



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
TELECONFERENCE
CAMDEN, NEW JERSEY
January 25, 2022
12:32 p.m.

Directors Present:	Robert DeAngelo Christopher Chianese Carl Styles William Higgins Jonathan Gershen Chad Bruner Sheila Roberts	Acting Chairman 🗳️ State Treasurer Designee 🗳️ Director 🗳️ Director 🗳️ Director 🗳️ Director 🗳️ Director 🗳️
Directors Absent:	Richard Alaimo Eric Martins Joseph Maressa	Chairman Director Director
In Attendance:	Janice Venables Andrew Saporito Raymond Zane, Esq. Bruno Cellucci Brendan Dugan Jonathan Atwood Neil Grossman Kevin Duffy Chris Perks Chuck O'Leary George Englehardt Dennis Culnan, Jr. Dan Bontempo John Linden Shai Shukrun Robert Wiseman Chet Tuthill Anthony DePasquale Grant McGuire	Governor's Authorities Unit 🗳️ Executive Director & CEO 🗳️ General Counsel– Zane & Assoc. 🗳️ AssistantED/CFO/ActingBoardSec🗳️ AssistantED/Bus. Development🗳️ Chief of Staff & External Affairs🗳️ GB Associates – FA 🗳️ Assistant ED/COO 🗳️ Director of Engineering 🗳️ Security Manager/FSO 🗳️ Facilities Engineer 🗳️ Phoenix Strategies 🗳️ Stantec 🗳️ Conner Strong & Buckelew 🗳️ Conner Strong & Buckelew 🗳️ S.T. Hudson Engineers 🗳️ S.T. Hudson Engineers 🗳️ S.T. Hudson Engineers 🗳️ McManimom,Scotland,&Baumann🗳️

The Acting 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 10, 2022, the Acting 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 2022, 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 2022. 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 – DECEMBER 7, 2021

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on December 7, 2021 were presented for approval.

A motion was made to approve the December 7, 2021 Board of Directors Regular Open Session Meeting Minutes as presented.

Moved by:	W. Higgins
Seconded by:	J. Gershen
Voting for motion:	All
Voting against motion:	None
Abstaining:	Christopher Chianese

PRESENTATION OF CLOSED MEETING MINUTES – DECEMBER 7, 2021

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on December 7, 2021 were presented for approval.

A motion was made to approve the December 7, 2021 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:	W. Higgins
Seconded by:	J. Gershen
Voting for motion:	All
Voting against motion:	None
Abstaining:	Christopher Chianese

OPERATING BILLS

The Operating Unpaid Bill list for the period 11/17/2021–1/11/2022 was presented for approval.

A motion was made to adopt Resolution 2022-01-0001 for the approval of the Operating Unpaid Bill list for the period 11/17/2021 1/11/2022.

Moved by:	C. Styles
Seconded by:	W. Higgins
Voting for motion:	All
Voting against motion:	None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 11/17/2021–1/11/2022 was presented for approval.

A motion was made to adopt Resolution 2022-01-0002 for the approval of the Advance Payment Bills for the period 11/17/2021 –1/11/2022.

Moved by:	W. Higgins
Seconded by:	C. Bruner
Voting for motion:	All
Voting against motion:	None

CREDIT LIST

The Credit List for the period ending January 25, 2022 was presented for approval

A motion was made to adopt Resolution 2022-01-0003 for the approval of the Credit List for the period ending January 25, 2022

Moved by:	C. Styles
Seconded by:	C. Bruner
Voting for motion:	All
Voting against motion:	None

CHANGE ORDERS

No Change Orders

CONSTRUCTION FUND REQUISITIONS

Staff presented (18) advance construction fund requests in the amount of \$544,945.55 and (5) unpaid construction fund requisitions in the amount of \$151,096.35

A motion was made to adopt Resolution 2022-01-0004 for the approval of Construction Fund Requisitions for the period ending January 25, 2022 as presented.

Moved by: C. Bruner
Seconded by: S. Roberts

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

For the month of December 2021 on a preliminary and pre-audit basis, the SJPC generated net income before non-operating interest expense and depreciation and amortization of \$171,863.00, which is under budget by \$538,737.00 for the month. December's monthly budget is significantly higher than the previous eleven months because the former Holcim, now Lehigh Cement, tonnage guarantee invoice is generated each December. Had SJPC not needed to utilize Pier 1A during the year, we would have generated an additional \$271,575.07 in revenue for the month.

Please also be aware that we have recorded \$686,923.68 in deferred revenue over the past two months. This represents truck loading revenue that can only be recognized when the trucks are actually loaded and cargo moves off the terminal. A significant amount of cargo remains on the terminal. This deferred revenue will benefit future periods. Had this cargo been dispatched in 2021, we would have been within \$53,000 +/- of breakeven for the year and not \$739,580 under budget for the year.

This is admirable considering the significant amount of COVID, legal, maintenance, vehicle and engineering expenses we bore in 2021. The legal costs referred to are comprised of those involving arbitration and other litigation matters. The rate of inflation has caught all of us by surprise as well and we are navigating through that. Our crane was also down for some time during 2021.

As of this writing, our Kocks crane at Balzano is now back in operation. Our ship schedule is robust. We are constantly responding and adjusting to customer needs to keep the flow of cargo moving. This promises to be a very profitable winter steel season.

We recently received notice from FEMA that they will be reimbursing SJPC roughly \$40,000 for COVID related expenses during the period of March 2020 to September 2020. We have since submitted for reimbursement for the period September 2020 to December 2021 where we are anticipating well over \$100,000 in FEMA reimbursement.

COVID testing for employees is well underway. Although the COVID testing program is very expensive, because of another FEMA program, we anticipate these testing costs to be reimbursed dollar for dollar by FEMA. This will result in a net zero effect on the bottom line.

COUNSEL'S REPORT

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

EXECUTIVE DIRECTOR'S REPORT

Executive Director and CEO for the South Jersey Port Corporation reported total tonnage for December 2021 was 362,565 short tons, which represents a 34% increase compared to December 2020. Year to date tonnage through December totaled 4,636,097 short tons, a 54% increase compared to the same period in 2020. Camden steels cargoes increased by 27.7% compared to December 2020. Overall breakbulk cargo has increased 42% December 2021. YTD cocoa beans totaled 76,108 tons, a 36.4% increase compared to December 2020 YTD. December YTD plywood was 98.4% ahead of December 2020 YTD. Recycled metals increased 10.1% compared to 2020 YTD. Imported cement YTD increased 3.2% compared to 2020.

All SJPC terminals handled 15 ships in December 2021, compared to 18 ships in December 2020. On a YTD basis, the Port handled 221 ships, compared to 205 YTD 2020.

The Executive Director also updated the Board on the below topics as well:

COVID 19 Update

Due to a surge in COVID 19 cases, all office and administrative staff returned to a hybrid work schedule on January 3rd to limit the number of staff in the office. This work schedule is scheduled to end on January 28th.

We have 22 new cases to report, bringing the total numbers of employees infected to 50.

Approximately 85 employees have been vaccinated with at least one shot, which is 72 percent of our workforce. We continue to encourage employees to get vaccinated. We experienced a surge after the holidays, but the number of reported cases is declining.

Weekly COVID Testing for all unvaccinated employees utilizing the services of the state authorized continues and we are being reimbursed by the state and FEMA.

Temperature scans and other protocols continue at our terminals.

We have been advised that public meetings must continue to remain virtual until further notice.

MARAD Marine Highway Grant

We have been advised that the port is the recipient of a \$1,010,800 Marine Highway grant to purchase two new Reach Stackers.

This new equipment will help us as we continue to work on having the container barge operation from the Ports of Virginia and Baltimore establish a stop at the Balzano Marine Terminal to better serve our customers.

We held our first meeting with representatives for MARAD on January 19th as a first step in the grant acceptance process.

Paulsboro Update

The Upriver Berth and Barge Berth have been completed. We have notified Paulsboro Waterfront Development (Holt) that these berths are available for their beneficial use. EEW continues to make good progress on their development. We expect to be meeting with EEW, Orsted and the GCIA to discuss funding gaps some time in February

New Jersey Debt Defeasance Fund Update

The Department of the Treasury is preparing the MOU for the port to receive an appropriation of \$35 Million for port upgrades and improvements at our terminal in Camden, Salem, and Paulsboro. We will have to enter into a Memorandum of Understanding with the state before the funds will be released.

ACTION ITEMS:**RESOLUTION 2022-01-0005: APPROVAL TO AWARD A CONSTRUCTION CONTRACT TO REPLACE THE BALZANO TERMINAL SECURITY PERIMETER PROTECTION****REQUEST:**

Pursuant to the Board Authorization: RESOLUTION 2021-04-0037 APPROVAL TO ISSUE RFP TO REPLACE THE BALZANO TERMINAL SECURITY PERIMETER PROTECTION, an RFP was advertised for the solicitation of public bids to replace the Balzano Terminal security perimeter fencing and gates at a cost of \$256,259.

BACKGROUND:

SJPC was awarded \$647,172.00 through a Department of Homeland Security 2019 Port Security Grant.

The scope of work includes replacement of approximately 2,400 liner feet of perimeter security chain link fence and 8 gates meeting Coast Guard regulations at the Balzano Marine Terminal.

A prebid meeting was held on November 18, 2021, with seven (7) contractors in attendance. The following five (5) bids were received on December 17, 2021:

Fox Fence Enterprises, Inc. Clifton, NJ	\$256,259.00
EB Fence, LLC Sicklerville, NJ	\$537,974.00
Giacorp Contracting, Inc. Hawthorne, NY	\$720,683.00

Ocean Construction, LLC Williamstown, NJ	\$735,608.25
Pro Max Fence Systems, LLC Reading, PA	\$951,372.50

Low bid meeting was held with Fox Fence Enterprises. at which time the contractor demonstrated an understanding of the scope of work and explained his means and methods to accomplish the project. Fox Fence Enterprises did attend the prebid site meeting, The contractor was made aware that his proposal was significantly lower than the Engineer's Estimate and the remaining bidders but had no reservations that he could complete the project as specified. General Counsel review indicated that the bid proposal met all requirements of the RFP.

A motion was made to approve Resolution 2022-01-0005 to award bid proposal SJPC-SPF-12072021 to Fox Fence Enterprise, Inc. from Clifton, NJ in the lump sum bid amount of \$256,259.

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

Voting for Motion: All
Voting Against Motion: None
Not Voting: C. Styles

RESOLUTION 2022-01-0006: APPROVAL TO AWARD A CONTRACT FOR CONSTRUCTION SERVICES TO REHABILITATE THE BERTH 4 PAVEMENT AT THE BALZANO TERMINAL

REQUEST

Staff is requesting Board approval to award the construction RFP to rehabilitate the pavement and strengthen the subgrade soil at Berth 4 at the Balzano Marine Terminal.

BACKGROUND

The compacted backfill material used during the construction of the Berth 4 structure was of insufficient strength to withstand the current 62-ton loading imposed by the transport vehicles, fully loaded with scrap metal bound for the berth to be uploaded onto ships. Over time, the pavement has deteriorated, and localized areas have sustained high degrees of ground settlement with the continued handling of scrap metal operations, becoming a safety concern with the continued operations at Berth 4.

S.T. Hudson performed the necessary engineering investigation efforts and developed the final design criteria that included drilled soil borings to determine subsurface conditions; and to develop and critique in conjunction with Staff the options for Berth 4 upland subgrade strengthening and pavement rehabilitation.

The project scope of work includes subgrade strengthening with drilled shafts filled with concrete (referred to as inclusions), remediation of various drainage catch basins and pipe replacements, the installation of geogrid fabrics under suitable and compacted backfill materials, and topped with a concrete slab as a final pavement restoration covered with Asphalt.

CONCLUSION

After a well-attended Contractor Pre-Bid Site Meeting, Bids were received on Friday December 17, 2021 for the Berth 4 Pavement Improvement project at the Balzano Terminal.

The following is a summary of the Seven bids received:

Bidder Name and Address	Amount
R.E. Pierson Construction Co. PO Box 430 Woodstown, NJ 08098	\$1,623,405.00
South State Inc. PO Box 68 Bridgeton, NJ 08302	\$1,631,225.00
C. Abbonzio Contractors, Inc. PO Box 315 Sewell, NJ 08080	\$1,799,620.00
Mount Construction 427 S. White Horse Pike Berlin, NJ 08009	\$1,899,650.00
AP Construction Inc 915 S. Blackhorse Pike Blackwood, NJ 08012	\$1,972,100.00
Kyle Conti Construction 749 Clawson Ave Hillsborough, NJ 08844	\$2,293,332.00
JPC Group Inc 228 Blackwood-Barnsboro Rd Blackwood, NJ 08012	\$2,390,200.00

The Engineer's estimate was \$970,500.00, approximately 40% under the lowest bidder's price. There are several reasons for this difference in the prices that S.T.Hudson acknowledged and explained in the appended letter and submitted cost analysis. Staff's construction estimate was a minimum of \$1,400,000.

A motion was made to approve Resolution 2022-01-0006 to award the contract for construction to rehabilitate the pavement and strengthen the subgrade soil at Berth 4 at the Balzano Marine Terminal to R.E. Pierson in the Lump Sum amount of \$1,623,405.00.

Moved by:	S. Roberts
Seconded by:	C. Bruner
Voting for Motion:	All
Voting Against Motion:	None
Not Voting:	C. Styles

RESOLUTION 2022-01-0007: APPROVAL TO AWARD AN EMERGENCY CONSTRUCTION CONTRACT TO DEMOLISH AND REMOVE THE COLLAPSED PUMPHOUSE AT THE BROADWAY TERMINAL, INSTALL RIPRAP TO STABILIZE THE SHORELINE, AND TO REPAIR THE DAMAGED ROADWAY

REQUEST

Staff is requesting Board approval to issue an emergency construction contract to demolish and remove the collapsed pumphouse at the Broadway Marine Terminal. In addition, the contract would cover installation of riprap to remediate the shoreline and to repair the damaged roadway.

BACKGROUND

On May 26, 2020, a pump house structure owned by South Jersey Port Corporation and leased by Holtec Technology Center, LLC collapsed into the Delaware River. Originally slated for demolition during the Holtec site construction, the building was not demolished, at the request of Holtec, with their intent of possible reuse. Holtec's attempted renovation of the pump house structure and subsequent deterioration appears to have resulted in the eventual collapse. The collapse of the building led to litigation pursuant to which the Court has issued a preliminary finding that the perimeter roadway for the site, which is used for emergency vehicles, may be compromised. The Court has further issued a preliminary ruling, that the Port take immediate remedial action, including but not limited to the demolition of the remaining pump house structure, embankment stabilization, and repairs to the roadway.

PROCEEDINGS

Following the collapse, South Jersey Port Corporation was issued a court order on July 29, 2020 and again on October 28, 2021 requiring us to remove the collapsed pumphouse and stabilize the shoreline. Holtec has since filed a motion in aid of litigant's rights seeking immediate remedial action. At the direction of Counsel regarding the ongoing Holtec litigation proceedings (DOCKET C-55-20), Staff is now requesting Board Approval to issue an Emergency Construction Contract to demolish and remove the

remaining building remnants from the river, install riprap along the deteriorated bulkhead sea wall, and repair the adjoining damaged roadway.

Staff had previously directed SJPC consulting engineers ST Hudson to prepare plans and specifications for the work. On January 12, 2022, Staff issued the resulting Invitation for Bids to five (5) prequalified construction firms. On Monday, January 17, 2022, three (3) bids were received:

Firm	Bid	Days
A.P. Construction	\$ 745,000	35
Bencardino	\$ 784,500	56
J Jingoli & Son	\$ 1,120,000	38

A motion was made to approve Resolution 2022-01-0007 to issue an emergency construction contract to A.P. Construction, Inc., of Blackwood, NJ, in the amount of \$ 745,000.00 to demolish and remove the collapsed pumphouse, including the installation of riprap to stabilize the shoreline, and repair of the damaged roadway.

Moved by: C. Bruner
Seconded by: C. Styles

Voting for Motion: All
Voting Against Motion: None
Not Voting: J. Gershen

RESOLUTION 2022-01-0008: APPROVAL TO AWARD AN ENGINEERING DESIGN CONTRACT FOR THE REPLACEMENT OF SHED 1 ROOF AT THE BALZANO TERMINAL

REQUEST

Staff is requesting Board approval to award the construction RFP to replace the roof of Shed 1 at the Balzano Marine Terminal.

BACKGROUND

Pursuant to the Board's Authorization: RESOLUTION 2021-09-0093 - APPROVAL TO ISSUE TO THE PREQUALIFIED AN RFP FOR DESIGN, BID PREPARATION AND CONSTRUCTION MANAGEMENT SERVICES TO REPLACE THE ENTIRE ROOF ON THE BALZANO TERMINAL SHED 1 BUILDING, an RFP was issued soliciting the design services for Shed 1 roof replacement at the Balzano Terminal, Camden NJ.

An RFP was prepared and distributed to our prequalified civil consultant firm list. Site visits attended by nine (9) civil engineering design firms were held on Tuesday,

December 7, and December 14, 2021. The following 7 proposals were received on January 4, 2022:

Firm Name and Address	Amount
Remington & Vernick Engineers, Inc. 2059 Springdale Road Cherry Hill, NJ 08003	\$ 58,450
Burns Engineering 2001 Market St, Suite 600 Philadelphia, PA 19103	\$ 77,838
Pennoni 1900 Market St, Suite 300 Philadelphia, PA 19103	\$ 83,500
LSEA Corporation 1101 N. Kings Highway, Suite 311 Cherry Hill, NJ 08034	\$ 84,000
GEI 18000 Horizon Way, Suite 200 Mount Laurel, NJ 08054	\$ 95,810
French and Parrello 1800 Route 34, Suite 101 Wall, New Jersey 07719	\$ 109,700
McLaren Engineering Group 530 Chestnut Ridge Rd Woodcliff Lake, NJ 07677	\$ 138,000

Proposals were reviewed by SJPC staff, a low bid meeting was held, and it was determined that Remington & Vernick Engineers, Inc.'s proposal for the not to exceed amount of \$58,450 was the best value and met all requirements of the RFP. General Counsel's review indicated that the bid proposal is in proper legal form.

Estimated costs to complete construction of this project are approximately \$900,000, to be verified during final design and will be funded with proceeds from the insurance claim in the amount of \$627,000 with the balance of funds provided through the 2017A Capital Projects account.

A motion was made to approve Resolution 2022-01-0008 to award the design services to for replacement of the Shed 1 Roof at the Balzano Terminal to Remington & Vernick Engineers, Inc. for the not to exceed amount of \$58,450.

Moved by:
Seconded by:

C. Chianese
C. Bruner

Voting for Motion:
Voting Against Motion:
Not Voting:

All
None
C. Styles

RESOLUTION 2022-01-0009: APPROVAL TO ADVERTISE FOR BIDS FOR REPAIRS TO THE HIGH MAST LIGHTING, AND RELAMPING WITH HIGH EFFICIENCY LED LIGHTING, AT THE BALZANO AND BROADWAY TERMINALS, CAMDEN, NJ

REQUEST

Staff is requesting Board approval to publicly advertise for bids for construction firms to perform priority repairs and relamping with high efficiency LED lighting at the Balzano and Broadway Terminals.

BACKGROUND

High mast light tower structures are recommended to be inspected on a four (4) year cycle. The structures at the Camden Terminals have not been inspected in many years and are subject to high stress and fatigue due to wind, weather, and deterioration with age.

Structural integrity inspections were performed during the fall of 2021 to identify structural and electrical deficiencies in need of repair. During the inspections, one pole structure was removed due to a significant sized crack compromising the integrity of the structure.

Concurrently with performing light pole repairs, the existing lighting will be replaced with high efficiency LED lamps. This will result in less electricity use, and a cost savings.

SJPC will apply for any available PSE&G sponsored energy rebate programs in 2022.

A motion was made to approve Resolution 2022-01-0009 to publicly advertise for bids for construction firms to perform high mast light tower priority repairs and relamping with high efficiency LED fixtures at the Balzano and Broadway Terminals at an estimated cost of \$800,000.

Moved by:

C. Bruner

Seconded by:

S. Roberts

Voting for Motion:

All

Voting Against Motion:

None

Not Voting:

C. Styles

RESOLUTION 2022-01-0010: APPROVAL TO ADVERTISE FOR BIDS FOR THE REPLACEMENT OF GUTTERS ON THE NORTH END OF “N” BUILDING AT THE BROADWAY MARINE TERMINAL

REQUEST

Staff requests Board approval to publicly advertise for bids from construction firms to replace the gutters on the North end of “N” Building at the Broadway Marine Terminal.

BACKGROUND

The gutters on the North end of “N” Building are undersized and inadequate to capture the water runoff from the building’s roof adequately. As a result, water is seeping into the roofing material underneath, and the roof is starting to deteriorate. Staff recommends replacing the gutters with a heavy-duty commercial grade box gutter. There is also the potential need for work to be done to the roof and fascia, but the extent of that work will not be known until a contractor removes the existing gutters and evaluates the extent of the damage. Approximately 360 feet of gutter needs to be replaced, with several downspouts, at an estimated cost of \$100,000.

A motion was made to approve Resolution 2022-01-0010 to publicly advertise for bids from construction firms to replace the gutters on the North end of “N” Building at the Broadway Marine Terminal for an approximate cost of \$100,000.

Moved by:
Seconded by:

W. Higgins
S. Roberts

Voting for Motion:
Voting Against Motion:
Not Voting:

All
None
C. Styles

RESOLUTION 2022-01-0011: APPROVAL TO ISSUE AN RFP FOR ROUTINE MAINTENANCE WORK ON THE PORT’S DRAINAGE SYSTEM**REQUEST**

Staff is requesting Board approval to issue an RFP for drain cleaning services at the Balzano and Broadway Marine Terminals for period of one year with an optional one-year extension.

BACKGROUND

Routine operations at the port result in the accumulation of debris and sediment on paved and nonpaved surfaces that ultimately wash into the storm drainage system during rain events and during tidal flooding resulting in ponding water in localized areas of the port. Since the SJPC NJDEP permit addresses the responsibility for storm water management, it is imperative that drainage system components are maintained in operable condition to perform their function. Routine cleaning and maintenance of manholes and catch basins is required to maintain surface water drainage and reduce the potential for flooding. There are more than 200 drainage structures on the two Camden terminals.

This maintenance activity has been performed by the Port's Maintenance Department utilizing an older piece of equipment and a call-in contractor on an emergency basis. After reviewing longer term options, staff have determined that entering into a service contract is the most cost-efficient way to proceed given the fact that a new replacement truck will cost approximately \$400,000 plus annual additional expenses to maintain the equipment and disposing of waste material.

This contract will require the drainage system cleaning services on a call-in basis with a spending limit not to exceed \$75,000 per year and an option to renew for one additional year for an additional \$75,000. An additional \$15,000 contingency per year is requested for disposal of any recovered materials that may test hazardous requiring controlled transportation and disposal at approved landfill facilities for such materials.

A motion was made to approve Resolution 2022-01-0011 to release a conditional term RFP for drain cleaning services at the Balzano and Broadway Marine Terminals.

Moved by:
Seconded by:

S. Roberts
W. Higgins

Voting for Motion:
Voting Against Motion:

All
None

RESOLUTION 2022-01-0012: APPROVAL OF CAMDEN PLANT HOLDING LLC LEASE RENEWAL

REQUEST

Staff is requesting Board approval to renew the lease with Camden Plant Holding LLC.

BACKGROUND

SJPC leases approximately 5,000 square feet of indoor storage to Camden Plant Holding at the Broadway Terminal in Camden, for spare parts storage for power generation. The current one-year lease expires on February 28, 2022. The basic terms of the proposed lease renewal are:

- 1 year renewal term, from March 1, 2022 to February 28, 2023
- 5% increase rental increase, to \$1,299.37/month, or \$15,592.44/year

A motion was made to approve Resolution 2022-01-0012 to renew the lease with Camden Plant Holding LLC for a 1-year term.

Moved by: S. Roberts
Seconded by: C. Chianese
Voting for Motion: All
Voting Against Motion: None

**RESOLUTION 2022-01-0013: APPROVAL OF NON-REPRESENTED STAFF
COMPENSATION ADJUSTMENTS**

REQUEST

In concert with all of the Collective Bargaining Agreements (CBAs) in effect at the South Jersey Port Corporation, staff is requesting Board consideration and approval of a 2% compensation adjustment for the following non-represented employees effective January 1, 2022:

- Senior Adviser - Administration
- Senior Adviser - Engineering
- Janitor

A motion was made to approve Resolution 2022-01-0013 for a 2% compensation adjustment for the above referenced employees effective January 1, 2022

Moved by: C. Styles
Seconded by: W. Higgins
Voting for Motion: All
Voting Against Motion: None

**RESOLUTION 2022-01-0014: ANNUAL DESIGNATION OF PUBLIC AGENCY
COMPLIANCE OFFICER FOR EEO CONTRACT COMPLIANCE**

REQUEST

Staff is requesting Board approval designating Jonathan Atwood to serve as SJPC's Public Agency Compliance Officer (PACO).

BACKGROUND

In accordance with NJAC 17:27-3.3, each Public Agency shall designate an individual to serve as its Public Agency Compliance Officer or PACO. The PACO is the liaison between the Division and the Public Agency and is the Public Agency point of contact for all matters concerning implementation and administration of the statute and regulations. The PACO is also responsible for administering contracting procedures pertaining to equal employment opportunity regarding both the Public Agency and vendors with public contracts. Vendors shall include but are not limited to goods,

professional services and general services, and construction contractors. As such, the PACO must have the authority to recommend changes to effectively support the implementation of the statute and its regulations.

Each year, all Public Agencies are required to submit the name, title, address, telephone number, fax number, and e-mail address of the PACO designated by the Public Agency. This information must be submitted to the Division no later than January 10th of each year. In addition, it shall be the responsibility of the Public Agency to update the PACO designation at any time during the year if any changes are made concerning the designated PACO.

Staff proposes to designate Jonathan Atwood, Chief of Staff and External Affairs, to serve as the agency's PACO for the year 2022.

A motion was made to approve Resolution 2022-01-0014 for the designation of Jonathan Atwood to serve as the agency's PACO for 2022.

Moved by: S. Roberts
Seconded by: C. Styles

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2022-01-0015: 2022 PENSION LIABILITY

Staff presents the Employer's Liability Annual Pension Contribution Invoice for Public Employee's Retirement System (PERS) for the calendar year 2022. The total amount of \$1,066,374.00 is due on April 1, 2022. The total amount due includes the Employer's Contribution for 2021 and early retirement costs. The plan is summarized below.

Normal Cost represents the present value of benefits that have accrued on behalf of the members during the valuation year. The employer's contribution covers not only the basic pension allowance it also covers the future cost-of-living adjustment along with the premium for group life insurance.

Normal Contribution	\$ 115,168.00
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Employer Accrued Liability and/or Pension system unfunded actuarial liability contribution consist of the employer's share of the pension system total unfunded actuarial liability amortized over time (30 to 40 years). The unfunded actuarial liability of a retirement system is the excess of the system's actuarial liability over the value of its assets.

Accrued Liability	\$ 792,124.00
Non-Contributory Group Life Insurance	\$ 43,841.00

Accrued Liability-Early Retirement Incentive-ERI-3. The State of New Jersey Division of Pension and Benefits prepared the Schedule of payments for the Early Retirement Incentive.

Accrued Liability-Early Retirement Incentive-ERI-3	<u>\$ 115,241.00</u>
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Total Amount Due all Categories	\$ 1,066,374.00
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	2021	2022		Variance
Normal Contribution	\$ 89,418.00	\$ 115,168.00	=	\$ 25,750.00
Accrued Liability	\$ 655,966.00	\$ 792,124.00	=	\$ 136,158.00
Non-Contributory Group Life Insurance	\$ 37,858.00	\$ 43,841.00	=	\$ 5,983.00
Accrued Liability-ERI	\$ 112,156.00	\$ 115,241.00	=	\$ 3,085.00
Total Amount Due all Categories (increase)	\$ 895,398.00	\$ 1,066,374.00	=	\$ 170,976.00

A motion was made to approve Resolution 2022-01-0015 of the 2022 Pension Liability invoice.

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

Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2022-01-0016: ANNUAL SJPC INSURANCE POLICY RENEWALS

South Jersey Port Corporation's Marine Terminal Operators General Liability / Bumbershoot Liability, Commercial Automobile Liability, Hull & Machinery/Protection and Indemnity (P&I) - 1959 Spud Barge, Pollution Liability - 1959 Spud Barge and Public Officials and Employment Practices Liability renew on March 1, 2022.

Marine Terminal Operators General Liability / Bumbershoot Liability: Your current (3/1/2021 – 3/1/2022) Marine Terminal Operators General Liability / Bumbershoot Liability program provides a \$21,000,000 Occurrence / \$21,000,000 General Aggregate Limit through National Union Fire Insurance Company of Pittsburgh, PA (\$1,000,000 Per Occurrence / \$2,000,000 Aggregate Limit), Liberty Mutual Insurance Company (\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying), National Union Fire Insurance Company of Pittsburgh, PA (\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying), Navigators Insurance Company (\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying) and Stratford Insurance Company (\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying). The total expiring premium is \$210,900 (including TRIA and New Jersey surcharges) based on Gross Receipts of \$23,398,003.

For the 3/1/2022 – 3/1/2023 policy term, South Jersey Port Corporation provided a Gross Receipts estimate of \$23,865,963, an increase of 2%. Conner Strong & Buckelew negotiated a renewal cost of \$225,500, which represents a 5% (\$10,382) rate increase against the adjusted expiring pricing. Conner Strong & Buckelew pursued other insurance

carriers on your behalf, and the results of our marketing effort are discussed further in our proposal. Based on the options provided, and after consultation with staff, Conner Strong & Buckelew recommends that South Jersey Port Corporation renew their Marine Terminal Operators General Liability insurance coverage with National Union Fire Insurance Company of Pittsburgh, PA. Conner Strong & Buckelew also recommends that South Jersey Port Corporation renew their Bumbershoot Liability with Liberty Mutual Insurance Company as the lead carrier; the program will remain unaltered from last year. Liberty will be providing \$5,000,000 part of \$20,000,000, National Union Fire Insurance Company of Pittsburgh, PA (AIG) will be providing \$5,000,000 part of \$20,000,000, Stratford Insurance Company (AIG) will be providing \$5,000,000 part of \$20,000,000 and Navigators Insurance Company will be providing \$5,000,000 part of \$20,000,000; all excess of the \$1,000,000 underlying. The coverages, terms, and conditions of the incumbent program is described in more detail in our proposal.

Commercial Automobile: Your current program with Chubb Insurance Company of New Jersey provides a \$1,000,000 Combined Single Limit. Chubb's renewal quote for the 3/1/2022 – 3/1/2023 policy term is \$152,108 (including NJ surcharges) and is based on 83 units versus 75 units last year. We approached other insurance companies, as detailed in our proposal; however, Chubb continues to provide the most competitive program. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew with Chubb Insurance Company of New Jersey.

Hull & Machinery/Protection and Indemnity (P&I) - 1959 Spud Barge: Your current program with National Union Fire Insurance Company of Pittsburgh, PA (AIG) provides a \$1,000,000 P&I limit and a Hull value of \$200,000. AIG has offered a renewal quote for the 3/1/2022 – 3/1/2023 policy term with the same terms and conditions as the expiring policy for a cost of \$5,377 (including NJ surcharges). Please note that this coverage is specifically for your 1959 Spud Barge. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew the coverage with AIG.

Pollution Liability - 1959 Spud Barge: Your current program with Water Quality Insurance Syndicate (WQIS) provides a \$5,000,000 Limit for a discharge of oil or hazardous substances. WQIS' renewal quote for the 3/1/2022 – 3/1/2023 policy term is \$2,395 (including NJ surcharges), the same as the expiring premium. Please note that this coverage is specifically for your 1959 Spud Barge. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew with the Water Quality Insurance Syndicate (WQIS).

Public Officials Liability and Employment Practices Liability Insurance: Your 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. Navigators' renewal quote for the 3/1/2022 – 3/1/2023 policy term is \$59,997. 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.

A motion was made to approve Resolution 2022-01-0016 for the referenced insurance renewals

Moved by: C. Bruner
Seconded by: W. Higgins

Voting for Motion: All
Voting Against Motion: None

INFORMATION ITEMS:

MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

The report was received and filed.

PORT SECURITY UPDATE

The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

The report was received and filed.

PUBLIC COMMENTS

The Chairman asked if there were any public comments.

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

A motion was made to adjourn the Regular Open Meeting.

Moved by: C. Styles
Seconded by: W. Higgins

Voting for motion: All
Voting against motion: None

At 1:41 p.m. the regular open session was adjourned.

Following closed session, the Regular Session was reopened at 2:04 p.m.

A motion was made to adjourn the Regular Open Meeting at 2:06 p.m.

Moved by: C. Bruner
Seconded by: W. Higgins

Voting for motion: All

Voting against motion: None

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, January 25, 2022.



Bruno Cellucci
Acting Board Secretary