

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING September 25, 2023

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

- 1. APPROVAL OF MINUTES**
Regular Open Meeting August 29, 2023
Closed Session Meeting August 29, 2023
- 2. APPROVAL OF OPERATING BILLS
RESOLUTION 2023-09-0080**
- 3. APPROVAL OF ADVANCED PAYMENT BILL LIST
RESOLUTION 2023-09-0081**
- 4. APPROVAL OF CREDITS - NONE**
- 5. APPROVAL OF CHANGE ORDERS – NONE**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS
RESOLUTION 2023-09-0082**
- 7. RECEIPT OF TREASURER’S REPORT**
- 8. RECEIPT OF COUNSEL’S REPORT**
- 9. RECEIPT OF EXECUTIVE DIRECTOR’S REPORT**
- 10. ADDITIONAL AGENDA ITEMS REQUIRING BOARD ACTION:**



ACTION ITEMS

- A. RESOLUTION 2023-09-0083: APPROVAL TO AWARD A CONSTRUCTION CONTRACT FOR SHED 2 ROOF REPAIRS AT BALZANO TERMINAL, CAMDEN, NJ**
- B. RESOLUTION 2023-09-0084: APPROVAL OF DELAWARE RIVER STEVEDORES (DRS) LEASE RENEWAL**
- C. RESOLUTION 2023-09-0085: APPROVAL TO RENEW WORKERS' COMPENSATION & EMPLOYER'S LIABILITY (11/4/2023-2024)**
- D. RESOLUTION 2023-09-0086: APPROVAL TO ESTABLISH EMPLOYEE HEALTH REIMBURSEMENT ACCOUNT**

11. SUPPLEMENTAL BOARD INFORMATION:

- E. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- F. PORT SECURITY UPDATE**
- G. PAULSBORO MARINE TERMINAL PROJECT UPDATES**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT

ACTION ITEM:

A. RESOLUTION 2023-09-0083: APPROVAL TO AWARD A CONSTRUCTION CONTRACT FOR SHED 2 ROOF REPAIRS AT BALZANO TERMINAL, CAMDEN, NJ

REQUEST

Pursuant to the Board Authorization: RESOLUTION 2023-07-0063: APPROVAL TO ADVERTISE FOR BIDS FOR THE CONSTRUCTION OF SHED 2 ROOF REPAIRS AT BALZANO TERMINAL, CAMDEN, NJ, an RFP was advertised for the solicitation of public bids to perform roof repairs on the Balzano Terminal Transit Shed 2 building.

BACKGROUND

The scope of work includes application of a leak proof multi-part roof restoration system and flashing cement at all roof penetrations, on the entire 28,000 sf transit shed building, drain line repairs and replacing the three existing glass skylights with a solid metal roof.

A pre-bid meeting was held on August 24, 2023, with eleven (11) contractors in attendance. The following four (4) bids were received on September 12, 2023:

Jottan Inc. Delran, NJ 08075	\$344,571.00
Kupex Exteriors LLC Trenton, NJ 08609	\$389,035.00
D.A. Nolt Inc. Berlin, NJ 08009	\$748,604.00
First Line Contracting Inc. New Hyde Park, NY 11040	\$796,625.00

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A low bid meeting was held on September 12, 2023, with Jottan Inc., at which time the contractor demonstrated an understanding of the scope of work and explained his means and methods to accomplish the project. General Counsel attended the low bid meeting and his review indicated that the proposal met all requirements of the Request for Bids.

RECOMMENDATION:

Staff is therefore recommending Board approval to award a construction contract to the low bidder, Jottan Inc., Delran, NJ, in the Lump Sum Bid Amount of \$344,571.00.

ACTION ITEM:

B. RESOLUTION 2023-09-0084: APPROVAL OF DELAWARE RIVER STEVEDORES (DRS) LEASE RENEWAL

REQUEST

Staff is requesting Board approval to renew the maintenance garage lease with Delaware River Stevedores (DRS).

BACKGROUND

DRS leases approximately 36,900 square feet of combined open space and garage repair building from SJPC at Balzano Terminal, in order to support their stevedoring operations in Camden. The current lease has a three-year term expiring on September 30, 2023, with total annual rent paid at \$75,761.64.

Requested Lease Renewal Key Terms

- Initial 5-year term, from October 1, 2023 through September 30, 2028
- Tenant has one 5-year term extension option, starting October 1, 2028
- First year rent: \$78,034.44
- Thereafter annual CPI-U rent increases based on a minimum of 2% and a maximum of 5%

RECOMMENDATION:

Staff recommends Board approval to renew the maintenance garage lease with DRS for an initial 5-year term, plus one 5-year extension option.

ACTION ITEM:

C. RESOLUTION 2023-09-0085: APPROVAL TO RENEW WORKERS' COMPENSATION & EMPLOYER'S LIABILITY (11/4/2023-2024)

REQUEST

Staff requests Board approval to renew the Workers' Compensation & Employer's Liability Policy with New Jersey Manufacturer's Insurance Company.

BACKGROUND

South Jersey Port Corporation's (SJPC) Workers' Compensation & Employer's Liability policy renews November 4, 2023. The incumbent carrier, New Jersey Manufacturer's Insurance Company (NJM), has quoted a renewal cost, excluding any upfront dividend, of \$507,524, (estimated and subject to audit). The overall renewal cost increased this year over last year, but premiums are driven by two factors. The first being the increase in SJPC's Experience Modification Factor from 1.056 to 1.293, as factored by the New Jersey Compensation Rating & Inspection Bureau. The second being the estimated payrolls increasing from \$7,262,129 to \$7,488,625.

As a reminder from last year, NJM had increased the potential dividend from up to 15% to up to 20% 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 and for the sixth year in a row, NJM has again agreed to provide a portion of the dividend upfront, this time of 10% (\$47,636).

Upon factoring the policy cost and up-front Dividend, the NJM Net Renewal Cost is \$459,888. This figure represents an increase of \$6,688 compared to last year's cost of \$453,200. As a result of Conner Strong & Buckelew's prior marketing efforts, combined with the upfront dividend and a positive relationship between NJM's Claims Team and SJPC, Conner Strong & Buckelew recommends SJPC renew with New Jersey Manufacturers Insurance Company.

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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 \$459,888, effective November 4, 2023.



ACTION ITEM:

**D. RESOLUTION 2023-09-0086: APPROVAL TO ESTABLISH
EMPLOYEE HEALTH REIMBURSEMENT ACCOUNT**

REQUEST

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

BACKGROUND

The State Health Benefits Plan (SHBP) has recently allowed members to offer a Health Reimbursement Account option to its employees. By enrolling in an HRA eligible health plan, employees receive the same level of benefits at a lower premium. SJPC will fund an HRA for each enrolled employee, which can be used by the employee 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.

The reduction in premium costs will result in potentially significant cost savings to both the employee and the Port. The Port's insurance broker, Connor, Strong, and Buckelew solicited three bids for HRA services, and The Difference Card provided the best price. All contracts are subject to review by legal counsel.

RECOMMENDATION:

Staff recommends Board Approval to contract with The Difference Card and establish a Health Reimbursement Account option for employees.



INFORMATION ITEM:

E. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.

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INFORMATION ITEM:

F. SECURITY UPDATE:



INFORMATION ITEM:

G. PAULSBORO MARINE TERMINAL PROJECT UPDATES

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



MATTERS INVOLVING LITIGATION, PERSONNEL MATTERS & SPECIAL MATTERS

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

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