



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
CAMDEN, NEW JERSEY
DECEMBER 5, 2023
12:33 p.m.

Directors Present:	Richard Alaimo	Chairman ☺
	Christopher Chianese	State Treasurer Designee ☺
	William Higgins	Director
	Sheila Roberts	Director
	Joseph Maressa	Director ☺
	Robert D'Angelo	Director
	Chad Bruner	Director ☺
	Carl Styles	Director ☺
	Jonathan Gershen	Director

Directors Absent:	Eric Martins	Director
--------------------------	--------------	----------

In Attendance:	Alexis Franklin	Governor's Authorities Unit
	Andrew Saporito	Executive Director & CEO
	Louis Lessig	General Counsel ☺
	August Knestaut	Dir. of L&R Affairs
	Jonathan Atwood	Acting Board Secretary / Chief of Staff
	Lisa McLaughlin	CFO / Treasurer
	Neil Grossman	Financial Advisor
	Kevin Duffy	COO
	Sandy Kelly	Phoenix Strategies
	Dan Bontempo	Stantec
	Patrick Boyle	Senior Purchasing Agent
	George Englehardt	Facilities Engineer ☺
	Chris Perks	Director of Engineering
	Brendan Dugan	CCO
	Mario Christina	GCIA
	Jonathon Tavares	Conner Strong & Buckelew

The Acting Board Secretary opened the meeting at 12:30 p.m. with the following statement: Pursuant to the provisions of the Open Public Meetings Act, Chapter 231, Public laws of 1975, adequate notice of this meeting has been provided. On January 5, 2023, the 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 2023, 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 2023. 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 – OCTOBER 31, 2023

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on October 31, 2023, were presented for approval.

A motion was made to approve the October 31, 2023, Board of Directors Regular Open Session Meeting Minutes as presented.

Moved by:	J. Maressa
Seconded by:	S. Roberts
Abstain:	None
Voting against motion:	None

PRESENTATION OF CLOSED MEETING MINUTES OCTOBER 31, 2023

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on October 31, 2023, were presented for approval.

A motion was made to approve the October 31, 2023, Board of Directors Regular Closed Session Meeting Minutes as presented.

Moved by:	J. Maressa
Seconded by:	S. Roberts
Abstain:	None
Voting against motion:	None

PRESENTATION OF REGULAR MEETING MINUTES – NOVEMBER 13, 2023

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on November 13, 2023, were presented for approval.

A motion was made to approve the November 13, 2023, Board of Directors Regular Open Session Meeting Minutes as presented.

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

Abstain: None
Voting against motion: None

OPERATING BILLS

The Operating Unpaid Bill list for the period 10/1/2023–10/31/2023 was presented for approval.

A motion was made to adopt Resolution 2023-12-0108 for the approval of the Operating Unpaid Bill list for the period 10/1/2023- 10/31/2023.

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

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 10/1/2023– 10/31/2023 was presented for approval.

A motion was made to adopt Resolution 2023-12-0109 for the approval of the Advance Payment Bills for the period 10/1/2023-10/31/2023.

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

Voting for motion: All
Voting against motion: None

CREDIT LIST – NONE

CHANGE ORDERS- TWORESOLUTION 2023-12-0110: RAIL REHABILITATION AT BALZANO MARINE TERMINAL, CHANGE ORDER NO. 1 TO 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 includes 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 engineer of record was provided existing drawings made available by SJPC during the design period to capture the existing conditions. However, as-built information had not been accurately recorded over the years resulting in numerous under unforeseen underground conditions which are being addressed collaboratively with the designer and contractor in construction as the project progresses. Upon completion of this stage of construction, the yard drainage in the work area should be much improved.

The attached table identifies the changes being incorporated into the project to correct drainage deficiencies and address conflicts with unforeseen utility conditions. Items include adjustment of rail alignment to avoid an electrical manhole, pipe route adjustment, an additional inlet structure, other drainage structure modifications and relocations to avoid existing underground utilities, and levelling ties over an existing electrical duct bank.

SJPC staff requests Board Approval of Change Order Number 1 in the net amount of \$150,799, bringing the total contract amount from \$6,656,968.00 to \$6,807,767.00

The Original Contract Amount	\$	6,656,968
Change Order Number 1	\$	150,799
Adjusted Contract Amount	\$	6,807,767

A motion was made to adopt Resolution 2023-12-0110 for the approval of Change Order Number 1 in the net amount of \$150,799, bringing the total contract amount from \$6,656,968.00 to \$6,807,767.00

Moved by:	S. Roberts
Seconded by:	J. Maressa
Voting for motion:	All
Voting against motion:	None

RESOLUTION 2023-12-0111: SHED 1 ROOF REPLACEMENT CHANGE ORDER NO. 2 - REPLACE BLOCKING KUPLEX EXTERIORS

The Shed 1 Roof Replacement contract at Balzano Terminal was awarded to Kupex Exteriors, LLC, of Trenton, NJ, in April 2023 by Board Resolution Number 2023-04-0041 in the amount of \$1,304,884.30.

The scope of the work includes replacement of the entire 40,900 square feet of deteriorated and storm damaged roof with a new metal roof system. Work also includes gutter and downspout replacement as well as removal of existing roof skylights.

The SJPC Board previously approved change order number 1 by Resolution No. 2023-10-0091, for the replacement of the 4", 5", and 6" diameter main sprinkler piping, with 110 new pipe hangers and 40 new steel supports

When the contractor began work it was discovered that the existing wood blocking in the eaves and ridge line were too deteriorated to connect to. They submitted a request for information which the design engineer reviewed. The solution is to provide new 16-gauge galvanized blocking at the eaves and to cap the existing blocking at the ridge line. The details are attached.

SJPC staff therefore requests Board Approval of Change Order Number 2 for Kupex Exteriors in the amount of \$28,168.00, bringing the adjusted contract amount to \$1,390,192.30.

The Original Contract Amount	\$ 1,304,884.30
Change Order No 1	\$ 62,140.00
Change Order No 2	\$ 23,168.00
Adjusted Contract Amount	\$ 1,390,192.30

A motion was made to adopt Resolution 2023-12-0111 for the approval of Change Order Number 2 for Kupex Exteriors in the amount of \$28,168.00, bringing the adjusted contract amount to \$1,390,192.30.

Moved by:	R. D'Angelo
Seconded by:	S. Roberts
Voting for motion:	All
Voting against motion:	None

CONSTRUCTION FUND REQUISITIONS

Staff presented (11) advance construction fund requests in the amount of \$242,985.75 and (18) unpaid construction fund requisitions in the amount of \$248,185.14

A motion was made to adopt Resolution 2023-12-0112 to approve the Construction Fund List for the period ending October 31, 2023.

Moved by: J. Maressa
Seconded by: C. Bruner

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

For the month of October 2023, the SJPC had net (loss) before non-operating interest expense and depreciation and amortization in the amount of (\$286,090) which is under budget by \$299,089 for the month. Month ended October posted a loss due to less billings. The crane was still inoperable due to motor damage, steel tonnage was down for the month as well as ship days which all contributed to decreased revenues. Our (year-to-date) YTD net income as of October 31st is \$718,353 which is over budget by \$569,394. YTD October 2022 net income is \$1,735,180 (\$4,496,313 less the bond interest subsidy of \$2,761,133).

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 October 2023 was 209,160 s/tons: a 3% decrease over October 2022. Year to date tonnage through October totaled 2,486,484 s/tons; representing a 7% decrease when compared to the same period in 2022.

Breakbulk tonnage for October 2023 totaled 48,533 s/tons. This is an 86.4% increase when compared to October 2022. October YTD tonnage was 1,019,042 s/tons; a decrease of 8.8% compared to 2022.

All terminals combined handled a total 48,533 s/tons of import steel during October 2023, representing a 95.7% increase over October 2022. Combined YTD steel imports were 963,071 s/tons, representing a 1.5% decrease compared 2022 YTD. Camden steel imports in October 2023 showed a 71.3% increase over October 2022, and an October YTD decrease of 23.5% compared to 2022. Paulsboro Marine Terminal handled 6,044 s/tons of steel in October 2023

compared to no cargo activity in October 2022. YTD, Paulsboro handled 536,157 s/tons of steel cargo; a 27.8% increase compared to October 2022 YTD. There was no wood products cargo activity in October 2023 or October 2022. October YTD wood products import tonnage at 15,388 tons was 78% behind YTD 2022. There was no coca bean activity in October 2023 or October 2022. YTD 2023 cocoa bean imports totaled 40,663 tons, a 6% increase vs YTD 2022.

Bulk activity for October 2023 was 160,627 s/tons: a 16.2% decrease from October 2022. Total bulk tonnage year-to-date reached 1,467,442 s/tons: a 6.9% decrease versus YTD 2022. Exports of recycled metals in October were 49,658 s/tons; a 32.6% decrease compared to October 2022. Year-to-date recycled metals export volume decreased 19.5%, compared to 2022. There were 52,753 s/tons of cement in October 2023 compared to 55,186 s/tons in 2022 and decreased 4.4% YTD compared to 2022. October 2023 export Grancem at 10,689 s/tons decreased 62.2% compared to 2022 and showed a 31.1% decrease year-to-date. Salem handled 31,997 s/tons of sand in October 2023, compared to 34,561 s/tons in October 2022. October YTD sand at 165,689 s/tons, a 2.4% decrease vs 2022 YTD. There have been 115,536 s/tons of Gypsum YTD compared to no Gypsum cargo activity YTD 2022. Broadway Terminal handled 15,530 s/tons of bulk salt for the first time in 4 years.

SJPC's marine terminals handled 17 ships in October 2023, compared with 21 in October 2022. Year-to-date the port handled 174 ships, compared to 210 by October 2022 YTD. The number of ship days (i.e. the number of days a ship is loading or unloading at its terminals) for October 2023 was 37, compared to 41 days in October 2022. October 2023 YTD ship days were 506, compared to 714 YTD 2022.

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

Balzano Crane Outage

The Balzano Kocks crane was commissioned at Balzano Terminal in 1982. The Crane currently has its two original hoist motors which have had serious breakdowns this year resulting in the port bringing in Kock's crane technicians brought in from Germany to scope out the damage and to assist in removing both hoist motors so they could be re-built.

Our crane contractor attempted to test the rebuilt motors on two occasions this fall resulting in one motor catching fire both times.

The motors that have been sent out again are due back around December 11th and will hopefully be operational by December 18th. The revenue impact to date has been a loss of approximately \$400 million.

We continue to seek funding to replace the two cranes at the Balzano Terminal which are over 40 years old (1982 and 1966 vintage), with new electric Mobile Harbor Cranes to comply with new NJDEP regulations which require us to replace our cranes.

We are also exploring the possibility of purchasing two new motors to keep as backups at an estimated cost of \$170,000 to keep the crane operational over the next 2 to 3 years.

Chamber of Commerce of South Jersey

On Thursday November 30th, I participated in a panel discussion with the Executive Directors from the Delaware River Port Authority, The Delaware River and Bay Authority and the South Jersey Transportation where we highlighted each agencies major projects and challenges as well a discussion on future development plans.

Collective Bargaining Agreements Negotiations

Our negotiations with our collective bargaining units continue. We plan to bring any completed agreements to the January Board meeting. The negotiations have taken longer than anticipated due to meeting scheduling issues and our desire to update language in certain parts of the contracts.

PIDP Grant

We have been advised that our grant application for the Paulsboro Marine Terminal was approved by MARAD. The grant will fund \$20 million of the \$35 million project for infrastructure and site improvements.

The application was submitted in support of the EEW Phase 2 Expansion which is currently on hold due to Orsted pulling out of its planned projects. We will continue to work through the Federal application process while EEW seeks a new partner.

EEW/ Orsted

In light of Orsted's withdrawal from the Ocean Wind projects, SJPC staff made a couple of mutual introductions between EEW and potential development/manufacturing partners in the offshore wind sector.

New Electric Equipment

The Port continues to receive new electric yard equipment. Nine forklifts have been received and are in service at the Broadway Terminal, and we are receiving three additional forklifts for the Balzano Marine Terminal over the next two weeks. The first was delivered on November 29th.

Another 12 forklifts are due in the first half of 2024. The port has received an electric yard hustler, which has been experiencing software issues, and will be receiving an electric railcar mover in mid-December. These purchases were possible thanks to grants from NJDEP and NJDOT.



Other Events Attended by Staff

- Korea Trade Conference, Jersey City, NJ
- Port Electrification Conference, Jersey City, NJ
- Traffic Club of NY Luncheon, NYC

Visitors Hosted

- ILA & APS Stevedoring visit
- Mid Ship Logistics & Ternium Steel visit

Company Visits

- Allied Salt bagging & packaging operation

ACTION ITEMS:**RESOLUTION 2023-12-0113: APPROVAL TO AWARD A CONTRACT FOR PHASE 3 OF THE BROADWAY TERMINAL DRY-PIPE FIRE PROTECTION SPRINKLER SYSTEMS REPLACEMENT PROJECT, CONSTRUCTION OF “D” BUILDING SPRINKLERS****REQUEST**

Staff is requesting Board approval for award of a construction contract for Phase 3 of the Broadway Terminal dry-pipe fire protection sprinkler systems replacement project, construction of the “D” Building sprinklers.

BACKGROUND

The Board had previously authorized design, bidding, and construction awards for Phases 1 and 2 of the Broadway Terminal Sprinkler Replacement Project.

Phase 3 of the project involves demolition of the old piping system and replacement of all the piping, sprinkler heads, fittings, and hangers for the D Building sprinkler system. The plans and specifications were prepared by Pennoni Associates.

In accordance with SJPC Board Resolution Number 2022-04-0050, the project was advertised on October 18, 2023, and posted on the SJPC website. Four interested fire protection firms were notified.

The pre-bid inspection meeting was held on October 25, 2023. The bid opening was conducted on November 15, 2023, and one bid was received from Harring Fire Protection of Folsom, NJ in the amount of \$996,350.00.

A motion was made to approve Resolution 2023-12-0113 to award a construction contract for construction of the “D” Building sprinklers to Harring Fire Protection of Folsom, New Jersey in the amount of \$996,350.00

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

RESOLUTION 2023-12-0114: APPROVAL TO RENEW THE CONTRACT FOR THE SERVICES OF A LICENSED SITE REMEDIATION PROFESSIONAL**REQUEST**

Staff is requesting Board approval to renew the existing contract for Licensed Site Remediation Professional (LRSP) services for all SJPC owned properties on an as-needed basis.

BACKGROUND

Pursuant to the Board's authorization in Resolution 2022-07-0075, an RFP was issued to the SJPC list of pre-qualified engineering firms, soliciting the services of a licensed site remediation professional (LRSP) for properties owned by the South Jersey Port Corporation on an as-needed, task order basis. The contract term was for one year with two one-year renewal options at the discretion of the SJPC. The contract amount was not-to-exceed \$50,000 per year.

Seven prequalified civil engineering firms submitted proposals on Wednesday, November 7, 2022. The proposals were reviewed by a selection committee of SJPC staff, and ranked based on LSRP qualifications, firm experience, and proposed hourly rates. The most qualified firm was then interviewed by SJPC staff. It was determined that the proposal submitted by GEI Consultants of Mt. Laurel, New Jersey was the best value and met all the requirements of the RFP. General Counsel review indicated that the bid proposal was in proper legal form.

Per the Board's Resolution 2022-12-0138, the contract was awarded to GEI Consultants of Mt. Laurel, New Jersey.

This consultant has performed well, and staff is recommending the renewal of their contract by exercising the one-year renewal option with the same terms and conditions.

A motion was made to approve Resolution 2023-12-0114 to renew the existing contract for Licensed Site Remediation Professional (LRSP) services for all SJPC owned properties on an as-needed basis GEI Consultants of Mt. Laurel, New Jersey, on the same terms and conditions for one year in the not-to-exceed amount of \$50,000.

Moved by:

R. D'Angelo

Seconded by:

J. Gershen

Voting for Motion:

All

Voting Against Motion:

None

RESOLUTION 2023-12-0115: APPROVAL TO RENEW THE CONSTRUCTION CONTRACT FOR ASPHALT PAVING SERVICES ON AN AS-NEEDED BASIS AT THE BALZANO AND BROADWAY MARINE TERMINALS

REQUEST

Staff is requesting Board approval to renew the existing construction contract to perform asphalt paving services for all areas requiring maintenance paving at the Balzano and Broadway Marine Terminals.

BACKGROUND

Pursuant to the Board Authorization: RESOLUTION 2022-07-007 APPROVAL TO ISSUE REQUEST FOR BID FOR ASPHALT PAVING AT THE BALZANO AND BROADWAY TERMINALS, a Request for Quotations was advertised for the solicitation of public bids.

The scope of work includes milling and paving of deteriorated asphalt areas at the Balzano and Broadway Marine Terminals all as directed by the SJPC. There are also provisions for resetting settled manhole castings and pipe repairs at the manholes.

The Request for Bids was advertised in three newspapers and posted on the SJPC website. A pre-bid meeting was held on February 15, 2023, and bids were opened on March 2, 2023. Per Board Resolution 2023-03-0032, the contract was awarded to the low bidder, Paving Plus, LLC of Glassboro, New Jersey, in the amount of \$266,880 based on placement of approximately 1,000 tons of asphalt.

The terms included the option to extend the contract for up to two (2), one-year periods at the discretion of the SJPC. SJPC General Counsel's review indicated that the bid proposal met all the requirements of the Request for Bids.

This contractor has performed well, and staff is recommending the renewal of their contract by exercising the one-year renewal option with the same terms and conditions.

A motion was made to approve Resolution 2023-12-0115 for approval to renew the existing contract for maintenance paving in 2024 to Paving Plus, LLC of Glassboro, New Jersey in the amount of \$266,880.

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

Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2023-12-0116: : RECONSTRUCTION OF THE RAIL TRACK AT THE BALZANO TERMINAL, CONTRACT AMENDMENT FOR URBAN ENGINEERS**REQUEST**

Urban Engineers is being requested to provide increased services during construction to address the unforeseen underground conditions associated with the replacement of drainage systems impacted by the new rail alignment on the Rail Reconstruction Project at the Balzano Marine Terminal. SJPC staff is requesting Board approval for an amendment to the Urban Engineers contract to address this increased scope of work.

BACKGROUND

Urban Engineers was awarded a contract for design services to rehabilitate the rail track and associated underground drainage systems impacted by the new rail alignment at the Balzano Marine Terminal at the December 2020 board meeting by Board Resolution 2020-12-0110 in the amount of \$249,000. In December of 2022, Urban Engineers was provided a contract amendment for \$55,500 by Board Resolution 2022-12-0141 to redesign the project due to above budget bids received.

With those design modifications in place, a construction contract within budget was awarded to Tracks Unlimited, LLC. Since then, a significant amount of submittal review work and RFI resolution work has been performed by Urban to address issues with long lead materials and numerous undocumented underground drainage infrastructure conflicts.

This project is funded in the amount of \$6,010,650 by a NJDOT Rail Freight Assistance Program grant from FY 2020.

A motion was made to approve Resolution 2023-12-0116 to amend Urban Engineers' contract in the amount of \$71,100 to address additional engineering services as required for the Rail Reconstruction Project at the Balzano Terminal. The total engineering fees would be adjusted from \$249,000 to \$375,600.

Moved by:

W. Higgins

Seconded by:

S. Roberts

Voting for Motion:

All

Voting Against Motion:

None

RESOLUTION 2023-12-0117: APPROVAL OF APPOINTMENT OF PROFESSIONALS AND EXECUTION OF PROFESSIONAL SERVICES AGREEMENTS

REQUEST

Staff requests Board approval to appoint individuals/firms to provide the following professional services to and for the South Jersey Port Corporation ("SJPC"), as follows: Auditing, Bond Counsel, Financial Advisor, General Legal Counsel, Grant Writing & Administrative Services, Health and Insurance Broker Services, Labor Counsel, Maritime Counsel, and Marketing Consultant; and, to enter into Professional Services Agreements with each said professional services individual/firm, as recommend by the SJPC Board Review Committee.

BACKGROUND

Staff publicly advertised and released a Request for Proposals for the above Professional Service categories with proposals opened on October 31, November 1, and November 2, 2023.

The following proposals were received by SJPC, and reviewed by SJPC's Board Review Committee:

<u>Auditing Services Proposal Submission</u>	<u>Proposal Summary</u>
Brent W. Lee & Co., LLC 39 Paddock Lane Cinnaminson, NJ 08077	Three-year estimate of \$147,000.00 based on hourly rates ranging from \$225-\$125.00 per hour

<u>Bond Counsel Proposal Submissions</u>	<u>Proposal Summary</u>
McManimon, Scotland & Baumann, LLC 75 Livingston Ave Roseland, NJ 07068	\$250.00 blended hourly rate
Malamut & Associates LLC 457 Haddonfield Rd, Suite 500 Cherry Hill, NJ 08002	\$35,000.00 plus \$1.10 per thousand dollars of bonds issued (General Bond Resolutions) \$25,000.00 plus \$1.10 per thousand dollars of bonds issued (Supplemental Bond Resolutions)

Wilentz, Goldman & Spitzer 90 Woodbridge Center Dr. PO Box 10, Suite 900 Woodbridge, NJ 07095	\$250.00 blended hourly rate (Attorneys) \$100.00 blended hourly rate (paralegals)
--	---

<u>Financial Advisor Proposal Submissions</u>	<u>Proposal Details</u>
Phoenix Advisors LLC 625 Farnsworth Ave Bordentown, NJ 08505	Hourly consulting rates: \$195.00 (Director), \$115.00 (Associate Analyst) Plus, additional fees for other financial services
GB Associates 24 Broadlawn Dr Livingston, NJ 07039	\$210.00 per hour, fees capped at \$30,000.00 per year
Acacia Financial Group Inc. 6000 Midlantic Drive, Suite 410 Mt. Laurel, NJ 08054	Hourly consulting rate range from \$225.00-\$150.00 Plus, additional fees for other financial services
NW Financial Group LLC 522 Broad Street Bloomfield, NJ 07003	Hourly consulting rate range from \$225.00-\$185.00 Plus, additional fees for other financial services

<u>General Counsel Proposal Submissions</u>	<u>Proposal Summary</u>
McManimon, Scotland & Baumann, LLC 75 Livingston Ave Roseland, NJ 07068	\$225.00 blended hourly rate.
Brown and Connery LLP 360 Haddon Ave, PO Box 539 Westmont, NJ 08108	\$220.00 per hour (Partner and Counsel Attorneys) \$195.00 per hour (Associate Attorneys) \$100.00 per hour (Law Clerks/Paralegals)

<u>Grant Writing/Admin. Proposal Submission</u>	<u>Proposal Details</u>
Triad Associates 1301 W. Forest Grove Rd. Vineland, NJ 08360	\$140.00 blended hourly wage rate

<u>Health/Insurance Broker Proposal Submissions</u>	<u>Proposal Details</u>
Conner Strong & Buckelew TRIAD1828 Centre, 2 Cooper St. Camden, NJ 08102	\$15,000.00 per year, plus commissions

<u>Labor Counsel of Proposal Submissions</u>	<u>Proposal Summary</u>
McManimon, Scotland & Baumann, LLC 75 Livingston Ave Roseland, NJ 07068	\$225.00 blended hourly rate

Marmero Law, LLC 44 Euclid Street Woodbury, NJ 08096	\$150.00 hourly rate
Malamut & Associates LLC 457 Haddonfield Rd., Suite 500 Cherry Hill, NJ 08002	\$200.00 hourly rate (Attorney) \$100.00 hourly rate (Paralegal)
Brown & Connery LLP 360 Haddon Ave, PO Box 539 Westmont, NJ 08108	\$220.00 per hour (Partner/Counsel Attorneys) \$195.00 per hour (Associate Attorneys) \$100.00 per hour (law clerks/paralegals)

<u>Maritime Counsel Proposal Submission</u> Mattioni Ltd. 1316 Kings Highway Swedesboro, NJ 08085	<u>Proposal Details</u> \$300.00/per hour: Attorneys \$125.00/per hour: Paralegal/Law Clerks
--	---

<u>Marketing Consultant Proposal Submissions</u>	<u>Amount</u>
Impact Consulting Enterprises LLC 172 South Clinton Street East Orange, NJ 07018	\$23,641.00 – flat monthly fee plus \$440.00 monthly expenses
Phoenix Strategies, Inc. 183 Schoolhouse Lane Mt. Laurel, NJ 08054	\$10,700.00 monthly flat fee
Angry Apples Marketing LLC 1657 The Fairway, Suite 162 Jenkintown, PA 19046	\$33,175.00 estimated monthly fee

The SJPC Board Review Committee having reviewed the above-mentioned proposals has made the following recommendations for appointment:

- *Brent W. Lee & Co., LLC to receive the appointment for Auditing Services.
- *Wilentz, Goldman & Spitzer to receive the appointment for Bond Counsel
- *G.B. Associates to receive the appointment for Financial Advisor.
- *Brown and Connery, LLP to receive the appointment for General Legal Counsel.
- *Triad Associates to receive the appointment for Grant Writing, Management, and Administrative Services.
- *Conner Strong & Buckelew to receive the appointment for Health and Insurance Broker.
- *Brown and Connery, LLP to receive the appointment for Labor Counsel.
- *Mattioni Ltd. to receive the appointment for Maritime Counsel.
- *Phoenix Strategies Inc. to receive the appointment for Marketing Consultant.

The following appointments are contingent upon the final legal reviews of their proposals, and then the entry into a Professional Services Agreement in a form satisfactory to SJPC.

A motion was made to table Resolution 2023-12-0117 until the next Board of Directors Meeting on Tuesday, January 30, 2024.

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

Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2023-12-0118: 2024/2025 SALEM PORT AUTHORITY BUDGET

REQUEST

Staff is requesting Board approval of the Salem Port Authority's budget for 2024/2025.

BACKGROUND

The proposed budget for 2024/2025 is \$70,245. The approved budget for the previous year was \$66,955. The budget increase is based on the following factors:

- Increase of \$621 to salaries and wages (2%)

- Increase of \$57 to social security/Medicare expense (2%)
- Increase of \$35 to unemployment expense (13%)
- Increase of \$1,654 to health insurance (13%)
- Increase of \$699 to pension expense (16%)
- Increase of \$224 for other expenses (1%)

The net effect is an increase to last year's budget in the amount of \$3,290 or 5% overall.

A motion was made to approve Resolution 2023-12-0118 to approve of the Salem Port Authority 2024/2025 Budget of \$70,245.

Moved by: J. Gershen

Seconded by: J. Maressa

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2023-12-0119: : APPROVAL TO EXECUTE THE 2024 PILOT AGREEMENTS WITH THE COUNTY OF CAMDEN, THE CITY OF SALEM, AND THE CITY OF CAMDEN

REQUEST

Staff is requesting Board approval to execute the South Jersey Port Corporation ("SJPC") Pilot Agreements for calendar year 2024 with the County of Camden, the City of Salem, and the City of Camden.

BACKGROUND

1. The County of Camden 2024 calendar year Pilot Agreement's terms and conditions are the same as 2023's agreement. The 2024 Pilot payment is in the same amount as 2023's Pilot payment -- \$419,000.00.
2. The City of Salem 2024 calendar year Pilot Agreement's terms and conditions are the same as 2023's agreement. The 2024 Pilot payment is in the same amount as 2023's Pilot payment -- \$31,225.37.
3. The City of Camden 2024 calendar year Pilot Agreement's terms and conditions are the same as 2023's agreement. The 2024 Pilot payment is in the same amount as last year's Pilot payment -- \$4,000,000.00.

A motion was made to approve Resolution 2023-12-0119 for approval to execute the SJPC's Pilot Agreements for calendar year 2024 with the County of Camden, the City of Salem, and the City of Camden.

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

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2023-12-0120: APPROVAL TO EXERCISE THE OPTION TO EXTEND FOR AN ADDITIONAL ONE (1) YEAR THE SHARED SERVICES AGREEMENT WITH THE GLOUCESTER COUNTY IMPROVEMENT AUTHORITY FOR LABOR FOR THE PAULSBORO MARINE TERMINAL PROJECT

REQUEST:

Staff is requesting Board approval to exercise the option to extend the Shared Services Agreement with the Gloucester County Improvement Authority ("GCIA") for the provision of labor at the Paulsboro Marine Terminal ("PMT") project for an additional one (1) year term.

BACKGROUND:

The South Jersey Port Corporation ("SJPC") entered into a Shared Services Agreement (the "Agreement") with the GCIA effective January 1, 2023, to provide labor for continuing and future work on the PMT project on an "as-needed" basis, which said labor would be provided by tradesmen in several trades who are under the employ of the GCIA. The Agreement contained an Exhibit "A" that set out the updated contractual wages for hourly rates for tradesmen. The initial term of the Agreement was for one (1) year and expires on December 31, 2023. The Agreement contains an option for SJPC to extend same in its sole discretion for one additional one (1) year period by giving written notice to the GCIA at any time prior to expiration of the initial term. Per the Agreement, the said notice shall confirm the SJPC Board's action exercising the option. The Agreement does contain a sixty (60) day mutual cancellation clause, which can be exercised at any time by either party after any extension.

Staff has determined that the SJPC will continue in 2024 to require the labor available from the GCIA pursuant to the Agreement at the PMT project. Accordingly, in order to ensure that the GCIA can and will continue to provide such labor, it is necessary that the Board act to approve the exercise of the one (1) year option to extend same.

A motion was made to approve Resolution 2023-12-0120 to approve to exercise the option to extend the Agreement with GCIA for the provision of labor at the PMT project for an additional one (1) year term.

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

Voting for Motion: All
Voting Against Motion: None

**RESOLUTION 2023-12-0121: APPROVAL TO EXECUTE CONFIDENTIALITY/
NON-DISCLOSURE AGREEMENTS, AS NEEDED, REGARDING
DISCUSSIONS RELATED TO PROJECTS, PROPERTY ACQUISITIONS AND
LEASING/USE AT THE PORTS OF CAMDEN, PAULSBORO, AND SALEM**

REQUEST

Staff is requesting Board approval to authorize the Executive Director and CEO to execute one or more Confidentiality/Non-Disclosure Agreements ("NDAs") with public and private entities, when determined as needed, concerning the following: (i) development of projects or other at or near the Camden, Paulsboro and Salem marine terminals, (ii) acquisition of properties at or near the Camden, Paulsboro and Salem marine terminals; and, (iii) leasing and use of terminal property for project cargo, or other, at the Camden, Paulsboro and Salem marine terminals. Each separate NDA shall be subject to review and approval by SJPC legal counsel.

BACKGROUND

In order to continue the economic development and growth of SJPC's marine terminals, including the delivery, storage and manufacture of diverse types of goods, industrial components, and other such bulk and breakbulk cargo, it is anticipated that the SJPC will be required to have confidential discussions/negotiations with both public and private entities related to development, use and/or lease of SJPC's Camden, Paulsboro and Salem marine terminals, and also related to the possible acquisition of properties at or near the said marine terminals. In order to undertake such confidential discussions/negotiations, public and private entities often times require NDAs of and from the SJPC, as well as the SJPC requiring the same of said entities. Time is generally "of the essence" when it comes to engaging in these confidential discussions/negotiations.

A motion was made to approve Resolution 2023-12-0121 to approve to authorize the Executive Director and CEO to execute one or more NDAs with public and private entities, when determined as needed, concerning the following: (i) development of projects other at or near the Camden, Paulsboro and Salem marine terminals; (ii) acquisition of properties at or near the Camden, Paulsboro, and Salem marine terminals, and, (iii) leasing and use of terminal property for project cargo, or other, at the Camden, Paulsboro and Salem marine terminals. Each separate NDA shall be subject to review and approval by SJPC legal counsel.

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

Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2023-12-0122: APPROVAL OF SOUTH JERSEY PORT CORPORATION'S PRIMARY PROPERTY (INCLUDING EQUIPMENT BREAKDOWN), EXCESS PROPERTY, STANDALONE TERRORISM, CRIME, NETWORK PRIVACY & SECURITY LIABILITY, ABOVE GROUND STORAGE TANK POLLUTION LEGAL LIABILITY AND PAULSBORO POLLUTION POLICIES WILL RENEW ON 12/15/2023.

Primary Property (Including Equipment Breakdown), Excess Property & Standalone Terrorism: The Port's current insurance carrier for the Primary Property is Underwriters at Lloyds London with a loss limit of \$25,000,000. For the Excess Property, RSUI Indemnity Company provides a limit of \$30,000,000, which is excess of the Underwriters at Lloyds London \$25,000,000 limit. Additionally, Underwriters at Lloyds London also writes a standalone policy covering Property losses resulting from an act of Terrorism with a \$55,000,000 loss limit. The total expiring bound premium on 12/15/2022 was \$1,778,712.75 inclusive of New Jersey surcharges, for the Primary and Excess Property policies as well as the standalone Terrorism policy. This was based on \$429,023,082 of total insured values.

Conner Strong & Buckelew has completed negotiations for the entire Property Renewal. We have presented options for an annual term, as well as an extended 15-month term to align with your other insurances on March 1st. For reference, a 15-month version of the expiring premium would be \$2,154,021. With the difficult state of the Property market, we heavily marketed the program and altered the structure to obtain the best coverage and pricing results for SJPC. We also obtained multiple deductible options to consider.

For the Primary Property (\$25m), we pulled together a few insurers to provide us the most competitive option for the 12/15/2023-3/1/2025 policy term, with a total layer premium of \$2,025,743. This quotation is also in consideration of your current deductible of \$100,000. For the Excess Property layer of \$30m excess of \$25m, the insurers we assembled are quoting this layer at \$389,739. The standalone Terrorism renewal quote from Underwriters at Lloyds London is \$23,355. Each of these quotations are based on \$607,607,011 of total insured values (42% increase). SJPC requested that coverage be removed for Location 1 Building 19 Former Power House and Location 1 Building 28 Round House – Historic Structure. These removals are contemplated in the figures above. SJPC also advised that Location 1 Building 36 Y2 Warehouse (115,800 square feet) would only be replaced with a 38,600 square foot building in the event of a loss. We are working with the markets to

provide a scheduled value option for this location within the program as opposed to full replacement cost. If we are able to get the markets to agree there is potential for additional cost savings to the overall program.

The total renewal premium for all these policies is \$2,438,837, with coverages, terms, and conditions as described in our proposal. This represents an overall rate decrease of about 20% against the adjusted expiring pricing. Considering the large rate decrease achieved, the dollars increase is driven by the large increase in values since last year (\$178m / 41%).

After consultation with SJPC's staff, Conner Strong & Buckelew recommends that South Jersey Port Corporation place the primary \$25,000,000 limit policy with Underwriters at Lloyds London (100%), the excess \$30,000,000 limit with RSUI Indemnity Company (50%) and Westchester (50%), and the standalone Terrorism policy with Underwriters at Lloyds London for a total annual renewal cost of \$2,438,837. Like last year, we anticipate the Property carriers will put a disclosure on their quotations that pricing will be based on no new claims between now and the binding of renewal coverage as well as no critical loss control recommendations because of recent carrier inspections at various terminals.

Crime: The Port's current insurance carrier is National Union Fire Insurance Company of Pittsburgh, PA (AIG) and their policy provides a \$500,000 limit with a \$10,000 deductible. The expiring premium is \$6,823, including New Jersey surcharges. Due to an open claim, has proposed an increased deductible of \$25,000 for Employee Theft, the \$500,000 limit will remain as expiring. Renewal from AIG is \$9,272.00, the increase is largely due to a claim of more than \$400,000 being paid by AIG. Due to the open claim AIG is unwilling to provide an extended period which would expire 03/01/2025. AIG has confirmed they will revisit aligning with the 3/1 cycle when this comes up for renewal on 12/15/2024.

Privacy & Security / Cyber Liability: The Port's current insurance carrier is through Coalition, with an overall limit of \$3,000,000, subject to a \$10,000 Each Claim Retention, except for Business Interruption which has an 8-hour waiting period (other sublimits and retentions exist). The expiring premium is \$39,122. The renewal quote from Coalition is \$33,021.00, which is lower than expiring. We were also able to obtain competitive indications from other insurers for significantly less cost and comparable coverage. Tokio Marine can offer the same \$3m limit, but with a higher retention of \$25,000 Each Claim, for \$11,767.00, Tokio Marine also offered a quote for an extended period of 12/15/2023-3/1/2025 for \$14,194.00. Beazley quoted the \$3m limit and a \$10,000 retention for \$17,420, for an annual term. CFC quoted a \$3m limit and \$10,000 retention for \$18,550 for an annual term.

After consultation with SJPC's staff, Conner Strong & Buckelew recommends that South Jersey Port Corporation bind the Tokio Marine extended policy period option for \$14,194.00.

Storage Tank Pollution Legal Liability: The Port's current insurance carrier is ACE American Insurance Company (Chubb) and their policy 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 \$2,754, including TRIA and New Jersey surcharges. ACE American Insurance Company's renewal quote for the 12/15/2023-2024 policy term is \$2,831.09, including TRIA and New Jersey surcharges. This represents a 3% (+\$91) increase against expiring pricing which is strictly due to aging of the tanks. After consultation with SJPC's staff, Conner Strong & Buckelew recommends that South Jersey Port Corporation renew with ACE American Insurance Company. Conner Strong & Buckelew requested that Chubb offer an extended period of 12/15/2023-3/1/2025. Chubb advised that they are unable to quote anything outside of an annual term in their system. However, in the new year they would be able to execute a cancel re-write. This placement is 0% minimum earned. If a cancel re-write is processed the paid premium outlined above for the 12/15/2023-2024 will be applied to the new annual term effective 3/1/2024-2025 and the delta due at that time would be the 2.5-month additional premium. We can include this Additional premium with the 3/1 Liability renewals so that this policy will be aligned as requested going forward.

Paulsboro Pollution Legal Liability: The Port's current insurer is Zurich American Insurance Company, providing a \$10,000,000 limit, subject to a \$100,000 Each Event deductible, and it was written for a 3-year term. The expiring policy had a premium of \$95,490 for the three-year term. Zurich has been completely exiting the Pollution market, which prompted us to perform a full marketing effort, which garnered interest from numerous insurers, with Navigators and Great American leading the others at the current time. Great American offered a \$10,000,000 limit, subject to a \$100,000 Each Event deductible, for a 3-year term at a premium of \$68,378. Great American also offered a renewal for the period of 12/15/2023-3/1/2027 for \$73,482.00. Similarly, Navigators offered a \$10,000,000 limit, subject to a \$100,000 Each Event deductible, for a 3-year term at a premium of \$90,453. After reviewing the quotes received, we would recommend moving forward with the Great American program for the extended period as they are providing comprehensive coverage at a competitive premium.

A motion was made to approve Resolution 2023-12-0122 to Approval of the recommendations from Conner Strong & Buckelew for the above insurance renewals.

Moved by:

J. Gershen

Seconded by:

R. D'Angelo

Voting for Motion:

All

Voting Against Motion:

None

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

The report was received and filed.

PORT SECURITY UPDATE

The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

The report was received and filed.

PUBLIC COMMENTS

The Chairman asked if there were any public comments.

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

A motion was made to adjourn the Regular Open Meeting at 1:16 p.m.

Moved by: R. D'Angelo

Seconded by: J. Maressa

Voting for Motion: All

Voting Against Motion: None

Following closed session, the Regular Session was reopened at 1:56 p.m.

A motion was made to adjourn the Regular Open Meeting at 1:57 p.m.

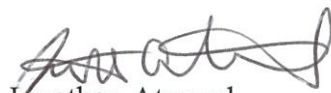
Moved by: J. Gershen

Seconded by: R.D'Angelo

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, December 5, 2023.


Jonathan Atwood
Acting Board Secretary

