve the prequalified port planning services firms through July 2025.

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RECOMMENDATION:

Staff recommends Board approval of the prequalified port planning list of firms.



ACTION ITEM:

B. RESOLUTION 2020-07-0059: APPROVAL OF 2019 FINANCIAL AUDIT STATEMENT

Request

Staff is requesting Board acceptance and Certification of the 2019 Financial Audit which has been reviewed by the SJPC Board Audit Committee and presented by Brent W. Lee & Company.

Background

Brent W. Lee & Company, LLC, will present the completed 2019 Financial Audit Report. As required under Executive Order #122, our Board's Audit Committee has received and reviewed the draft 2019 Financial Audit Report.

The auditors have issued what is equivalent to an unmodified opinion for the 2019 Audit Report for fiscal year ending December 31, 2019.

The Board Audit Committee and Staff recommend acceptance of the 2019 Financial Audit and approval of the resolution certifying that each member of the SJPC Board of Directors has reviewed the audit report.

RECOMMENDATION:

Staff recommends Board acceptance and certification of the 2019 Financial Audit as reviewed by the SJPC Board Audit Committee and as presented by Brent W. Lee & Company.



ACTION ITEM:

C. RESOLUTION 2020-07-0060: APPROVAL TO SOLICIT BIDS FOR THE ENVIRONMENTAL ABATEMENT AND STRUCTURAL DEMOLITION OF THE GOLDSTEIN BUILDING

Request

Staff is requesting approval to solicit bids for the environmental abatement and structural demolition of the Goldstein building.

Background

The Goldstein Building and Property parcel is located at 551 South Second Street, just north of the Joseph A. Balzano Blvd. main Port entrance.

This entire property was purchased from the City of Camden on August 30th, 2019, as a Tax Sale. Subsequently, DRS, the existing tenant, signed a new, one-year lease with the Port to continue to occupy a 39,600 sq. ft. portion of the facilities.

As part of the Purchase Agreement the Port must demolish the derelict Goldstein Building (but not the portion currently occupied by DRS) within three years of purchase or the property will revert back to the ownership of the City.

RECOMMENDATION:

Staff is requesting Board approval to solicit proposals from our Prequalified Civil Engineering Community for the bid package preparation and design criteria for the environmental abatement and structural demolition of the Goldstein Building as budgeted.



ACTION ITEM:

D. RESOLUTION 2020-07-0061: APPROVAL OF PORT OF CAMDEN TERMINAL TARIFF 200 UPDATE AND RENAMING AS PORT OF CAMDEN TERMINAL TARIFF 300

Request

Staff is requesting Board approval to update SJPC's Port of Camden Terminal Tariff 200, and to rename this document as Port of Camden Terminal Tariff 300, with the intent to become effective October 1, 2020.

Background

SJPC's Terminal Tariff 200 governs the conditions and rates associated with the provision of various terminal handling, storage, equipment rental, and other services provided by SJPC to users of Camden's Balzano and Broadway terminals, and which are not otherwise provided for either by various customer contracts, or by the Port of Philadelphia Marine Terminal Association (PPMTA) Tariff Schedule 1600. The basic text content of Terminal Tariff 200 was last updated in 1994, and several of the rates in the tariff have been updated only sporadically since 1994, and in a few cases not at all. The intent going forward is to update the tariff annually to incorporate changes in cost of labor, CPI increases, and changes in the provision of equipment and/or services.

Requested Tariff Update Key Items

- Rename the tariff as Port of Camden Terminal Tariff No. 300, to avoid confusion with and reference to Terminal Tariff 200.
- Equipment rental rates in most cases increased by 2%, the exception being gantry crane rental rates increased by 10%, as it was determined that SJPC gantry crane rental rates were substantially below market.
- Storage rates increased by 2%, with additional rate increases at 180 days and 360 days to encourage product turnover and adequate terminal handling capacity.
- Labor rates updated to take into account current costs of labor.
- Other rates, such as Line Handling, Electricity, and Lighting updated to incorporate current costs for providing these service.
- References to certain outdated services removed from the tariff.
- After the updated tariff has been approved, it will be filed with the Federal Maritime Commission (FMC)

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RECOMMENDATION:

Staff recommends Board approval to update the Port of Camden Terminal Tariff 200 and rename it as Port of Camden Terminal Tariff 300.



ACTION ITEM:

E. RESOLUTION 2020-07-0062: APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN SOUTH JERSEY PORT CORPORATION AND DELAWARE RIVER STEVEDORES (DRS)

Request

Staff is requesting Board approval to approve a Memorandum of Understanding (MOU) between SJPC and DRS to memorialize the respective responsibilities of the two parties with regard to handling Tata Steel shipments in Camden.

Background

DRS has worked together with SJPC in handling Tata Steel shipments in Camden since Tata started importing via the port of Camden, with DRS performing vessel stevedoring to a point of rest on the terminal, and SJPC performing terminal handling and truck and rail loading. The proposed Framework Agreement between SJPC and Tata Steel refers to DRS as subcontracted to SJPC to perform vessel stevedoring services, and details the division of operational responsibilities between SJPC and DRS. The proposed MOU between SJPC and DRS reiterates those respective responsibilities as a back-up to the proposed SJPC/Tata agreement

Requested MOU Key Highlights

The following key items would be incorporated into the requested MOU:

- Specific vessel stevedoring services performed by DRS
- Specific terminal handling responsibilities performed by SJPC
- Respective billing responsibilities
- Responsibilities related to the provision of equipment and facilities
- Cargo custody, surveying, and handling of damage claims
- Responsibilities for reporting and reviews to Tata

RECOMMENDATION:

Staff recommends Board approval of the Memorandum of Understanding between SJPC and DRS.



ACTION ITEM:

F. RESOLUTION 2020-07-0063: APPROVAL OF TATA STEEL FRAMEWORK AGREEMENT

Request

Staff is requesting Board approval to execute a terminal services “Framework Agreement” with Tata Steel in order to formalize the commercial and operational relationship between SJPC and Tata Steel related to the importation, handling, storage, and distribution of Tata Steel products via SJPC’s Camden port facilities.

Background

Tata Steel has been a customer of SJPC for approximately 20 years, and utilizes Balzano Terminal for the importation and distribution of steel coils in order to supply its manufacturing customers in the US, including an active rail and truck logistics supply chain between Camden and Midwest points. Tata is one of the largest global steel producers and currently one of the largest import customers in Camden. The Framework Agreement format is used by Tata as a template that governs its global “Buyer and Seller” relationships. In the context of the Framework Agreement, Tata is the “Buyer” and SJPC is the “Seller” of terminal services in Camden.

Requested Framework Agreement Key Terms

The following key terms would be incorporated into the requested Framework Agreement

- The Agreement would become effective upon signature of the parties subsequent to Board approval
- Initial term of the Agreement would expire on March 31, 2021 corresponding to Tata’s fiscal contracting year
- Term of the Agreement can be extended from April 1, 2021 by mutual agreement between the parties for up to 3 years, or for another duration agreed by the parties
- New Jersey law is the governing law for the terms and conditions of the Agreement
- The Agreement includes stevedoring and terminal handling conditions and procedures as agreed by the parties
- The Agreement requires adherence to Tata Steel’s Global Ports & Warehousing Standards, (which SJPC has already been following)
- The Agreement contains various other provisions for such items as liability limits, invoicing, and handling of claims

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RECOMMENDATION:

Staff recommends Board approval to enter into a terminal services “Framework Agreement” with Tata Steel.



ACTION ITEM:

G. RESOLUTION 2020-07-0064: APPROVAL OF AMENDMENT TO JOHN LAWRIE LEASE

Request

Staff is requesting Board approval to amend the John Lawrie lease at 1535 Broadway, Camden, in order to add approximately 120,000 square feet of adjacent open storage area to the current leased premises to accommodate the expansion of Lawrie's metal pipe import and distribution operations.

Background

SJPC entered into a lease with John Lawrie effective May 1, 2020, for approximately 5.753 acres (250, 600 sq. ft.), including open area and buildings, with a term of 3 years and Year 1 rental of \$222, 864. In addition, the Lessee has a right of termination after Year 1, as well as a lease extension option for an additional two years.

Requested Lease Amendment Key Terms

The following terms would be incorporated into the requested lease amendment:

- Addition of approximately 120,000 square feet of open space storage area effective September 1, 2020.
- Initial rental of the expansion area at \$54,000 per year (50% of the current existing open space storage rental rate), to be increased annually on May 1 by CPI
- In Year 4 of expansion area occupancy, rental on the 120,000 square foot expansion will increase to equal the rental rate of the existing open space storage area, including applicable CPI increases
- Lessee to be responsible for the costs of site preparation on the expansion area, including grading, fencing, tree removal, and any other improvements deemed necessary
- Lessee relinquishes right of termination after Lease Year 1
- Lease term extended from 3 years to 5 years

RECOMMENDATION:

Staff recommends Board approval of the Amendment to the John Lawrie lease.



ACTION ITEM:

H. RESOLUTION 2020-07-0065: APPROVAL TO AWARD CATHODIC PROTECTION REPAIR PROJECT PROPOSAL

Request

Staff is requesting Board Approval to award Bid Proposal #SJPC – CPR -07-07-2020 to Atlantic Subsea of Bridgeport, NJ, in the lump sum amount of \$348,000.00 based on the known findings of a previous 2017 conditional maintenance survey.

Background

A pre-bid site meeting was conducted on June 16th with four (4) cathodic protection contractors attending:

IMAGING ATOMS – Jersey City, NJ
WALKER DIVING – Hammonton, NJ
CORRPRO – Malvern, Pennsylvania
ATLANTIC SUBSEA, Bridgeport, NJ

Two (2) proposals were received with one deemed acceptable as requested Staff and satisfied Legal Counsel's review for award.

IMAGING ATOMS- \$27,000.00 to perform a study
ATLANTIC SUBSEA – LUMP SUM BID to Repair - \$348,000.00.

Action requested based on the findings of a previous and aged conditional maintenance survey where 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 is recommending Board Approval to award the bid to Atlantic Subsea of Bridgeport, NJ, in the lump sum amount of \$348,000.00.



ACTION ITEM:

I. RESOLUTION 2020-07-0066: APPROVAL FOR ACQUISITION OF USED WATER TRUCK

Request

Staff is requesting Board approval to purchase a used water truck. This equipment is very important as it assists in dust control measures and staff health and safety.

Background

Staff acquired the following quotes for similar water truck vehicles:

United Rentals	2014 Freightliner M2 water truck Tier 4 diesel Mileage: 10,511	\$50,523
Roy's Trucks and Equipment, Inc.	2014 Freightliner M2 water truck Tier 4 diesel Mileage: 23,000	\$57,495
ATM Sales, LLC	2014 Freightliner M2 water truck Tier 4 diesel Mileage: 19,002	\$52,500

SJPC's mobile equipment maintenance foreman has evaluated the vehicles. Staff is recommending approval to purchase the 2014 Freightliner M2 from United Rentals in the amount of \$50,523 based on a variety of factors including, but not limited to year, mileage and condition.

The funding for this purchase is available per the October 29, 2019 Board Resolution 2019-10-0081 that approved the Substitution of Projects Pursuant to Section 208 of the Bond Resolution from 2008 Bond Series O-3.

RECOMMENDATION:

Staff recommends Board approval to purchase the equipment outlined above in the amount of \$50,523.00.



ACTION ITEM:

J. RESOLUTION 2020-07-0067: AWARD OF ASPHALT REPAIR AND REPAVING PROJECT PROPOSAL

Request

Staff is requesting Board approval to award bid for asphalt repair and repaving per Holtec/CWD Site Remediation Plan to GWP Enterprises of Franklinville, NJ.

Background

As part of the Holtec /CWD Site Remediation Plan, the South Jersey Port Corporation has an obligation to pave approximately 23,000 sq. ft. of open area at Pier 5. Estimated costs to complete this repaving remediation were conservatively estimated at approximately \$96,000.00, dependent on the probability for some required milling work and pricing escalation.

A Contractor BID was duly prepared, advertised and issued; a pre-bid site meeting was conducted on June 18th with Four (4) Asphalt Contractors attending:

GWP Enterprises - Franklinville, NJ
JPC Group - Mt. Laurel, NJ
R. E. Pierson Co. - Pilesgrove, NJ
American Asphalt - Collingswood Heights, NJ

One (1) proposal was received and deemed acceptable as requested by Staff and satisfied Legal Counsel's review for award.

RECOMMENDATION: Staff is requesting Board Approval to award the Bid to GWP Enterprises of Franklinville, NJ in the Lump Sum Bid amount of \$79,000.



ACTION ITEM

K. RESOLUTION 2020-07-0068 - APPROVAL TO AWARD A CONTRACTOR FOR THE BALZANO MARINE TERMINAL FENDER PILE REPAIR

Request

Pursuant to the Board's Authorization: RESOLUTION 2020-03-0029 - APPROVAL TO ISSUE AN RFP FOR BALZANO MARINE TERMINAL FENDER PILE REPAIR, an RFP was issued soliciting the repair and/or replacement of the assessed and necessary damaged or missing berthing components noting a preliminary analysis and cost estimate of approximately \$1,400,000.00.

Background

An RFP was prepared and duly advertised, and a pre-bid site meeting was conducted on June 23, 2020 with thirteen (13) contractors in attendance:

AGATE Construction, Ocean View, NJ
SIMPSON & BROWN, Cranford, NJ
ATLANTIC SUBSEA, Bridgeport, NJ
SOUTH STATE, INC. Bridgeton, NJ
AP CONSTRUCTION, Philadelphia, Pa
WALKER DIVING, Hammonton, NJ
COMMERCE CONSTRUCTION, Bridgeport, NJ
WALTERS MARINE CONSTRUCTION, Ocean View, NJ
DIVE AMERICA, Berlin, NJ
MID ATLANTIC MARINE, NJ
R.E. PIERSON, Pilesgrove, NJ
EASTERN ATLANTIC STATES, Edison, NJ
CALDWELL MARINE INTERNATIONAL, Farmingdale, NJ

PROPOSAL DUE /BID OPENING Date was July 14, 2020 at 2:00pm:

Three (3) LUMP SUM Proposals were received:

Caldwell Marine International, LLC 1433 Route 34 South, B1 Farmingdale, NJ
07727
\$777,000.00
JPC Group Inc. 228 Blackwood-Barnsboro Rd. Blackwood, NJ 08012
\$1,080,000.00

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Atlantic Subsea Inc PO Box 714 Bridgeport, NJ 08014-0714
\$848,000.00

RECOMMENDATION:

Staff is therefore requesting Board Approval to award Bid Proposal #SJPC – FPRR -07-14-2020 to Caldwell Marine International from Farmingdale, NJ in the Lump Sum Bid amount of \$777,000.00. This received legal counsel's review and approval.



INFORMATION ITEM

**L. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP
COMMUNICATIONS REPORT**

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.

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INFORMATION ITEM:

M. SECURITY UPDATE:



INFORMATION ITEM:

N. PAULSBORO MARINE TERMINAL PROJECT UPDATES

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



MATTERS INVOLVING LITIGATION, PERSONNEL MATTERS & 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. HOLT ARBITRATION**
 - 3. HOLTEC LITIGATION**
 - 4. WIND ENERGY**
 - 5. PAULSBORO LEASE REVIEW**