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**SOUTH JERSEY PORT CORPORATION**  
**OFFICIAL BOARD OF DIRECTORS MEETING MINUTES**  
**BROADWAY TERMINAL**  
**CAMDEN, NEW JERSEY**  
**September 25, 2018**  
**12:30 p.m.**

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OCT - 5 2018

185 W. STATE ST. PO BOX 520  
TRENTON, NJ 08625-0520

<b>Directors Present:</b>	Richard Alaimo	Chairman
	Chad Bruner	Director ☎
	Christopher Chianese	State Treas. Designee ☎
	Robert DeAngelo	Director
	Jonathan Gershen	Director ☎
	Joseph Maressa, Jr.	Director ☎
	Sheila Roberts	Director
	Carl Styles	Director ☎
<b>Directors Absent:</b>	Eric Martins	Director
<b>In Attendance:</b>	Craig Ambrose	Governor's Authorities Unit ☎
	Raymond Zane, Esq.	Gen. Counsel – Zane & Lafferty
	Jay Jones	Acting Exec. Dir. / Board Secretary
	Bruno Cellucci	Treasurer
	George Englehardt	Facilities Engineer
	Neil Grossman	Financial Advisor – GBA
	Dennis Culnan	Marketing Consultant – PS&AC
	Linda Weinstein	Marketing Consultant – PS&AC
	Christopher Lawrence	CH2M/Jacobs
	Daniel Bontempo	Stantec
	John Linden	Insurance Broker - Conner Strong
	Steve Bell	Local 1040
	Paul Bremen	Holt
	Mark Stettler	T&M Associates

**The Chairman 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 21, 2017, the Secretary of the Corporation sent a legal notice with a schedule of Regular Meetings to be held by the South Jersey Port Corporation's Board of Directors, during the calendar year 2018, indicating the time and place 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 2018. The meeting schedule was also placed on the Port Corporation's website at [www.southjerseyport.com](http://www.southjerseyport.com).

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

**RESOLUTION 2018-9-0054: APPROVAL OF INSURANCE RENEWAL FOR WORKERS' COMPENSATION & EMPLOYER'S LIABILITY**

Mr. John Linden with Conner Strong & Buckelew presented the renewal recommendation for the Workers' Compensation & Employer's Liability policy. South Jersey Port Corporation's (SJPC) Workers' Compensation & Employer's Liability policy renews November 4, 2018. The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted a renewal cost, excluding any upfront dividend, of \$622,698, (subject to audit). Although there is an increase in the overall estimated payroll of approximately 1.9% and an increase in SJPC's Experience Modification Factor from .987 to 1.133, the renewal cost decreased this year over last year primarily due to a decrease in the New Jersey Workers Compensation Classification Rates as issued by the New Jersey Compensation Rating & Inspection Bureau. As NJM does not provide commission to brokers, this figure does not include Conner Strong & Buckelew's Service Fee of \$29,403, reflecting the standard commission amount that would be received in the marketplace for placement of this policy on behalf of South Jersey Port Corporation.

The NJM option does again include a potential dividend return of up to 15% of the total audited premium, excluding state surcharges. Typically a dividend is paid out upon completion of a policy audit and is never guaranteed as dividends are subject to declaration by an insurance company's Board of Directors. As a show of continued good faith, NJM has again agreed to provide 10% (\$58,398) of the overall potential 15% dividend upfront by lowering the premium installment payments made by SJPC. Additional details are provided in our proposal.

Upon factoring the policy cost of \$622,698, Conner Strong & Buckelew's Service Fee of \$29,403 and up front Dividend of 10% (\$58,398), the NJM Renewal Cost is \$593,703. This figure represents a decrease of \$1,369 compared to last year's cost of \$595,072. Conner Strong & Buckelew, SJPC's Insurance Broker, performed an extensive marketing effort on behalf of the Port last year which resulted in savings of \$179,220. As a result of prior efforts, combined with a favorable NJM renewal option and a positive relationship between NJM's Claims Team and SJPC, Conner Strong & Buckelew recommends that SJPC renew with New Jersey Manufacturers Insurance Company at an estimated annual renewal cost of \$593,703.

***A motion was made to adopt Resolution 2018-9-0054 to approve the Workers' Compensation & Employer's Liability Policy renewal policy with New Jersey Manufacturers Insurance Company at a cost of \$593,703, effective November 4, 2018 through November 4, 2019.***

**Moved by:**  
**Seconded by:**

**J. Maressa, Jr.**  
**R. DeAngelo**

**Voting for motion:**  
**Voting against motion:**

**All**  
**None**



**INFORMATION ITEMS:****MARKETING REPORT - PHOENIX STRATEGIES / ARTLIP COMMUNICATIONS**

Mr. Dennis Culnan, Jr. presented the Marketing Report. He highlighted items from the report that included the preparation for the Port-O-Call magazine, the 2017 Annual Report and other collateral materials to market and promote the Port Corporation. Mr. Jones added they are assisting with the 50<sup>th</sup> Anniversary program that includes promotional items and an enhanced history of the highlights over the past 50 years. A commemoration pin was distributed and is made available at meetings and tradeshow the SJPC will participate in to the general public.

The report was received and filed.

**PORT SECURITY UPDATE**

Mr. Jay Jones, Deputy Executive Director / Facility Security Officer, presented the Security Update. He discussed the recent USCG AMSC meeting and the continued vigilance to enhance cyber security.

Mr. Jones also reported the SJPC hosted the September meeting of the Camden Corporate Watch. During the meeting, he presented on an overview of the Port Corporation and discussed the recent changes to the TWIC card.

**PAULSBORO MARINE TERMINAL PROJECT UPDATE**

Mr. Christopher Lawrence with CH2M presented the update on the Paulsboro Marine Terminal project.

**Paulsboro Marine Terminal Permitting**

US Army Corps permit has been received. NJDEP permit could not be issued until Federal permit was received and is expected imminently. Pile driving expected to commence late October.

**Paulsboro Marine Terminal Temporary Utilities Connections Project (PMT-018):**

PMT-018 is substantially completed. Minor punch list items remain (specifically bollards).

**Paulsboro Marine Terminal Sound Wall Project (PMT-019):**

Construction initiated for the Sound Wall Project.

- Surveying and layout of post locations in process.
- BP fence scope is complete for relocation, electrical connections for rolling gate to be complete by October 1.
- Berm for driveway closure to commence week of September 17.
- Caisson and reinforcing cages installation to commence week of September 17.
- Concrete pour of post foundations in October.
- Sound precast panels in production expected delivery of first shipment late October.

**Paulsboro Marine Terminal Phase II Wharf Construction (PMT-020)**

Temporary facility deliveries scheduled for week of September 17. Submittals in process for piles, pile coating, pile equipment and pile certification. Mobilization of barges and cranes schedule for week of October 7. Expect first delivery of pile materials on site with pile driving to commence the week of October 22.

**Paulsboro Marine Terminal Secure Entrance (PMT-021):**

Secure Entrance Project is being rescoped. The Bid Documents for the construction of a new secure turnstile entrance will be posted the week of October 8. The planned bid due date is November 9.

The report was received and filed.

**PUBLIC COMMENTS**

The Chairman asked if there were any public comments.

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

*A motion was made to adjourn the Regular Open Meeting.*

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

Voting for motion:	All
Voting against motion:	None

At 12:44 p.m. the regular open session was adjourned.

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Regular Open Session of the Board of Director's Meeting held Tuesday, September 25, 2018.



Jay Jones,  
Board Secretary



Following closed session, the Regular Session was reopened at 12:56 p.m.

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

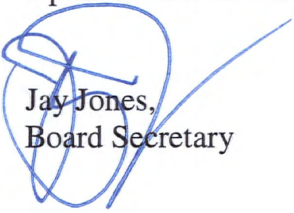
*A motion was made to adjourn the Regular Open Meeting.*

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

Voting for motion:	All
Voting against motion:	None

At 12:57 p.m. the regular open session was adjourned.

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Regular Open Session of the Board of Director's Meeting held Tuesday, September 25, 2018.



Jay Jones,  
Board Secretary



**SOUTH JERSEY PORT CORPORATION**  
**OFFICIAL BOARD OF DIRECTORS CLOSED MEETING MINUTES**  
**BROADWAY TERMINAL**  
**CAMDEN, NEW JERSEY**  
**SEPTEMBER 25, 2018**  
**12:44 p.m.**

<b>Directors Present:</b>	Richard Alaimo	Chairman
	Chad Bruner	Director ☎
	Christopher Chianese	State Treas. Designee ☎
	Robert DeAngelo	Director
	Jonathan Gershen	Director ☎
	Joseph Maressa, Jr.	Director ☎
	Sheila Roberts	Director
	Carl Styles	Director ☎
<b>Directors Absent:</b>	Eric Martins	Director
<b>In Attendance:</b>	Craig Ambrose	Governor's Authorities Unit ☎
	Raymond Zane, Esq.	Gen. Counsel – Zane & Lafferty
	Jay Jones	Acting Exec. Dir. / Board Secretary
	Bruno Cellucci	Treasurer
	George Englehardt	Facilities Engineer
	Neil Grossman	Financial Advisor – GBA

\* Individuals listed in attendance may or may not have been in attendance during the entire Closed Session, but will be so noted in the text of the minutes.



The following are matters currently under discussion and/or in negotiations and are 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. Details of such negotiations will be made public when closed session is no longer required.

#### GENERAL COUNSEL'S REPORT

Mr. Raymond Zane, Esq., presented the General Counsel's Report. The report was received and filed.

#### CWA – LOCAL 1040

The Acting Executive Director reported that guidance has been provided by the GAU on the evaluation of the CWA's proposal to renew the two expired Collective Bargaining Agreements. SJPC's labor counsel, Mr. Joseph Antinori is reviewing and preparing the documents to present to the CWA.

#### REQUEST FOR PROPOSALS FOR PROFESSIONAL SERVICES

The Board and staff discussed the schedule to re-issue the Request for Proposals for General Counsel, Labor Counsel, Bond Counsel and Maritime Counsel. The legal notices have been posted to run beginning Friday, September 28, 2018. The deadline for proposals is October 24, 2018 at 3:00 p.m. The Board Review Committee will include the Acting Executive Director and the Treasurer. Following the scoring of the pending proposals, a special meeting will be scheduled in November to have the full Board consider the all seven professional services recommendations.

#### UNPAID BILLS

The Acting Executive Director briefly updated the Board on the impacts of not being able to pay our obligations to vendors due to the vetoes. Vendors have begun refusing to provide services or products. We anticipate there will be legal actions taken if the

moratorium continues much longer. The Board and staff discussed a by-laws provision that may allow for the Port Corporation to pay the operating bills. The Chairman suggested discussing the issue with the Governor's office.

The Chairman asked if there was any additional business for Closed Session. Hearing none, he asked for a motion to adjourn Closed Session and enter back into Regular Open Session.

*A motion was made to adjourn the Closed Session Meeting.*

Moved by:	S. Roberts
Seconded by:	R. DeAngelo
Voting for motion:	All
Voting against motion:	None

At 12:56 p.m., the Closed Session was adjourned.

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Executive Closed Session of the Board of Director's meeting held Tuesday, September 25, 2018.



Jay Jones,  
Board Secretary



Board mtr.

South Jersey Port Corporation

MEETING SIGN-IN for: 9/25/13

NAME (Print)	Company	Address	Time In
B. C. C. M. C. i	SJPC		11:30
W. G. G. G. G.	63 Avenue		11:50
R. Z. Z. Z. Z.	CSO		11:50
S. E. E. E. E. E.	SJPC		
D. G. G. G. G.	Cham		
Bob Roberts.	Board		11:54
MARK STETTER	TEAM		11:55
St. J. J.	SJPC 11/10/10		
John Linder	Port of Camden		12:05
CHRIS LAWLER	CH2M		12:15
DONALD LINDEN	CH2M		
John Linder	Conner Strong		12:19
DAN BENDER	SANKEC		12:20
PAUL BREMER	Hilt		12:45

**RESOLUTION OF THE SOUTH JERSEY PORT CORPORATION BOARD OF DIRECTORS APPROVAL OF THE WORKERS' COMPENSATION & EMPLOYER'S LIABILITY POLICY RENEWAL WITH NEW JERSEY MANUFACTURERS INSURANCE COMPANY AT A COST OF \$593,703 EFFECTIVE NOVEMBER 4, 2018; #2018-9-0054**

WHEREAS, the Members of the South Jersey Port Corporation Board of Directors have been presented and considered a Request for Action, Exhibit A (agenda and minutes); and

WHEREAS, the Request for Action requested the Members to adopt a resolution authorizing certain actions by the South Jersey Port Corporation, as outlined and explained in said Request for Action.

NOW, THEREFORE, ON THIS 25<sup>th</sup> DAY of SEPTEMBER, 2018 BE IT RESOLVED BY THE MEMBERS OF THE SOUTH JERSEY PORT CORPORATION BOARD OF DIRECTORS AS FOLLOWS:

Section 1. The actions set forth in the Action Requested section of the Request for Action, attached hereto as Exhibit A, are hereby approved, subject to any conditions set forth as such in said Request for Action.

Section 2. The Request for Action, attached hereto as Exhibit A, is hereby incorporated and made part of this resolution as though set forth at length herein.

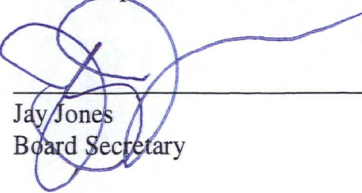
Section 3. This resolution shall take effect immediately upon expiration of the ten (10) business day period following the delivery of a true copy of this resolution accompanied by a summary of the action taken at the meeting by the Board to the Governor or immediately upon approval of the minutes by the Governor within the said ten (10) day period.

Board Member	Aye	Nay	Abstained	Recusal	Not Present
Richard Alaimo, Chair	X				
Chad Bruner	X				
Christopher Chianese	X				
Robert DeAngelo	X				
Jonathan Gershen	X				
Joseph Maressa, Jr.	X				
Eric Martins					X
Sheila Roberts	X				
Carl Styles	X				

**CERTIFICATE**

I, Jay Jones, Board Secretary of the South Jersey Port Corporation, do hereby certify that the foregoing is a true and correct copy of the resolution duly adopted and approved by the Members of the Port Corporation at a meeting duly called and held on the 25<sup>th</sup> of September 2018 and that not less than six Members of the Agency were present and voted in favor of said resolution.

IN WITNESS WHEREOF, I have hereunto set my hand and impressed the seal of the Port Corporation this 25<sup>th</sup> day of September 2018.

  
 Jay Jones  
 Board Secretary



# ATTACHMENT A

NEW JERSEY STATE LIBRARY  
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9/25/2018

schedule of the monthly Board of Director's Meetings for 2018. The meeting schedule was also placed on the Port Corporation's website at [www.southjerseyport.com](http://www.southjerseyport.com).

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

**RESOLUTION 2018-9-0054: APPROVAL OF INSURANCE RENEWAL FOR WORKERS' COMPENSATION & EMPLOYER'S LIABILITY**

Mr. John Linden with Conner Strong & Buckelew presented the renewal recommendation for the Workers' Compensation & Employer's Liability policy. South Jersey Port Corporation's (SJPC) Workers' Compensation & Employer's Liability policy renews November 4, 2018. The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted a renewal cost, excluding any upfront dividend, of \$622,698, (subject to audit). Although there is an increase in the overall estimated payroll of approximately 1.9% and an increase in SJPC's Experience Modification Factor from .987 to 1.133, the renewal cost decreased this year over last year primarily due to a decrease in the New Jersey Workers Compensation Classification Rates as issued by the New Jersey Compensation Rating & Inspection Bureau. As NJM does not provide commission to brokers, this figure does not include Conner Strong & Buckelew's Service Fee of \$29,403, reflecting the standard commission amount that would be received in the marketplace for placement of this policy on behalf of South Jersey Port Corporation.

The NJM option does again include a potential dividend return of up to 15% of the total audited premium, excluding state surcharges. Typically a dividend is paid out upon completion of a policy audit and is never guaranteed as dividends are subject to declaration by an insurance company's Board of Directors. As a show of continued good faith, NJM has again agreed to provide 10% (\$58,398) of the overall potential 15% dividend upfront by lowering the premium installment payments made by SJPC. Additional details are provided in our proposal.

Upon factoring the policy cost of \$622,698, Conner Strong & Buckelew's Service Fee of \$29,403 and up front Dividend of 10% (\$58,398), the NJM Renewal Cost is \$593,703. This figure represents a decrease of \$1,369 compared to last year's cost of \$595,072. Conner Strong & Buckelew, SJPC's Insurance Broker, performed an extensive marketing effort on behalf of the Port last year which resulted in savings of \$179,220. As a result of prior efforts, combined with a favorable NJM renewal option and a positive relationship between NJM's Claims Team and SJPC, Conner Strong & Buckelew recommends that SJPC renew with New Jersey Manufacturers Insurance Company at an estimated annual renewal cost of \$593,703.

***A motion was made to adopt Resolution 2018-9-0054 to approve the Workers' Compensation & Employer's Liability Policy renewal policy with New Jersey Manufacturers Insurance Company at a cost of \$593,703, effective November 4, 2018 through November 4, 2019.***

<b>Moved by:</b>	<b>J. Maressa, Jr.</b>
<b>Seconded by:</b>	<b>R. DeAngelo</b>

<b>Voting for motion:</b>	<b>All</b>
<b>Voting against motion:</b>	<b>None</b>





**ACTION ITEM:**

**A. RESOLUTION 2018-9-0054: APPROVAL OF INSURANCE RENEWAL FOR WORKERS' COMPENSATION AND LIABILITY**

South Jersey Port Corporation's (SJPC) Workers' Compensation & Employer's Liability policy renews November 4, 2018. The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted a renewal cost, excluding any upfront dividend, of \$622,698, (subject to audit). Although there is an increase in the overall estimated payroll of approximately 1.9% and an increase in SJPC's Experience Modification Factor from .987 to 1.133, the renewal cost decreased this year over last year primarily due to a decrease in the New Jersey Workers Compensation Classification Rates as issued by the New Jersey Compensation Rating & Inspection Bureau. As NJM does not provide commission to brokers, this figure does not include Conner Strong & Buckelew's Service Fee of \$29,403, reflecting the standard commission amount that would be received in the marketplace for placement of this policy on behalf of South Jersey Port Corporation.

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Upon factoring the policy cost of \$622,698, Conner Strong & Buckelew's Service Fee of \$29,403 and up front Dividend of 10% (\$58,398), the NJM Renewal Cost is \$593,703. This figure represents a decrease of \$1,369 compared to last year's cost of \$595,072. Conner Strong & Buckelew, SJPC's Insurance Broker, performed an extensive marketing effort on behalf of the Port last year which resulted in savings of \$179,220. As a result of prior efforts, combined with a favorable NJM renewal option and a positive relationship between NJM's Claims Team and SJPC, Conner Strong & Buckelew recommends that SJPC renew with New Jersey Manufacturers Insurance Company at an estimated annual renewal cost of \$593,703.

**RECOMMENDATION:**

Staff recommends Board Approval 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 \$593,703, effective November 4, 2018.

**Workers' Compensation and Employer's  
Liability Insurance Proposal  
Prepared for:**



**Policy Period: 11/04/2018 to 11/04/2019**

**Presented By:**

**Tim Gosnear**  
*Senior Vice President  
Managing Director*

**John Linden**  
*Account Executive*

**September 25, 2018**





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## Executive Summary

We would like to thank you for allowing us the opportunity to present this insurance proposal to you. We value your business and appreciate the confidence you have placed in Conner Strong & Buckelew over the years and look forward to receiving your authorization to bind the coverages as outlined in this proposal.

We are pleased to present our Insurance Proposal for South Jersey Port Corporation's (SJPC) November 4, 2018 to November 4, 2019 renewal for Workers' Compensation and Employer's Liability Insurance.

The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted a renewal cost, excluding any upfront dividend, of \$622,698 (subject to audit). As expiring, NJM does not provide commission to brokers and therefore this figure does not include Conner Strong & Buckelew's Service Fee of \$29,403, reflecting the standard commission amount that would be received in the marketplace for placement of this policy on behalf of SJPC. Additionally, the NJM renewal option does again include a potential dividend return of up to 15% of the total audited premium excluding state and policy surcharges. Typically a dividend is paid out upon completion of a policy audit and is never guaranteed as dividends are subject to declaration by an insurance company's Board of Directors. As a show of continued good faith, NJM has again agreed to provide 10% (\$58,398) of the overall potential 15% dividend upfront by lowering the premium installment payment made by SJPC as detailed later in this proposal.

Upon factoring the policy cost of \$622,698, Conner Strong & Buckelew's Service Fee of \$29,403 and up front dividend of 10% (\$58,398), the NJM Renewal Cost is \$593,703. This figure represents a decrease of \$1,369 compared to last year's cost of \$595,072. We provided NJM with the SJPC's updated renewal payroll information which was used in determining the quotation calculations (see **Exhibit III.A. Payroll Estimates**).

Our extensive marketing efforts last year resulted in a savings of \$179,220 for SJPC. As a result of our prior efforts, combined with a favorable renewal option from your incumbent carrier, NJM and a positive relationship shared between SJPC and NJM, it was agreed upon in our Pre-Renewal Meeting held on August 29, 2018 to proceed with renewal terms solely with NJM.



### **Next Steps**

Assuming you are satisfied with the terms, conditions, pricing, etc. offered in this Proposal, Conner Strong & Buckelew will bind coverage on behalf of the Port prior to the November 4<sup>th</sup> 2018, renewal date. As a part of this process, we will send a letter to you which will evidence that coverage is in place. Along with this, we will provide you with the final coverage summary which provides details relative to the policy that has been bound.

When the policy is issued by the insurer for the November 4, 2018 to November 4, 2019 policy period, Conner Strong & Buckelew will "*checklist*" this policy against the negotiated coverages to ensure the policy is accurate. This policy will then be provided electronically using a secure website.

Again, we would like to thank you for the opportunity and privilege to serve as your insurance partner. We are confident that the services that the Conner Strong & Buckelew team provides will continue to mitigate losses and improve your risk management program, and that our position within the insurance marketplace will yield competitively priced and broad insurance terms.





## Pricing Summary

### Pricing Page:

We have identified the expiring pricing in Column #2 that was reflected on your expiring policies. In Column #3, we have adjusted these costs to reflect what your renewal pricing would be if the insurance companies were to use the same rates on the expiring policies and apply those to your renewal estimated exposures. If your exposures are reduced, but your rates increased, you might still be paying a lower premium than the prior year, but it's not an accurate comparison. In comparing the renewal quotes for your current policy year in Column #4, a better "apples-to-apples" comparison can be made when using the adjusted expiring calculation in Column #3. Please note that the Annual Pricing is auditable at policy expiration based on various rates per \$100 of payroll.

#	(1) Coverage	(2) 11/04/2017-2018		(3) 11/04/2018-2019		(4) 11/04/2018-2019 Annual Renewal Pricing
		Exposure Basis	Expiring Annual Pricing	Exposure Basis	Expiring Rates applied to Renewal Exposures	
1	Workers' Compensation & Employer's Liability	Payroll: \$6,499,411  Payroll By Class: Storage Warehouse - \$4,353,209 Building Operations - \$687,089 Clerical Employees - \$1,459,113  Premium: TRIA Premium:  Surcharges: Subtotal Costs:	New Jersey Manufacturers Insurance Company (NJM)  AM Best: A+ (Superior); XV  \$593,592 Included  \$30,658 \$624,250	Payroll: \$6,821,000  Payroll By Class: Storage Warehouse - \$4,475,600 Building Operations - \$734,100 Clerical Employees - \$1,411,300  11/04/2018 Experience Modification: 1.133 <sup>4</sup>	\$612,262 Included  \$31,824 \$643,886	New Jersey Manufacturers Insurance Company (NJM)  AM Best: A+ (Superior); XV  Included  \$34,471 \$622,698
2	Conner Strong & Buckelew Service Fee		\$29,672		\$30,605	\$29,403
3	Advanced Dividend from NJM <sup>6</sup>		(\$58,850)		(\$60,701)	(\$58,398)
4	Total		\$595,072		\$613,790	\$593,703

Notes:

- 1) All Premiums are net of Commission.
- 2) All Costs above include the applicable State Surcharge.
- 3) Expiring Pricing does not reflect the NJCIB's amendment of the Experience Modification Factor from 0.999 to 0.987 as issued after 11/4/17.
- 4) Any mid-term change in Experience Modification Factor will be reflected on audit.
- 5) Account is eligible for up to a 15% dividend. A portion of the overall dividend has been applied upfront by billing 11 equal installments in the amount \$51,300 each. Any remaining dividend will be a function of earned premium at final audit. Dividend are subject to declaration by New Jersey Manufacturers Insurance Company Board of Directors and cannot be guaranteed.

Refer to **Exhibit III.B. Premium Rating** for additional detail.



**Payment Terms:**

The following table summarizes the payment terms and conditions offered by the incumbent carrier, as expiring.

#	Line of Coverage	Payment Terms	Agency/Direct Billed
1	Workers Compensation and Employers Liability	11 equal payments of \$51,300	Directly Billed by Insurance Company to South Jersey Port Corporation
2	Conner Strong & Buckelew Service Fee	Full Payment	Agency Billed by Conner Strong & Buckelew to South Jersey Port Corporation

## Renewal Results

In **Exhibit II – Workers' Compensation & Employer's Liability Insurance Coverage Summary**, we include a copy of the coverage summary detailing the coverages we negotiated on your behalf. This summary reflects the specific coverages, terms and conditions contained in our proposed program.

While the information in this section and in **Exhibit II** provides a detailed overview of your insurance coverage, it should solely be interpreted as a summary of your insurance coverage. In the event of any actual or interpreted differences between this section of our Proposal, the summary in **Exhibit II** and your actual policy, the terms of the policy will always prevail. Specimen policy forms for the coverage forms listed in the Insurance Coverage Summary are available upon request.

*We should also clarify that the Proposal is based on the exposure information and the loss data that was made known to Conner Strong & Buckelew during our preparations for your renewal. Any changes in these exposures, e.g., new operations, etc. need to be reported to us in order for the proper coverage to be put in place. It is important that you review the exhibits in this proposal that include underwriting data to ensure you agree with the exposures. The information in these exhibits reflects what the South Jersey Port Corporation provided to Conner Strong & Buckelew.*

Another very important issue is making sure all of your legal entities are properly disclosed and included on your individual coverage contracts (**Exhibit I – Schedule of Named Insured**). To the extent there are other entities that should be added, please advise us right away prior to binding coverage. It is important that you include all entities—whether they are currently operating, non-operating or discontinued.

### Workers' Compensation and Employer's Liability:

The Workers' Compensation and Employer's Liability policy provides insurance coverage for your statutory liability under New Jersey Workers' Compensation Law for medical treatment and indemnity for work related injuries. The coverages, as provided through their terms and conditions, will respond to mandatory benefits for accidental injury arising out of, and in the course of, employment and for disease or death that may naturally and unavoidably result. It is very important that you tell us if you have activities outside of New Jersey as of the inception date of the policy, or at any point during the policy term, so we can pursue coverage for the applicable states.

This program is written on a guaranteed cost basis. This is an arrangement under which the insured pays a fixed premium to the insurance company in exchange for the total transfer of the risk to that company. Premiums are charged on a prospective basis without adjustments for loss-experience during the policy period. The payroll exposure base will be subject to audit at policy expiration and the premium will be amended based on the actual payrolls reported.

New Jersey Manufacturers Insurance Company's renewal premium represents an approximate 0.23% (\$1,369) decrease over the expiring premium and an approximate 3% decrease over the adjusted expiring pricing. While there is an increase in the overall estimated payroll of approximately 1.9% and an increase in the Port's Experience Modification Factor from 0.987 to 1.133, the renewal cost decreased this year over last year primarily due to a decrease in the New



Jersey Workers Compensation Classification Rates as issued by the New Jersey Compensation Rating & Inspection Bureau.

- A. The Mod is used to adjust the annual premium based on previous loss experience. Usually three years of loss experience are used to determine the Mod for a Workers' Compensation policy. The three years do not include the immediate past year, but the three prior. Mods are recalculated for an employer annually. Each year, a newer year's data is added to the three year window of experience used in the calculation, and the oldest year from the prior calculation is dropped off.

The Mod calculation for the 11/04/2018-19 policy period includes loss experience from the 11/04/2014-15, 11/04/2015-16 and 11/04/2016-17 policy periods. The Mod is increasing from 0.987 for the 11/04/2017-18 term to 1.133 for the 11/04/2018-19 renewal term. This means South Jersey Port Corporation is paying an additional 13.3 cents on every dollar of payroll. To help offset this increase, NJM has provided 10.5% of credit to the policy. See **Exhibit III.C. – Experience Modification Worksheet** for additional detail.

- B. The expiring 2017-2018 policy has a total estimated payroll of \$6,499,411. South Jersey Port Corporation has estimated that the payroll will increase to \$6,621,000 for the 2018-2019 policy term. This approximate 1.9% increase in payroll is offset by a decrease to the New Jersey Workers Compensation Classification Rates issued by the New Jersey Rating and Inspection Bureau for the class codes used in the Port's operations. These rates apply to all businesses in the State using the same Workers' Compensation class codes as follows:

#	Classification	WC Class Code	2017 Rate per \$100 of Payroll	2018 Rate per \$100 of Payroll	% Change
1	Storage Warehouse	8292	\$12.34	\$11.52	-6.6%
2	Building Operations	9015	\$8.21	\$7.13	-13.2%
3	Clerical Employees	8810	\$0.27	\$0.22	-18.5%

As the Port has advised in the past, the payrolls are provided on a prospective basis in advance of the policy period and represent a best estimate of what the payroll will be for the upcoming policy period. As you are aware, the actual payroll for the period will be determined as part of an audit performed after policy expiration. The details of the 2017-2018 audit and any resulting change in premium will be determined by NJM using the payrolls submitted by the Port to NJM.





11/04/2018-2019 Insurance Proposal for:  
**South Jersey Port Corporation**

The Workers' Compensation & Employer's Liability renewal policy's terms, conditions and limits (outlined below) remain as expiring.

**Limits of Insurance:**

1. Workers' Compensation - Statutory Limit
2. Employer's Liability –
  - \$500,000 - Bodily Injury by Accident
  - \$500,000 - Bodily Injury by Disease Each Employee
  - \$500,000 - Bodily Injury by Disease Policy Limit

As expiring, the renewal policy will not include a Longshore and Harbor Workers' Coverage Endorsement. Based on past discussions, the Port has been of the opinion that USL&H exposure did not exist. As in the past, the insurance carrier has agreed that should a claim requiring USL&H coverage arise in the future, they will retroactively endorse the policy to provide the coverage and charge the applicable premium based on the exposure.

**Insurance Coverage Summary:**

For a more complete listing of the coverages negotiated on your behalf, please refer to **Exhibit II – Workers' Compensation and Employer's Liability Insurance Coverage Summary**.



## Account Management Services

At Conner Strong & Buckelew we seek to become a trusted advisor to our clients. We believe you will notice a stark contrast between Conner Strong & Buckelew and many of our competitors. In our proposals and other presentations, we seek to educate our clients concerning insurance coverage, how claims will be paid in the event of a loss and a whole host of other risk management strategies that can be employed with success. For a detailed list of these services please see the ***Exhibit IV – Conner Strong & Buckelew Description of Services.***



## Disclosures

### Terrorism

The Terrorism Risk Insurance Act, as amended by the Terrorism Risk Insurance Protection Act of 2007 ("TRIA") is a federal law that requires commercial insurance companies to offer terrorism coverage (as defined by TRIA) and mandates that the US government provide certain reinsurance for such coverage. This coverage was most recently extended in 2015 until 2020.

### A.M. Best Rating Explanation

A.M. Best Company offers comprehensive financial data to insurance professionals and consumers. The Conner Strong & Buckelew Marketing Department continuously monitors our insurance company partners' financial ratings and information utilizing *A.M. Best* (and several other industry rating organizations) to track and measure insurance companies' financial strength and ability to meet ongoing obligations to policyholders. Conner Strong & Buckelew recommends to our clients that no insurance company with less than an "A- Excellent; VIII" rating should be used for their insurance program. This criterion is particularly important given recent trends that (1) only 75% of property & casualty insurance companies currently meet A.M. Best's criteria for at least an A- rating and (2) nearly 1% of all property & casualty insurance companies (average 25 annually) become financially impaired or insolvent each year.

Best's Rating Systems are based upon quantitative and qualitative measures that include comparisons to peers and industry standards, assessments of an insurer's balance sheet, philosophy and management and operating performance. Conner Strong & Buckelew cannot guarantee the accuracy of the rating or the financial stability of an insurance company.

A copy of *Best's Insurance Report* for companies that participate in your insurance program is available upon request.

A.M. Best Co. Rating Information			
Rating	Description	Financial Size/Category	Statutory Surplus (000,000)
A++, A+	Superior	Class I	Less than \$1
A, A-	Excellent	Class II	\$1 - \$2
B++, B+	Very Good	Class III	\$2 - \$5
B, B-	Fair	Class IV	\$5 - \$10
C++, C+	Marginal	Class V	\$10 - \$25
C, C-	Weak	Class VI	\$25 - \$50
D	Poor	Class VII	\$50 - \$100
E	Under Regulatory Supervision	Class VIII	\$100 - \$250
F	In Liquidation	Class IX	\$250 - \$500
S	Rating Suspended	Class X	\$500 - \$750
NR 1-5	Non-Rated Categories	Class XI	\$750 - \$1,000
		Class XII	\$1,000 - \$1,250
		Class XIII	\$1,250 - \$1,500
		Class XIV	\$1,500 - \$2,000
		Class XV	> \$2,000



## South Jersey Port Corporation

### New Jersey Workers Compensation - Projected Cost for 11/04/2018-2019

Work Comp Class	Class Description	New Jersey Manufacturers Ins. Co.		New Jersey Manufacturers Ins. Co.	
		11/04/2017 - 2018 Estimated Payroll	11/04/2017 - 2018 Expiring Cost	11/04/2018 - 2019 Estimated Payroll	11/04/2018 - 2019 Projected Cost
8292	Storage Warehouse	\$ 4,353,209	\$ 12.34 \$ 537,186	\$ 4,475,600	\$ 11.52 \$ 515,589
9015	Building Operations	\$ 687,089	\$ 8.21 \$ 56,410	\$ 734,100	\$ 7.13 \$ 52,341
8810	Clerical Employees	\$ 1,459,113	\$ 0.27 \$ 3,940	\$ 1,411,300	\$ 0.22 \$ 3,105
	Total	<b>\$ 6,499,411</b>		<b>\$ 6,621,000</b>	
	Estimated Annual Premium		\$ 597,536		\$ 571,035
6199	Increased Limits		0.011 \$ 6,573		0.011 \$ 6,281
	Total Premium Subject to Experience Modification Factor		\$ 604,109		\$ 577,316
9898	Experience Modification Factor		0.999 \$ 603,505		1.133 \$ 654,099
	Schedule Rating Debit*		0.1 \$ 60,351		0 \$ -
	Estimated Standard Premium		\$ 663,856		\$ 654,099
	Premium Discount		0.11 \$ (73,024)		0.105 \$ (68,680)
0900	Expense Constant		\$ 160		\$ 160
9740	Foreign Terrorism		0.03 \$ 1,950		0.03 \$ 1,986
9741	Domestic Terrorism		0.01 \$ 650		0.01 \$ 662
	Total Estimated Premium		\$ 593,592		\$ 588,227
0935	Second Injury Fund Surcharge		0.05 \$ 30,175		0.0515 \$ 33,686
	Uninsured Employers Fund Surcharge		0.0008 \$ 483		0.0012 \$ 785
	Premium Total		\$ 624,250		\$ 622,698
	Conner Strong & Buckelew Service Fee**		\$ 29,672		\$ 29,403
	Premium Total		\$ 653,922		\$ 652,101
	Dividend***		0.099142 \$ (58,850)		0.099278 \$ (58,398)
	Grand Total		\$ 595,072		\$ 593,703

**Notes:**

\*Schedule Rating Debit reflects surcharge by the Voluntary Market due to claims experience.

\*\*Conner Strong & Buckelew Service Fee is billed separately and not included in installments detailed below.

\*\*\*Account is eligible for up to a 15% dividend. A portion of the overall dividend has been applied upfront by billing 11 equal installments in the amount \$51,300 each. Any remaining dividend will be a function of earned premium at final audit. Dividends are subject to declaration by New Jersey Manufacturers Insurance Company Board of Directors and cannot be guaranteed.

Conner Strong & Buckelew Companies, LLC (the "Firm") and South Jersey Port Corporation entered into a Professional Services Agreement ("Agreement") with an effective date of April 1, 2017 for General Health and Insurance Broker Services, as amended by an amendment to the Fee Agreement, dated November 4, 2017. Section 4(b) the Professional Services Agreement requires South Jersey Port Corporation ("SJPC") to pre-approve any additional fee for services. Pursuant to the Agreement, the Parties agree to amend the Agreement for a second time as follows:

During the renewal process of the Workers Compensation and Employer's Liability Policy, the Firm presented SJPC a renewal option from the New Jersey Manufacturer's Insurance Company ("NJM") at a cost of \$622,698. The NJM does not compensate brokers through the usual method of paying commissions included in the insurance premium. As a result, SJPC and the Firm Agree that SJPC shall pay the Firm a Service Fee of \$29,403. The Services Fee shall be due within 30 days of receipt of the invoice and shall be full earned up execution of this Agreement.

Conner Strong & Buckelew strives to promote the integrity of its company and maintain Client's trust and confidence. To assist in that effort, Conner Strong & Buckelew has adopted a Statement of Revenue and a Code of Business Conduct and Ethics, which are posted on the website located at [connerstrong.com](http://connerstrong.com).

Any fees paid pursuant to this Agreement are not a part of any premium charged by NJM and can only be received upon execution of this Agreement. The fee does not exceed Conner Strong & Buckelew's standard compensation for procuring and administering insurance. In addition to the foregoing, Conner Strong & Buckelew may earn profit sharing, incentives, bonuses, trips, prizes, awards and/or other forms of compensation that insurers pay based on such items as overall premium volume and profitability with that insurer.

Unless modified herein, the terms of the Agreement shall remain in full force and effect.

The term of this Amendment shall be 1 year from November 4, 2018 to November 4, 2019. This Second Amendment is entered into of this 4<sup>th</sup> day of November, 2018.

Jay Jones, Acting Executive Director

Client Representative  
(Print Name)

Timothy J. Gosnear, Managing Director

Conner Strong & Buckelew Representative  
(Print Name)

Client Representative Signature

Conner Strong & Buckelew Representative  
Signature





# **SOUTH JERSEY PORT CORPORATION**



## **BOARD OF DIRECTORS MEETING SEPTEMBER 25, 2018**

### **AGENDA ITEMS REQUIRING BOARD ACTION**

- A. RESOLUTION 2018-9-0054: APPROVAL OF INSURANCE RENEWAL FOR WORKERS' COMPENSATION & EMPLOYER'S LIABILITY**

### **SUPPLEMENTAL BOARD INFORMATION**

- B. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- C. PORT SECURITY UPDATE**
- D. PAULSBORO MARINE TERMINAL PROJECT UPDATE**

**PUBLIC SESSION FOR QUESTIONS / COMMENTS**

**CLOSED SESSION AND/OR ADJOURNMENT**



**ACTION ITEM:**

**A. RESOLUTION 2018-9-0054: APPROVAL OF INSURANCE RENEWAL FOR WORKERS' COMPENSATION AND LIABILITY**

South Jersey Port Corporation's (SJPC) Workers' Compensation & Employer's Liability policy renews November 4, 2018. The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted a renewal cost, excluding any upfront dividend, of \$622,698, (subject to audit). Although there is an increase in the overall estimated payroll of approximately 1.9% and an increase in SJPC's Experience Modification Factor from .987 to 1.133, the renewal cost decreased this year over last year primarily due to a decrease in the New Jersey Workers Compensation Classification Rates as issued by the New Jersey Compensation Rating & Inspection Bureau. As NJM does not provide commission to brokers, this figure does not include Conner Strong & Buckelew's Service Fee of \$29,403, reflecting the standard commission amount that would be received in the marketplace for placement of this policy on behalf of South Jersey Port Corporation.

The NJM option does again include a potential dividend return of up to 15% of the total audited premium, excluding state surcharges. Typically a dividend is paid out upon completion of a policy audit and is never guaranteed as dividends are subject to declaration by an insurance company's Board of Directors. As a show of continued good faith, NJM has again agreed to provide 10% (\$58,398) of the overall potential 15% dividend upfront by lowering the premium installment payments made by SJPC. Additional details are provided in our proposal.

Upon factoring the policy cost of \$622,698, Conner Strong & Buckelew's Service Fee of \$29,403 and up front Dividend of 10% (\$58,398), the NJM Renewal Cost is \$593,703. This figure represents a decrease of \$1,369 compared to last year's cost of \$595,072. Conner Strong & Buckelew, SJPC's Insurance Broker, performed an extensive marketing effort on behalf of the Port last year which resulted in savings of \$179,220. As a result of prior efforts, combined with a favorable NJM renewal option and a positive relationship between NJM's Claims Team and SJPC, Conner Strong & Buckelew recommends that SJPC renew with New Jersey Manufacturers Insurance Company at an estimated annual renewal cost of \$593,703.

**RECOMMENDATION:**

Staff recommends Board Approval 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 \$593,703, effective November 4, 2018.



# South Jersey Port Corporation

## New Jersey Workers Compensation - Projected Cost for 11/04/2018-2019

Work Comp Class	Class Description	New Jersey Manufacturers Ins. Co.		New Jersey Manufacturers Ins. Co.	
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	<b>Total</b>	<b>\$ 6,499,411</b>		<b>\$ 6,621,000</b>	
	Estimated Annual Premium		\$ 597,536		\$ 571,035
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	Dividend***		0.099142 \$ (58,850)		0.099278 \$ (58,398)
	<b>Grand Total</b>		<b>\$ 595,072</b>		<b>\$ 593,703</b>

**Notes:**

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Any fees paid pursuant to this Agreement are not a part of any premium charged by NJM and can only be received upon execution of this Agreement. The fee does not exceed Conner Strong & Buckelew's standard compensation for procuring and administering insurance. In addition to the foregoing, Conner Strong & Buckelew may earn profit sharing, incentives, bonuses, trips, prizes, awards and/or other forms of compensation that insurers pay based on such items as overall premium volume and profitability with that insurer.

Unless modified herein, the terms of the Agreement shall remain in full force and effect.

The term of this Amendment shall be 1 year from November 4, 2018 to November 4, 2019. This Second Amendment is entered into of this 4<sup>th</sup> day of November, 2018.

Jay Jones, Acting Executive Director  
\_\_\_\_\_  
Client Representative  
(Print Name)

Timothy J. Gosnear, Managing Director  
\_\_\_\_\_  
Conner Strong & Buckelew Representative  
(Print Name)

\_\_\_\_\_  
Client Representative Signature

\_\_\_\_\_  
Conner Strong & Buckelew Representative  
Signature



**RESOLUTION OF THE SOUTH JERSEY PORT CORPORATION BOARD OF DIRECTORS APPROVAL OF THE WORKERS' COMPENSATION & EMPLOYER'S LIABILITY POLICY RENEWAL WITH NEW JERSEY MANUFACTURERS INSURANCE COMPANY AT A COST OF \$593,703 EFFECTIVE NOVEMBER 4, 2018; #2018-9-0054**

WHEREAS, the Members of the South Jersey Port Corporation Board of Directors have been presented and considered a Request for Action, Exhibit A (agenda and minutes); and

WHEREAS, the Request for Action requested the Members to adopt a resolution authorizing certain actions by the South Jersey Port Corporation, as outlined and explained in said Request for Action.

NOW, THEREFORE, ON THIS 25<sup>th</sup> DAY of SEPTEMBER, 2018 BE IT RESOLVED BY THE MEMBERS OF THE SOUTH JERSEY PORT CORPORATION BOARD OF DIRECTORS AS FOLLOWS:

Section 1. The actions set forth in the Action Requested section of the Request for Action, attached hereto as Exhibit A, are hereby approved, subject to any conditions set forth as such in said Request for Action.

Section 2. The Request for Action, attached hereto as Exhibit A, is hereby incorporated and made part of this resolution as though set forth at length herein.

Section 3. This resolution shall take effect immediately upon expiration of the ten (10) business day period following the delivery of a true copy of this resolution accompanied by a summary of the action taken at the meeting by the Board to the Governor or immediately upon approval of the minutes by the Governor within the said ten (10) day period.

Board Member	Aye	Nay	Abstained	Recusal	Not Present
Richard Alaimo, Chair					
Chad Bruner					
Christopher Chianese					
Robert DeAngelo					
Jonathan Gershen					
Joseph Maressa, Jr.					
Eric Martins					
Sheila Roberts					
Carl Styles					

**CERTIFICATE**

I, Jay Jones, Board Secretary of the South Jersey Port Corporation, do hereby certify that the foregoing is a true and correct copy of the resolution duly adopted and approved by the Members of the Port Corporation at a meeting duly called and held on the 25<sup>th</sup> of September 2018 and that not less than six Members of the Agency were present and voted in favor of said resolution.

IN WITNESS WHEREOF, I have hereunto set my hand and impressed the seal of the Port Corporation this 25<sup>th</sup> day of September 2018.

\_\_\_\_\_  
Jay Jones  
Board Secretary



**INFORMATION ITEM:**

**B. MARKETING COMMITTEE REPORT**

Phoenix/Artlip Communications will present the Marketing Report.





## MEMORANDUM

To: Jay Jones, SJPC Acting Executive Director  
From: Phoenix Strategies/Artlip Communications  
Subject: Activity Report for September 2018  
Date: September 10, 2018

The following reports on the activities of Phoenix Strategies/Artlip Communications joint venture on behalf of the South Jersey Port Corporation for the period from August 9, 2018 through September 10, 2018.

### CORPORATE COMMUNICATIONS

This has been an extremely busy month for the marketing team. We have redesigned and rewritten both the South Jersey Port Corporation tri-fold brochure as well as the tri-fold for Paulsboro Marine Terminal. We have also written much of the content for the next Port O Call magazine.

We have worked with Mr. Jones on designing a special logo to celebrate the Corporation's 50th anniversary. The new logo will be used on stationary over the next several months as well as on collateral materials and promotional items.

Our preparatory work on the 2017 Annual Report is complete. We await the release of the 2017 audit report before sending the publication to a commercial printer.

We have been in contact with a professional display maker and have ordered a new display to use at the Break Bulk Conference and other events. The old display served well for about 10 years, but it has become more and more difficult to make it look professional at recent events.

We will be working with Mr. Jones on designing a new inhouse publication, Rules and Regulations for Employees of the SJPC.

We are working with Cooper's Ferry on a project in which images of our Camden marine terminals and surrounding activities will figure prominently.

We completed the economic impact brochure and it can be found on our website as well as on the Port Corporation's Facebook pages.

### ADVERTISING

We are working on two advertisements for upcoming publications. Both will incorporate the 50th anniversary logo. We have revised the look of the corporation's advertisements and other collateral materials in the interim.

### MARKETING

We continue to concentrate on the future needs of the Port for materials, so those needs are met in a timely manner. We attend board meetings as they are held and report on our work on behalf of the Corporation. We attended the recent special board meeting.



**INFORMATION ITEM:**

**C. SECURITY UPDATE**

The security update is prepared by Mr. Jay Jones, Deputy Executive Director / Facility Security Officer.

**U.S. COAST GUARD AMSC MEETING:** The USCG Sector Delaware Bay Area Maritime Security Committee meeting was held on Friday, September 14<sup>th</sup>. A presentation was made by Ms. Krista Valenzuela, Senior Cyber Threat Intelligence Analyst NJ Cybersecurity & Communications Integration Cell, and AMSC Cyber Subcommittee Chair, on the advanced persistent threat (APT) group HIDDEN COBRA/Lazarus Group, attributed to the North Korean government. There was a discussion regarding recent maritime cyber incidents.





**INFORMATION ITEM:**

**D. PAULSBORO MARINE TERMINAL PROJECT UPDATE**

Updates for the Paulsboro Marine Terminal project are provided by the Gloucester County Improvement Authority.

## **PAULSBORO MARINE TERMINAL PROJECT UPDATE**

September 25, 2018

### **Paulsboro Marine Terminal Permitting**

US Army Corps permit has been received. NJDEP permit could not be issued until Federal permit was received and is expected imminently. Pile driving expected to commence in late October.

### **Paulsboro Marine Terminal Temporary Utilities Connections Project (PMT-018):**

Substantially complete – minor punch list items remain (specifically bollards)

### **Paulsboro Marine Terminal Sound Wall Project (PMT-019):**

- Surveying and layout of post locations in process.
- BP fence scope is complete for relocation, electrical connections for rolling gate to be complete by October 1.
- Berm for driveway closure to commence week of September 17.
- Caisson and reinforcing cages installation to commence, week of September 17.
- Concrete pour of post foundations, in October.
- Sound precast panels in production, expected delivery of first shipment, late October,

### **Paulsboro Marine Terminal Phase II Wharf Construction (PMT-020)**

- Temporary Facility deliveries, week of September 17.
- Submittals in process for piles, pile coating, pile equipment and pile certifications.
- Mobilization of barges and cranes, week of October 7.
- Pile materials, expected first delivery on site with pile driving to commence, week of October 22.

### **Paulsboro Marine Terminal Secure Entrance (PMT-021):**

Project is rescoped. The Bid Documents for the construction of a new secure turnstile entrance will be posted the week of October 8. Planned Bid Due Date is November 9.





## **MATTERS INVOLVING LITIGATION, PERSONNEL & SPECIAL MATTERS**

The subject matter is covered by one or more of the following legal exemptions:

- Matters made confidential by state, federal law or rule by court.
- Disclosure would result in an unwarranted invasion of individual privacy, unless the person affected consents in writing.
- Disclosure would impair the body's right to receive federal or state funds.
- Collective bargaining.
- Lease or acquisition of property, setting of banking rates, investment of public funds if disclosure would harm the public interest.
- Investigations into violations of law.
- Strategies to protect public security.
- Pending, ongoing or anticipated litigation or contract negotiation, including attorney-client privilege. The threat of litigation must be more than theoretical for this exemption to apply.
- Personnel matters affecting employees of the public bodies, unless all parties request or consent to a public hearing. Prior to discussion of personnel, affected employees must be given notice, known as a Rice notice, which gives the employee the right to request a public hearing.
- Proceedings that could result in a suspension, civil penalty, or loss of a license or permit.

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### **1. COUNSEL'S REPORT**

### **2. PERSONNEL** **a. Local 1040**

# **MEMORANDUM**

## **ATTORNEY – CLIENT PRIVILEGED COMMUNICATION**

**TO: South Jersey Port Corporation Board Members**

**FROM: Raymond J. Zane, Esquire – General Counsel**

**DATE: September 25, 2018**

**RE: Counsel's Report for September 2018**

\*\*\*\*\*

- **6<sup>th</sup> STREET**

There is an issue regarding 6<sup>th</sup> Street and a small portion of land that should have gone to the South Jersey Port Corporation but did not. We will be looking for co-operation from the City of Camden and the city engineers, in addition to assistance from the title company in resolving this issue.

- **SJPC AND CWD**

The lease between these two parties has been carefully reviewed to determine maintenance responsibilities between the tenant and the landlord.

- **SJPC AND EMR**

A meeting was held with representatives from EMR and the South Jersey Port Corporation to discuss erosion and soil sinking problems that are destroying the pavement on the property. A follow up Phone Conference is scheduled for October 1, 2018. Responsibility for the matter has yet to be determined.



- **CAMDEN YARD STEEL**

Meetings have been held with representatives of CYS and the South Jersey Port Corporation to discuss issues related to on site conditions and land availability.

- **MISCELLANEOUS**

Prep work has been completed for projects that are on hold because of the veto.