



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
CAMDEN, NEW JERSEY
SEPTEMBER 24, 2024
12:30 p.m.

Directors Present:	Joseph Maressa	Acting Chairman 🗳️
	Christopher Chianese	State Treasurer Designee
	William Higgins	Director
	Sheila Roberts	Director *
	Robert D'Angelo	Director
	James MacFarlane	Director
	Carl Styles	Director
	Jonathan Gershen	Director 🗳️
Directors Absent:	Richard Alaimo	Chairman
	Chad Bruner	Director
	Eric Martins	Director
In Attendance:	Alexis Franklin	Governor's Authorities Unit
	Andrew Saporito	Executive Director & CEO
	Joseph Antinori, Esq	Brown & Connery
	August Knestaut	Dir. of L&R Affairs
	Jonathan Atwood	Chief of Staff
	Victoria D'Amico	Board Secretary
	Lisa McLaughlin	CFO / Treasurer
	Neil Grossman	Financial Advisor
	Kevin Duffy	COO
	Chris Perks	Director of Engineering
	Richard Altomare	General Mgr. Security
	Dennis Culnan, Jr.	Phoenix Strategies
	George Englehardt	Facilities Engineer 🗳️
	Danny Bontempo	Stantec 🗳️
	Jonathan Taveras	Connor Strong

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 December 12, 2023, the Acting Board 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 2024, 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 2024. 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 – AUGUST 27, 2024

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on August 27, 2024, were presented for approval.

A motion was made to approve the August 27, 2024, Board of Directors Regular Open Session Meeting Minutes as presented.

Moved by:	R. D'Angelo
Seconded by:	C. Styles

Abstain:	
Voting against motion:	None

PRESENTATION OF CLOSED MEETING MINUTES – AUGUST 27, 2024

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on August 27, 2024, were presented for approval.

A motion was made to approve the August 27, 2024, Board of Directors Regular Closed Session Meeting Minutes as presented.

Moved by:	R. D'Angelo
Seconded by:	W. Higgins

Abstain:	
Voting against motion:	None

OPERATING BILLS

The Operating Unpaid Bill list for the period 8/1/2024–8/31/2024 was presented for approval.

A motion was made to adopt Resolution 2024-09-0114 for the approval of the Operating Unpaid Bill list for the period 8/1/2024-8/31/2024.

Moved by: R. D’Angelo
Seconded by: C. Styles

Abstain:
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 8/1/2024–8/31/2024 was presented for approval.

A motion was made to adopt Resolution 2024-09-0115 for the approval of the Advance Payment Bills for the period 8/1/2024-8/31/2024.

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

Abstain: J. MacFarlane (DRS & Fazzio)
Voting against motion: None

CREDIT LIST

The Credit List for the period ending August 31, 2024, was presented for approval.

A motion was made to adopt Resolution 2024-09-0116 for the approval of the Credit List for the period ending August 31, 2024.

Moved by: C. Styles
Seconded by: R. D’Angelo

Abstain:
Voting against motion: None

CHANGE ORDERS- (ONE)**RESOLUTION 2024-09-0117: APPROVAL OF CHANGE ORDER NO. 8 FOR TRACKS UNLIMITED****Rail Rehabilitation at Balzano Marine Terminal****Change Order No. 8****Tracks Unlimited LLC**

The contract for Rail Track Rehabilitation at the Balzano Terminal was awarded to the low bidder, Tracks Unlimited, LLC, of Mountainside, NJ, in June 2023 by SJPC Board Resolution Number 2023-06-0052 in the amount of \$6,656,968.00.

The scope of work for this project included removal of existing rail track, excavation for the new track alignment and the associated rehabilitation of drainage system infrastructure in the vicinity of the new track alignment.

The SJPC Board had previously approved seven Change Orders by Resolution Numbers 2023-12-0110, 2024-01-0005, 2024-02-0026, 2024-04-0052, 2024-06-0072, 2024-07-0079, and 2024-08-0101.

This change order includes two increases in the soil removal allowance to remove accumulated excess unsuitable regulated excavated material, changes to the grading in the area surrounding the Kiln Building necessitated by changes to the inlet locations, and a second test pit at the crossing frog over the existing crane rail grade beam.

SJPC staff requests Board Approval of Change Order Number 8 in the amount of \$71,015.55, bringing the total contract amount from \$7,298,931.94 to \$7,369,948.48.

The Original Contract Amount	\$ 6,656,968.00
Change Order Number 1	\$ 150,799.00
Change Order Number 2	\$ 75,971.00
Change Order Number 3	\$ 25,859.00
Change Order Number 4	\$ 40,767.00
Change Order Number 5	\$ 176,156.60
Change Order Number 6	\$ 63,100.00
Change Order Number 7	\$ 109,311.34
Change Order Number 8	\$ 71,015.54
Adjusted Contract Amount	\$ 7,369,947.48

A motion was made to approve Resolution 2024-09-0117 to approve of Change Order Number 8 in the amount of \$71,015.55, bringing the total contract amount from \$7,298,931.94 to \$7,369,948.48.

Moved by:

R. D'Angelo

Seconded by:

J. MacFarlane

Voting for Motion: All
Voting Against Motion: None

CONSTRUCTION FUND REQUISITIONS

Staff presented (10) advance construction fund requests in the amount of \$2,794,042.93 and (3) unpaid construction fund requisitions in the amount of \$88,842.46

A motion was made to adopt Resolution 2024-09-0118 to approve the Construction Fund List for the period ending August 31, 2024.

Moved by: J. MacFarlane
Seconded by: R. D'Angelo

Abstain:
Voting against motion: None

TREASURER'S REPORT

For the month of August 2024, SJPC had net income in the amount of \$246,912 which is over budget by \$236,037 for the month. Our (year-to-date) YTD net income as of August 31st is \$187,066, which is over budget by \$101,851. In August 2024 the port received 5 more ships as compared to August 2023 and had an increase in steel and scrap tonnage for the same period.

Please note that we recognized revenue of approximately \$17,000 due to a decrease in deferred revenue in August. Our deferred revenue balance decreased from July to August and is \$470,000 at month end.

COUNSEL'S REPORT

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

EXECUTIVE DIRECTORS REPORT

The Executive Director & CEO for the South Jersey Port Corporation reports cargo tonnage for August 2024 was 286,289 s/tons: a 7% increase compared to August 2023. All terminals combined handled a total of 94,054 s/tons of breakbulk cargo during August 2024; showing a 12.3% increase compared to August 2023. August 2024 bulk cargo activity for all terminals was 192,235 s/tons: a 4.3% increase August July 2023. Year to date tonnage for all terminals through August 2024 totaled 2,202,667 s/tons; representing a 9% increase when compared to the same period in 2023.

CAMDEN TERMINALS ACTIVITY

Camden tonnage for August 2024 totaled 253,038 s/tons, a 33.1% increase when compared to August 2023. Balzano Terminal tonnage for August 2024 was 165,339 s/tons; an 185% increase compared to August 2023. Broadway Terminal tonnage for August 2024 at 87,669 s/tons showed

a 33% decrease compared to 131,970 s/tons in August 2023. Camden steel imports in August 2024 were 70,475 s/tons showing a 225.7% increase compared to 21,637 s/tons in August 2023. There were 6,390 s/tons of wood products imported August 2024 showing a 49% increase from August 2023. There was no cocoa bean activity in August 2024 or August 2023. Recycled metals exports were 97,067 s/tons in August 2024 compared to 36,474 s/tons in August 2023. August 2024 exports of Grancem totaled 26,516 s/tons compared to 27,461 s/tons in August 2023. August 2024 cement imports were 52,590 s/tons vs 100,219 s/tons in August 2023. There was no cargo activity of Gypsum in August 2024 or August 2023.

PAULSBORO TERMINAL ACTIVITY

Paulsboro Marine Terminal handled 17,188 s/tons of cargo in August 2024 compared to 57,848 s/tons in August 2023. August 2024 YTD tonnage at 435,385 s/tons is 2.6% behind YTD August 2023.

SALEM TERMINAL ACTIVITY

Export sand at 16,062 s/tons for August 2024 showed a 20% decrease compared to August 2023. August YTD 2024 sand at 132,202 s/tons is a 7.7% increase from August YTD 2023.

OTHER TERMINAL ACTIVITY

SJPC's marine terminals handled 26 ships in August 2024, compared with 21 in August 2023. The number of ship days (i.e., the number of days a ship is loading or unloading at its terminals) for August 2024 was 71, compared to 51 days in August 2023. August 2024 YTD ship days were 501, compared to 404 YTD 2023.

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

Antwerp Transportation Symposium

Andy Saporito and Brendan Dugan attended the International Forest Products Transportation Association (IFPTA) Transport Symposium in Antwerp. Approximately 330 companies involved primarily in paper and pulp logistics were in attendance. In addition to meeting several producers and shipping companies involved in this industry sector, SJPC together with DRS had a key meeting with a major European paper producer, as a follow-up to our joint RFP proposal to handle their imported paper via Balzano Terminal. In order to handle this volume, SJPC would need approximately 160,000 sf of indoor storage space, including putting concrete floors in D building, and creating approximately 60-70,000 sf of new warehouse space. These improvements have been included in SJPC's bond financing analysis submission to the State of NJ.

Safety Day September 18, 2024

The Third Annual Safety Day was held on Wednesday, September 18th. This day is dedicated to focusing on safety. The highlight of the day is a stand down for safety lunch which was held in Transit Shed #2 at Balzano Terminal. All SJPC employees were invited to attend. Other notable attendees included the DRS Safety officer and senior staff, Taylor Northeast Equipment Safety Officer and trainers, Eastern Lift Truck representatives, Contractor Services Reps, and the Camden Fire Chief and Assistant Fire Chief. The event ended with a corn hole tournament which was won this year by the local 1040 supervisors who narrowly defeated the Crane Department.

AAPA Video Taping for Annual Convention

The American Association of Port Authorities (AAPA) produced a video highlighting South Jersey Port for their CEO's keynote address at their annual convention in October, which Andy and Jonathan will be attending. Andy and AAPA's CEO Cary Davis were filmed over the course of two days in Camden and Washington, D.C., touring the Camden terminals, discussing the role the Port plays in the community, in conversation with Camden Mayor Vic Carstarphen and Congressman Donald Norcross.

EEW Paulsboro

Orsted and EEW continue to try to resolve some remaining issues. We have left a placeholder on this month's agenda if the two parties can provide us with a path forward that satisfies future funding for Phase 2 of EEW's manufacturing facility. EEW has also started to recycle the monopiles manufactured for Orsted's canceled Ocean Wind projects.

We will also be meeting with the GCIA on October to discuss remaining projects and funding given the limited amount of capital available for the Paulsboro project.

ILA Contract Discussions

Although it appears that the ILA is close to an agreement on its local contract negotiations which impacts the Delaware river ports, the larger Master Contract is still unresolved. Based on discussions with industry contacts, we have developed and will implement a strike contingency plan if the ILA does go out on strike on October 1st. Our unions have advised us that they will not cross a picket line, and we are also developing contingencies to get our staff to work.

Balzano Terminal Rail Improvements



With the final installation of rail and repaving on September 6th, the project is now seventy percent complete. Two long lead time items, the double tongue turnout switch and the crane rail crossing frogs, are awaiting delivery, and are scheduled for installation beginning in March 2025. This project had a number of significant benefits including:

- ✓ Brought the on-terminal rail system into compliance with the latest CONRAIL standards for geometry and clearances.

- ✓ By the addition of a second loading dock in Shed 1, it doubled the capacity for the loading of box cars.
- ✓ Rectified a mismatch of loading platform to boxcar floor height which had caused operational problems.
- ✓ Eliminated a steep grade from the Shed 1 loading docks up to Clinton Street which had caused operational problems.
- ✓ Eliminated chronic flooding from Berth 3 all the way north to the Kiln Building. This condition had been severe with water as deep as three feet.
- ✓ Increased available outdoor cargo laydown area along the entire length of Buildings A, C, and Shed 2.

The \$7,300,000 construction project was partially funded by a \$6,010,650 Rail Freight Assistance Program Grant from the New Jersey Department of Transportation.

Pier 5 Refrigeration of Three Warehouses

The refrigeration systems in the three warehouses at Pier 5 are being replaced at a cost of \$12,000,000, funded with \$8,000,000 in grants from the State of New Jersey and \$4,000,000 from the tenant. A new ammonia central chilling plant will cool liquid carbon dioxide distributed to terminal air handling units in the three warehouses. The project is now sixty percent complete. All of the new equipment has been delivered and most is installed in two of the three buildings. The current schedule calls for these two buildings to be on-line by April 2025, with the third building brought on-line in July 2025. We are applying for an energy savings rebate from PSE&G under their Engineered Solutions / Custom Rebate Program.



New Rooftop Equipment Delivered On-Site



Chilling Plant – New Equipment Installed



Chilling Plant – New Equipment Installed

Port of Salem Grant Agreement

Later this week, the SJPC will execute the \$11,125, 000 grant agreement with MARAD for the terminal reconstruction project at the Port of Salem. However, the project cannot proceed until the NEPA review phase is completed. Still outstanding is the final approval from the National Marine Fisheries Service which is anticipated before the end of the year. At this point, we are unable to obligate any funds, release any RFPs, or enter into any construction related contracts until the NMFS approval is received.

Other Events Attended by Staff

- MAC Luncheon
- Port of Philadelphia Crab Fest

ACTION ITEMS:

RESOLUTION 2024-09-0119: APPROVAL TO AWARD A CONTRACT FOR REPAIRS OF THE SANITARY SEWAGE PUMPING STATION AT BUILDING “B” AT THE BALZANO MARINE TERMINAL

REQUEST

Staff are requesting Board Authorization to award a contract to repair the sanitary sewage pumping station at Building B at the Balzano Marine Terminal.

BACKGROUND

All of the bathrooms, kitchens, and sinks within the B Building at the Balzano Marine Terminal are served by one duplex sanitary sewage pumping station in the ground floor of the building. Over forty Local 18 and Local 1040 employees routinely utilize these facilities as their break room, showers, and lockers are in the building.

Over the past three years, these pumps have burned out and been replaced numerous times. There are also costs incurred for an outside contractor to come and evacuate the pump pit each time. In June, staff determined that they could not repair the existing station again and the bathroom facilities are now out of service. A temporary bathroom trailer is being rented in the interim.

This pump station, along with the other 10 grinder type sanitary sewage pump stations at the two Camden terminals, was installed in 1987.

Staff advanced this project in an expedited manner by issuing a request for competitive bids. The scope of the work is to supply and install new replacement pumps and motors, motor controller, check valves, an air relief valve, and all associated plumbing and electrical work.

The project was advertised in three newspapers and posted on the website. Six qualified local firms were notified of the bid opportunity. A pre-bid site visit was held on August 29. Bids were opened on September 12, 2024. One bid was received:

Firm Name	Bid Amount
Municipal Maintenance Co. Cinnaminson, NJ	\$ 126,230

A motion was made to approve Resolution 2024-09-0119 to award a contract to furnish and install the specified sanitary pumping station equipment in the B Building at the Balzano Marine Terminal to the low bidder, Municipal Maintenance Company from Cinnaminson, NJ, in the lump sum bid amount of \$126,230.

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

**RESOLUTION 2024-09-0120: APPROVAL TO AWARD A CONTRACT FOR
SANITARY SEWER INSPECTIONS, MAINTENANCE AND REPAIRS AT THE
BALZANO AND BROADWAY MARINE TERMINALS**

REQUEST

Staff are requesting Board Authorization to award a contract to perform inspections, maintenance and repair services for sanitary sewer pump stations at the Balzano and Broadway Marine Terminals.

BACKGROUND

Sanitary sewage flows for the Balzano Marine Terminal are collected at five (5) canned grinder pump stations where the raw sewage is pumped via small diameter pressure sanitary sewer lines to the City of Camden sewage collection system in the surrounding streets.

At the Broadway Terminal, four (4) SJPC operated grinder pump stations and small diameter lines discharge to a common 10 horsepower duplex pump station which then pumps to the City's gravity lines in South Broadway. The nine (9) grinder type sanitary sewage pump stations at the two Camden terminals were installed in 1987.

Competitive publicly advertised bids were solicited from qualified contractors to perform biannual inspections, preventive maintenance, and repair services as need for all ten of the sanitary pump stations and systems. The initial term is for a period of one (1) year and may be renewed for an additional (2) one-year terms, subject to the approval of the SJPC Board.

The project was advertised in three newspapers and posted on the website. Six qualified local firms were notified of the bid opportunity. A pre-bid site visit was held on August 15. Four addenda were issued. Bids were opened on September 12, 2024. One bid was received.

Firm Name	Bid Amount
Municipal Maintenance Co. Cinnaminson, NJ	\$ 39,100

A motion was made to approve Resolution 2024-09-0120 to award a contract to perform inspections, maintenance, and repair services for all sanitary sewer pump stations at the Balzano and Broadway Marine Terminals to the low bidder, Municipal Maintenance Company from Cinnaminson, NJ, in the lump sum bid amount of \$ 39,000.

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

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2024-09-0121: APPROVAL TO AWARD A CONSTRUCTION CONTRACT FOR PAVING AND DRAINAGE OF THE LOT AT 551 SOUTH 2ND STREET AT THE BALZANO TERMINAL REQUEST

Staff is requesting Board authorization to award a construction contract to perform grading, paving, and drainage construction at the 551 S 2nd Street lot on the Balzano Terminal.

BACKGROUND

The 1.25-acre property at 551 South 2nd Street was acquired by SJPC from the City of Camden in August 2019, with the stipulation that the existing brick building, often referred to as the Goldstein Building, was to be demolished within three years.

In September 2021, a contract was awarded, the building was demolished, and a stone surface was provided. Recently, an underground storage tank on the site was remediated.

The port is consistently in need of outdoor laydown areas to accommodate the demand to handle increased cargo. By paving and providing drainage on the 551 South 2nd Street

site, this space becomes available to operations for the placement of cargo, and the parking of trucks and port yard equipment. The design engineer is PS&S.

In accordance with Resolution 2024-04-0064, the project was duly posted and advertised.

The pre-bid site visit was held on August 29, 2024. One addendum was issued. The bids were opened on September 12, 2024. One bid was received.

Company	Bid Amount
Paving Plus, LLC Glassboro, NJ	\$ 470,470

A motion was made to approve Resolution 2024-09-0121 to award a construction contract to the lowest responsible bidder Paving Plus, LLC, from Glassboro, NJ, in the lump sum amount of \$ 470,470 to perform the grading, paving and drainage at the 551 South 2nd Street lot at the Balzano Marine Terminal.

Moved by: S. Roberts
Seconded by: W. Higgins

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2024-09-0122: APPROVAL OF WORKERS' COMPENSATION & EMPLOYER'S LIABILITY RENEWAL (11/04/2024-03/01/2025)

Workers Compensation & Employers Liability: South Jersey Port Corporation's (SJPC) Workers' Compensation & Employer's Liability policy renews November 4, 2024. The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted an extension to 03/01/2025 of \$171,413, (estimated and subject to audit). This amount will be due in 4 equal installments of \$42,853.25, up 2.5% from the current monthly cost of \$41,808.00.

This slight uptick is attributable to an 18.5% annualized increase in payrolls, which was largely offset by an 18.3% decrease in rate for class code 8292 - Storage Warehouse and an improvement in SJPC's Experience Modification Factor from 1.293 to 1.245, as factored by the New Jersey Compensation Rating & Inspection Bureau.

As a result of Conner Strong & Buckelew's efforts and a positive relationship between NJM's Claims Team and SJPC, Conner Strong & Buckelew recommends SJPC renew with New Jersey Manufacturers Insurance Company.

A motion was made to approve Resolution 2024-09-0122 to Approve of the recommendation from Conner Strong & Buckelew to approve the Workers' Compensation & Employer's Liability Policy renewal policy with New Jersey

Manufacturers Insurance Company at a cost of \$171,413, effective November 4, 2024 – March 1, 2025.

Moved by: R. D'Angelo
Seconded by: S. Roberts

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2024-09-0123: APPROVAL OF CRIME AND ABOVE GROUND STORAGE TANK POLLUTION LEGAL LIABILITY RENEWALS (12/15/2024-03/01/2026)

Crime: The Port's current insurance carrier is National Union Fire Insurance Company of Pittsburgh, PA (AIG) who provides a \$500,000 limit with a \$20,000 deductible. The expiring premium was \$9,272, including New Jersey surcharges. AIG has offered an extended period from 12/15/2024-03/01/2026 for a premium of \$11,551.00. In annualized figures this renewal is up about 3% vs expiring which is a great result given a recent large loss in excess of \$400,000.

Storage Tank Pollution Legal Liability: The Port's current insurance carrier is ACE American Insurance Company (Chubb), who provides a \$1,000,000 per Storage Tank Incident Limit / \$6,000,000 Total Policy Aggregate Limit subject to a \$5,000 deductible per Storage Tank incident (4 aboveground storage tanks). The expiring premium is \$2,817, including TRIA and New Jersey surcharges. ACE American Insurance Company is unable to provide any renewal quotes until October at which time they would only be able to provide a renewal quote for an annual period 12/15/2024 – 12/15/2025. As such Conner Strong & Buckelew completed a targeted marketing effort to 3 key alternative insurers. Crum & Forester offered 1,000,000 Each Pollution Condition / \$3,000,000 Aggregate Limit subject to a \$5,000 deductible per storage tank, for the period between 12/15/2024 to 03/01/2026 for \$2,097.00. This is 39% decrease annualized. Crum is unable to offer \$3,000,000 Defense Expense limits offered in the ACE policy. However, they would be matching coverage otherwise including honoring the current retroactive dates.

A motion was made to table Resolution 2024-09-0123 Approve of the recommendations from Conner Strong & Buckelew for the above insurance renewals.

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

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2024-09-0124: APPROVAL TO ISSUE RFP FOR TWIC ESCORT SERVICES**REQUEST**

Staff requests Board approval to issue Request for Proposals (RFP) for Transportation Worker Identification Credential (TWIC) escort concession services.

BACKGROUND

In accordance with the Maritime Transportation Security Act, all persons requiring unescorted access to restricted SJPC facilities must possess a Transportation Worker Identification Credential (TWIC), issued by the Transportation Security Administration (“TSA”), before such access is granted. Persons seeking access to SJPC facilities who do not physically possess a TWIC may only enter SJPC facilities with an SJPC-approved TWIC escort as a side-by-side companion and or line of sight companion.

SJPC currently does not have a contract for escort services, rather they are administered on an ad-hoc basis. This would allow SJPC to establish a set of parameters for fees, hours of service, as well as provide a small measure of revenue to the Port.

A motion was made to approve Resolution 2024-09-0124 to approve issuing an RFP for TWIC escort concession services.

Moved by:	W. Higgins
Seconded by:	S. Roberts
Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2024-09-0125: APPROVAL TO ESTABLISH AN EMPLOYEE HEALTH REIMBURSEMENT ACCOUNT**REQUEST**

Staff requests Board approval to establish an employee Health Reimbursement Account (HRA) option, implemented through a contract with EB Employee Solutions, LLC, dba as The Difference Card.

BACKGROUND

The State Health Benefits Plan (SHBP) has recently allowed members to offer their employees a Health Reimbursement Account option. Our insurance broker, Conner Strong and Buckelew, conducted a publicly advertised Request for Proposals process, for HRA Services pursuant to New Jersey law and recommended a company called The Difference Card to provide HRA services to Port employees who enroll in an HRA-eligible health plan.

By enrolling in an HRA-eligible health plan, employees receive the same benefits at a lower premium. SJPC will fund an HRA for each enrolled employee, which the employee can use to pay the difference in employee out-of-pocket expenses between their current plan and the HRA plan, including co-pays, deductibles, coinsurance, prescription costs, and all other out-of-pocket expenses that would not have been incurred under their existing plan. It is SJPC's intention to offer our employees the opportunity to enroll in the Direct Access/Aetna Freedom 2035 plan with a fully funded Health Reimbursement Account in the amount of \$14,720 for each employee regardless of the level of coverage (single, member/spouse, parent/child, family) to be effective January 1st, 2025.

Reducing premium costs will result in potentially significant cost savings to both the employee and the Port. All contracts are subject to review by legal counsel.

A motion was made to approve Resolution 2024-09-0125 to approve contracting with EB Employee Solutions, LLC, dba as The Difference Card and establishing a Health Reimbursement Account option for employees.

Moved by:

C. Styles

Seconded by:

J. MacFarlane

Voting for Motion:

All

Voting Against Motion:

None

RESOLUTION 2024-09-0126: APPROVAL OF CONSENT TO ASSIGNMENT OF JOINT SITE DEVELOPMENT AGREEMENT BY OCEAN WIND, LLC TO EEW-AOS PAULSBORO URBAN RENEWAL, LLC

REQUEST

Staff is requesting Board approval to authorize SJPC's Executive Director and CEO to execute a Consent to Assignment Agreement (hereinafter the "Consent") that imparts SJPC's written consent to and for that certain Assignment and Assumption Agreement between Ocean Wind, LLC ("OWL") and EEW-AOS Paulsboro Urban Renewal, LLC ("EEW-AOS") providing for OWL's assignment of all its right, title and interest in, to and under Joint Site Development Agreement – Paulsboro, New Jersey, dated April 29, 2021 (hereafter the "JSDA") to EEW-AOS (the "Assignment Agreement"), subject to SJPC's legal counsel's review and final approval.

BACKGROUND

At the February 23, 2021, Board meeting, the Board approved SJPC's entry into the JSDA, which was a multiparty agreement that included the SJPC, the Gloucester County Improvement Authority ("GCIA"), EEW American Offshore Wind Structures, Inc. n/k/a EEW-AOS Paulsboro Urban Renewal, LLC

(“EEW”), and OWL. The JSDA provided for the establishment of a budget and sources of funds (financing) to facilitate the construction of a monopile manufacturing processing facility to support the offshore wind energy industry at the Paulsboro Marine Terminal (“PMT”). The JSDA further provided for the development of the monopile manufacturing facility itself on a portion of the PMT site, to include construction activities consisting of the land improvements and the in-water improvements. The JSDA was entered into by all the parties, and effective, on April 29, 2021.

OWL has made the decision to no longer pursue offshore wind energy projects that it is involved with off the coast of New Jersey, and along the entire eastern seaboard. As such, OWL has entered into a Construction Loan Purchase and Sale Agreement with EEW-AOS for the assignment/sale by OWL of call those certain loan rights and obligations related to the PMT that OWL is responsible for to EEW-AOS (hereinafter the “Purchase Agreement”). It is a condition to the closing of the sale and assignment transaction contemplated by the Purchase Agreement, and a part of the consideration provided by EEW-AOS thereunder, that OWL and EEW-AOS enter into the Assignment Agreement. However, for the Assignment Agreement to be effective, all the other parties to the JSDA must each give their written consent thereto pursuant to Section 20, paragraph 20.1 of the JSDA. Accordingly, OWL and EEW-AOS have now sought the said required written consent of and from the SJPC and GCIA in order that the Assignment Agreement will be effective, which will in turn allow for OWL and EEW-AOS to move forward with the transaction and closing contemplated under and in their Purchase Agreement.

SJPC’s, as well as the other parties to the JSDA’s, consent to the Assignment Agreement will allow for, and ensure, that the financing and construction provided for therein as it regards the PMT, and its role in supporting the offshore wind energy industry, will continue forward, and be completed.

A motion was made to table Resolution 2024-09-0126 until the next Board of Director’s meeting.

Moved by:

C. Styles

Seconded by:

S. Roberts

Voting for Motion:

All

Voting Against Motion:

None

INFORMATION ITEMS:MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

Dennis Culnan, Jr. provided the marketing report to the board. 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 Acting Chairman asked if there were any public comments.

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

A motion was made to adjourn the Regular Open Meeting at 1:30 p.m.

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

Following closed session, the Regular Session was reopened at 2:03 pm.

Upon entering back into Open Session, *A motion was made to approve the recommendation discussed in Closed Session regarding settlement of the DDS litigation captioned as follows: DDS Services, LLC vs. South Jersey Port Corporation, Superior Court of New Jersey, Law Division, Camden County, under Docket No. CAM-491-23. As discussed in Closed Session, the Director of Legal and Regulatory Affairs was authorized to communicate to SJPC's General Counsel handling the DDS litigation that they were authorized to accept the settlement offer of and from the Plaintiff, DDS, that DDS would dismiss the matter against SJPC with prejudice*

and without costs, and SJPC would dismiss any remaining counter-claims against DDS in the matter with prejudice and without costs.

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

Voting for Motion: All
Voting Against Motion: None

A motion was made to adjourn the Regular Open Meeting at 2:04pm

Moved by: R. D'Angelo
Seconded by: C. Styles

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, September 24, 2024.


Victoria D'Amico
Board Secretary