



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
TELECONFERENCE
CAMDEN, NEW JERSEY
December 8, 2020
12:30 p.m.

Directors Present:	Richard Alaimo	Chairman 🗨️
	Chad Bruner	Director 🗨️
	Christopher Chianese	State Treasurer Designee 🗨️
	Robert DeAngelo	Director 🗨️
	Joseph Maressa	Director 📞
	Sheila Roberts	Director 📞
	Carl Styles	Director 🗨️
	William Higgins	Director 🗨️
	Jonathan Gershen	Director 🗨️
	Eric Martins	Director 📞

Directors Absent:

In Attendance:	Rudy Rodas	Governor's Authorities Unit 🗨️
	Raymond Zane, Esq.	General Counsel– Zane & Assoc. 🗨️
	Andrew Saporito	Executive Director & CEO 🗨️
	Bruno Cellucci	AssistantED/CFO/ActingBoardSec 🗨️
	Brendan Dugan	AssistantED/Bus. Development 🗨️
	Jonathan Atwood	Chief of Staff & External Affairs 🗨️
	Neil Grossman	GB Associates – FA 🗨️
	Kevin Duffy	Assistant ED/COO 🗨️
	Chuck O'Leary	Security Manager/FSO 📞
	Dennis Culnan, Jr.	Phoenix Strategies 📞
	Dan Bontempo	Stantec 📞

The Acting Board Secretary opened the meeting at 12:30 p.m. with the following statement:

Pursuant to the provisions of the Open Public Meetings Act, Chapter 231, Public laws of 1975, adequate notice of this meeting has been provided. On January 10, 2020, 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 2020, 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 2020. 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 27, 2020

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on October 27, 2020 were presented for approval.

A motion was made to approve the October 27, 2020 Board of Directors Regular Open Session Meeting Minutes as presented.

Moved by:	R. DeAngelo
Seconded by:	C. Chianese

Voting for motion:	All
Voting against motion:	None
Abstaining:	

PRESENTATION OF CLOSED MEETING MINUTES – October 27, 2020

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on October 27, 2020 were presented for approval.

A motion was made to approve the October 27, 2020 Board of Directors Closed Meeting Minutes, as presented, with the condition that any matters contained in the closed session minutes may be withheld and not disclosed to the public until the need for the closed session has passed.

Moved by:	R. DeAngelo
Seconded by:	C. Chianese

Voting for motion:	All
Voting against motion:	None
Abstaining:	

OPERATING BILLS

The Operating Unpaid Bill list for the period 10/16/2020 – 11/23/2020 was presented for approval.

A motion was made to adopt Resolution 2020-12-0099 for the approval of the Operating Unpaid Bill list for the period 10/16/2020 – 11/23/2020.

Moved by: R. DeAngelo
Seconded by: C. Styles

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 10/16/2020 – 11/23/2020 was presented for approval.

A motion was made to adopt Resolution 2020-12-0100 for the approval of the Advance Payment Bills for the period 10/16/2020 – 11/23/2020.

Moved by: R. DeAngelo
Seconded by: W. Higgins

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ending on December 8, 2020 was presented for approval.

A motion was made to adopt Resolution 2020-12-0101 for the approval of the Credit List for the period ending on December 8, 2020.

Moved by: C. Styles
Seconded by: R. DeAngelo

Voting for motion: All
Voting against motion: None

CHANGE ORDERS

There are no Change Orders for the month of June.

CONSTRUCTION FUND REQUISITIONS

Staff presented (1) advance construction fund requests in the amount of \$527,622.00 and (6) unpaid construction fund requisitions in the amount of \$77,248.38.

A motion was made to adopt Resolution 2020-12-0102 for the approval of Construction Fund Requisitions for the period ending December 8, 2020 as presented.

Moved by:	R. DeAngelo
Seconded by:	J. Maressa

Voting for motion:	All
Voting against motion:	None

TREASURER'S REPORT

For the month of October 2020, the SJPC generated a net loss before non-operating interest expense and depreciation and amortization of -\$63,134.00. On a year-to-date basis, the SJPC is under budget by -\$443,104.00.

Although ship related revenue is down, net lease revenue is up by \$28,853.00. We are anticipating a good upcoming winter busy season. We are making every effort to increase revenues and reduce and control expenses.

We continue to incur COVID-19 related expenses and increased professional fees as we are involved in a variety of legal matters. The Port is waiting to learn if its request for a FEMA grant to offset certain COVID-19 expenses will be approved. We continue to closely monitor our overtime expenses and continue to be very frugal in our use of financial resources.

Please be aware that on November 6, 2020, S&P Global Ratings lowered its ratings on SJPC bonds to BB+ from BBB- as the Port's bonds are secured by the State of New Jersey's moral obligation. The EMMA website has been updated accordingly.

COUNSEL'S REPORT

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

EXECUTIVE DIRECTOR'S REPORT

Executive Director and CEO for the South Jersey Port Corporation reported total tonnage for October 2020 was 180,675 short tons, which represents a 37% decrease compared to October 2019. Year to date tonnage through October totaled 2,537,895 short tons, a 27% decrease compared to the same period in 2019. Camden steels cargoes increased by 170% compared to

October of 2019. Overall breakbulk cargo is down 31.5%. Cocoa beans and wood products both continue to be positive, trending higher YTD over 2019. Recycled metals are 2.3% ahead of 2019 YTD. Imported cement YTD decreased 25.3% compared to 2019.

All SJPC terminals handled 19 ships in October 2020, the same number as October 2019. On a YTD basis, the Port handled 169 ships, compared to 213 YTD 2019.

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

COVID 19 Update

The Executive Director provided a COVID-19 update

Paulsboro

We have been actively engaged in finalizing negotiations for the EEW sublease and an amendment to the Paulsboro Redevelopment Lease which will bring substantial activity and jobs to the Marine Terminal in support of the Offshore Wind Industry.

Employee Recognition

Thomas Johnson will be retiring at the end of this year. Thom has been employed by the South Jersey Port Corporation for 33 years joining the Port Corporation in September 1987. During his career he moved up through the ranks working in the warehouse office, security, as a supervisor and as Senior Marketing Representative and Safety Officer. Thom also attended college while employed by the Port and earned both a bachelors and graduate degree. Thom has developed strong relationships with our customers and the maritime community and will be missed. We wish Thom future success and smooth sea following winds as he sets sail for his next journey.

ACTION ITEMS:**RESOLUTION 2020-12-0103: 2021/2022 SALEM PORT AUTHORITY BUDGET**

The 2021/2022 Salem Port Authority Budget is presented for approval. In summary, the proposed budget for 2021/2022 totals \$63,179.00 as compared to last year's total of \$62,265.00.

- Increase of \$585 to salaries and wages (2%)
- Increase of \$44 to social security/medicare expense
- Increase of \$19 to unemployment expense
- Increase of \$106 to health insurance
- Increase of \$160 to pension expenses

The net effect is an increase to last year's budget in the amount of \$914.00

A motion was made to approve Resolution 2020-12-0103 to approve 2021/2022 Salem Port Authority Budget

Moved by: W. Higgins
Seconded by: J. Maressa

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0104: 2021 PILOT AGREEMENTS WITH CAMDEN COUNTY, CITY OF SALEM & CITY OF CAMDEN

The **Camden County 2021 calendar year PILOT agreement** is the same amount as last year's PILOT payment at \$419,000.00.

The **City of Salem 2021 calendar PILOT agreement** is the same amount as last year's PILOT payment at \$31,224.37.

The **City of Camden 2021 fiscal year PILOT agreement** is the same amount as last year's PILOT payment at \$4,000,000.00.

A motion was made to approve Resolution 2020-12-0104 to approve the 2021 Pilot Agreements with Camden County, City of Salem and City of Camden

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

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0105: 2021 BOARD OF DIRECTORS MEETING SCHEDULE

DATE	MEETING	TIME
Tuesday, January 26, 2021	Regular	12:30 P.M.
Tuesday, February 23, 2021	Regular	12:30 P.M.
Tuesday, March 30, 2021	Regular	12:30 P.M.
Tuesday, April 27, 2021	Regular	12:30 P.M.
Tuesday, June 15, 2021	Regular	12:30 P.M.
Tuesday, July 27, 2021	Regular	12:30 P.M.
Tuesday, August 31, 2021	Regular	12:30 P.M.
Tuesday, September 28, 2021	Regular	12:30 P.M.
Tuesday, October 26, 2021	Regular	12:30 P.M.
Tuesday, December 7, 2021	Regular	12:30 P.M.

A motion was made to approve Resolution 2020-12-0105 to approve the 2021 Board of Director's Meeting Schedule

Moved by: R. DeAngelo
Seconded by: C. Styles

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0106: 2021 SJPC HOLIDAY SCHEDULE

HOLIDAY	DATE
New Year's Day	Friday, January 1, 2021
Martin Luther King Day	Monday, January 18, 2021
President's Day	Monday, February 15, 2021
Good Friday	Friday, April 2, 2021
Memorial Day	Monday, May 31, 2021
Juneteenth	Friday, June 18, 2021
Independence Day	Monday, July 5, 2021
Labor Day	Monday, September 6, 2021
Veteran's Day	Thursday, November 11, 2021
Thanksgiving Day	Thursday, November 25, 2021
Day After Thanksgiving Day	Friday, November 26, 2021
Christmas Eve	Friday, December 24, 2021
Christmas Day	Monday, December 27, 2021

A motion was made to approve Resolution 2020-12-0106 to approve the 2021 SJPC Holiday Schedule

Moved by: C. Bruner
Seconded by: R. DeAngelo

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0107: APPROVAL OF SUPPORT OF THE NATIONAL OCEANIC ATMOSPHERIC ADMINISTRATION PHYSICAL OCEANOGRAPHIC REAL TIME SYSTEM (PORTS®) FOR THE DELAWARE RIVER AND BAY

SJPC has provided the NJ funding share of the PORTS® since 2013. SJPC provided \$100,000.00 each year from 2013-2016. No funding was needed in 2017. In 2018, SJPC provided \$27,113.33. In 2019, SJPC provided \$78,655.67. Pennsylvania, Delaware and NJ share the cost to support this vital system.

PORTS® is a critical tool for vessel navigation, which affects both the safety of our tri-state waterway and the economic health of the commercial port. PORTS® is a decision support tool that improves the safety and efficiency of maritime commerce and coastal resource management through the integration of real-time environment observations, forecasts and other geospatial information.

Further, though initially installed to assist with safe navigation of commercial cargo ships, PORTS® is also critical in the preparation for and response to natural man-made disasters, environmental protection, recreational boating, and all manner and means of scientific research. PORTS® is also vital for coastal resource protection, emergency preparedness and response for both natural and man-made disasters, as well as municipal and county waterway planning and the monitoring of municipal drinking water resources.

Funding for this project is available from the Operating Fund.

A motion was made to approve Resolution 2020-12-0107 approval of the PORTS® funding in the amount of \$33,332.66.

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

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0108: APPROVAL TO ISSUE AN RFP FOR DESIGN SERVICES FOR INSPECTION AND REPAIRS OF THE HIGH MAST LIGHT TOWERS AT BALZANO AND BROADWAY TERMINALS

The HMT structures vary in height from 60 feet to 120 feet. The tallest tower at the Balzano terminal has an operable light ring that enables it to be raised and lowered for servicing. All HMT structures are recommended to be inspected on a four (4) year basis based on their years of service. These structures have not been inspected in many years and are subject to high stress and fatigue due to wind, weather, and age. The prequalified consultant firm will prepare the engineering design work for any recommended repairs based on the inspection. At this time, re-lamping with more energy-efficient LED lighting will be performed, and Staff will pursue rebates from the electric utility provider.

Estimated costs to complete these condition survey inspections and develop the reports together with the recommended design of repairs are approximately \$120,000.

A motion was made to approve Resolution 2020-12-0108 approval to issue an RFP to the Civil list of prequalified design firms to perform condition survey inspections and design of repairs of the high mast light tower structures (HMT) at the Balzano and Broadway Terminals.

Moved by: R. DeAngelo
Seconded by: C. Styles

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0109: APPROVAL TO ISSUE A REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES FOR CIVIL ENGINEER, CERTIFIED DIVER, CONSTRUCTION MANAGEMENT, GEO-TECHNICAL SERVICES AND MARINE ENGINEER

The RFQ seeks qualification proposals from qualified engineering firms, in accordance with the terms, conditions, and specifications contained in the RFQ, to be considered pre-qualified for the opportunity to submit cost proposals for future projects.

This specific qualification term is for two (2) years, commencing on March 1, 2021 and expiring on February 28, 2023.

A motion was made to approve Resolution 2020-12-0109 approval to issue a Request for Qualifications (RFQ) for engineering services for Civil Engineer, Certified Diver, Construction Management, Geo-technical Services, and Marine Engineer

Moved by: C. Styles
Seconded by: R. DeAngelo

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0110: APPROVAL TO AWARD AN RFP FOR DESIGN SERVICES PER NJDOT'S FY 2020 RAIL FREIGHT ASSISTANCE PROGRAM GRANT

An RFP was prepared and distributed to our prequalified civil consultant firm list. A site pre-bid meeting attended by 2 civil design firms was held on Monday, November 2, 2020. However, the following 3 proposals were received on November 19, 2020.

1. Urban Engineers \$ 249,000.00
2. Dewberry \$ 374,950.00
3. AECOM* \$ 175,178.00

*AECOM did not attend the prebid meeting. Also, they did not include full pricing for preliminary and final design tasks work associated with the feasibility options for a new loading facility at A-Building and the loading dock facility at Shed 1 due to the high dependence on existing conditions.

Proposals were reviewed by SJPC staff and it was determined that Urban Engineers proposal for the lump sum amount of \$ 249,000.00 was the best value and met all requirements of the RFP.

Estimated costs to complete construction of this project are approximately \$7,400,000 to be verified during final design and will be grant funded by the NDOT Rail Freight Federal Assistance Program 2020 with any costs in excess of the grant amount of \$6,010,650.00 provided for in the 2017A Capital Projects account.

The proposals were evaluated by Staff and General Counsel based on the criteria of staff qualifications, experience, approach/methodology and cost. The recommendation is to select Urban Engineers.

A motion was made to approve Resolution 2020-12-0110 approval to award the 2020 RFAP RFP to Urban Engineers.

Moved by:	J. Maressa
Seconded by:	C. Chianese
Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2020-12-0111: APPROVAL OF CENTRAL METALS LEASE RENEWAL

SJPC leases approximately 7,850 square feet of open area used for vehicle parking adjacent to Central Metals' headquarters at 1054 South 2nd Street in Camden NJ. Central Metals is engaged in the steel fabrication business, supplying commercial and industrial

construction projects. Until now, SJPC's lease with Central Metals has been for one-year terms.

Requested Lease Renewal Terms

The following key terms would be incorporated into the requested lease renewal:

- Approximately 7,850 square feet of open area, with a 5-year lease term, from February 1, 2021 to January 30, 2026.
- Rent to escalate in agreed annual set amounts, starting at \$5,102.50.00 in Lease Year 1 and ending at \$7,300.50.00 in Lease Year 5

A motion was made to approve Resolution 2020-12-0111 approval to accordingly renew the lease with Central Metals

Moved by:	J. Maressa
Seconded by:	R. DeAngelo

Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2020-12-0112: APPROVAL OF HARRY WILSON WELDING LEASE RENEWAL

Harry Wilson Welding has requested a one (1) year lease renewal for a small storage shed located at the Broadway Terminal. A 2.6% CPI increase will be applied to the new monthly billing rate of \$49.00, resulting in annual revenue of \$588.00. The new one-year lease will commence on February 1, 2021.

A motion was made to approve Resolution 2020-12-0112 approval to renew the Harry Wilson Welding lease for a one-year term, commencing on February 1, 2021

Moved by:	R. DeAngelo
Seconded by:	C. Styles

Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2020-12-0113: APPROVAL OF CHAMPION SERVICE, INC LEASE RENEWAL

Champion Service, Inc. is a trucking company headquartered in Marlton, NJ. SJPC leases to Champion approximately 3 acres of open area and approximately 16,000 square feet of a maintenance garage building on South 2nd Street in Camden NJ. Until now, SJPC's

lease with Champion has been for one-year terms for the garage and month to-month for the open space. Rent on both the open space and garage premises have escalated annually by CPI.

Requested Lease Renewal Terms

- One year renewal with 25% increase; annual lease revenue at \$96,087

A motion was made to approve Resolution 2020-12-0113 approval to accordingly renew the lease with Champion Service, Inc.

Moved by: R. DeAngelo
Seconded by: C. Styles

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0114: APPROVAL OF CLOROX SITE PURCHASE

GCIA purchased the site from Clorox in anticipation of having the property included in the Paulsboro Marine Terminal premises. This transaction will allow SJPC to acquire the parcel, add it to the terminal premises, and lease it to Paulsboro waterfront development (PWD). General Counsel is currently obtaining an appraisal and conducting due diligence on the site. SJPC hopes to close on the property in the next 60 days.

Key Anticipated Purchase Terms

- Not to exceed amount of \$2 million

A motion was made to approve Resolution 2020-12-0114 approval to accordingly purchase the Clorox site.

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

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0115: APPROVAL OF GLOUCESTER COUNTY UTILITIES AUTHORITY LEASE

The lease of this property from GCUA will serve as substitute space that Paulsboro Waterfront Development (PWD) can use for the future development of warehouse, storage, and distribution space served by the Paulsboro Marine Terminal. The site does have an active Bald Eagle nest and will require further studies and permitting but should serve PWD's needs.

Key Lease Terms

- Annual rental @ \$1
- Long term lease anticipated at 50 years

A motion was made to approve Resolution 2020-12-0115 approval to accordingly lease the site from GCUA.

Moved by:
Seconded by:

R. DeAngelo
C. Styles

Voting for Motion:
Voting Against Motion:

All
None

**RESOLUTION 2020-12-0116: APPROVAL OF PAULSBORO MARINE
TERMINAL (PMT) LEASE AMENDMENT**

In November 2014, SJPC entered into a lease agreement to lease approximately 150 acres of PMT to Camden Waterfront Development (CWD), now PWD, with an effective date of March 1, 2017 and a term of 55 years. SJPC and PWD now wish to amend the lease to accommodate the recent completion of the Downriver berth (designated 1 & 1a), and the planned addition of the Upriver berth (designated 3 & 3a), to the currently operating Berth 2.

Key Lease Amendment Terms

- No change to term of lease - 55 years
- Current Base Rent of \$650,000 per annum will increase to \$1,000,000 per annum upon execution of the lease amendment, and to \$1,500,000 on the first anniversary of the lease amendment.
- In the event of termination of the EEW/PWD sublease, annual rent will revert to \$1,040,000, increased by the CPI formula, providing that no other operations take place on the EEW-subleased premises, and providing that prior to the commencement of further operations on the sublease premises, that SJPC and PWD agree on a new rent.
- Base Rent to increase annually starting on the second Anniversary Date of the Lease Amendment, at the greater of CPI or 2%
- As new cargo opportunities arise, SJPC and PWD to agree on the required scope of development and associated rent, rather than limiting rental increases to minimum increments of development

- Clorox, Essex Landfill, BP (Reserve Parcel) sites to be leased to PWD when acquired in as-is condition, rather than at specified rentals in the conditions suitable for use by PWD, per the original lease. GCUA site also to be leased to PWD in as-is condition when acquired. Part of the consideration for the up-front Base Rent increase per the proposed lease amendment is for the addition of these sites
- Tonnage Fee threshold increased from the current 200,000 to 450,000 annual metric tons, and minimum annual tonnage requirements increased in 100,000 ton increments at 10 year intervals for the remaining term of the lease, starting in Lease Year 6, rather than negotiating the minimum tonnage requirements in out years
- Starting Tonnage Fee to be \$0.20 per ton from 450,001 to \$1,000,000 annual tons, and \$0.10 per ton in excess of 1,000,000 annual tons
- Beginning in Lease Year 6, Tonnage Fee increases annually by the greater of CPI or 2% through remaining term of the lease, rather than negotiating the Tonnage Fee in out years.
- Upon delivery of the Upriver Berth (3 & 3a), and when the berth is used by PWD, PWD will pay SJPC Dockage according to SJPC's prevailing Dockage tariff, and with the exception of steel slab tonnage, will pay SJPC Wharfage at 50% of SJPC's prevailing Wharfage tariff for the corresponding commodities handled. In the case of steel Slabs, PWD will continue to pay the prevailing Tonnage fees.

A motion was made to approve Resolution 2020-12-0116 approval to accordingly amend the lease with Paulsboro Waterfront Development, LLC (PWD).

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

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0117: APPROVAL OF CONSENT TO SUBLEASE AGREEMENT BETWEEN PAULSBOROS WATERFRONT DEVELOPMENT AND EEW AMERICAN OFFSHORE STRUCTURES

SJPC leases approximately 150 acres of the Paulsboro Marine Terminal (PMT), including backland and wharf area to PWD, under the terms of a 55 year lease. PWD is entering a sublease agreement with EEW for a portion of PMT so that EEW can manufacture and supply monopile structures To Orsted Wind Power N.A. in support of Orsted's joint venture with PSE&G for offshore wind farm development. The proposed sublease requires the consent of SJPC as Lessor of PMT.

Key Sublease Terms

The following key terms are included in the sublease:

- Subleased premises to include approx. 70 acres of PMT, plus preferential use of the Downriver Berth, designated as Berth 1 and 1a.
- 70 acre premises can be increased and/or substituted with PWD acreage by agreement between the parties based on the addition of Essex Landfill, Clorox, and BP Water Treatment sites
- Initial term of the sublease is 48 months, with one 36-month renewal option and eight additional 60-month renewal options
- Initial Base Rental payable to PWD will be \$2,800,000 per annum for the 70 acre premises. Starting In year 2 of the sublease, an additional amount of \$3,000,000 per annum in Berth Use Fee will be payable to PWD. Rental and Berth Use Fees will increase annually by CPI. Base Rent on the 70 initial 70-acre premises will experience a pro-rated increase, based on the number of acres added.
- PWD and EEW will conclude a Terminal Services Agreement specifying the terms, conditions, and rates associated with stevedoring and terminal operations that PWD will perform on behalf of EEW.
- EEW will be responsible for all maintenance associated with the subleased premises, as well as those berth maintenance obligations that are consistent with the main PMT lease
- Key condition precedents to executing the sublease include:
 - SJPC's consent
 - Approval of the Ocean wind Project & approval of an associated Development Agreement between EEW and Orsted's Board
 - Execution of the Terminal Services Agreement between PWD and EEW
 - EEW's receipt of and satisfaction with environmental reports and remedial actions related to the subleased premises
 - Letter of Credit delivered by EEW to PWD
- SJPC and PWD must consent to the transfer or assignment of the sublease to an entity unaffiliated with EEW, and SJPC must consent to the transfer or assignment of the sublease to an entity affiliated with EEW. PWR is entitled to earn a transfer fee associated with assignments or transfers from EEW to other entities if there is a monetary consideration accrued to EEW by such transfer or assignment
- Other lease provisions consistent with main PMT lease, as amended.

- BP's consent to the sublease is also required

A motion was made to approve Resolution 2020-12-0117 approval to accordingly consent to the sublease between Paulsboro Waterfront Development LLC (PWD) and EEW American Offshore Structures Inc. (EEW).

Moved by: R. DeAngelo
Seconded by: C. Styles

Voting for Motion: All
Voting Against Motion: None

**RESOLUTION 2020-12-0118: APPROVAL OF PAULSBORO MARINE
 TERMINAL MULTI-PARTY FUNDING AGREEMENT**

Staff is requesting Board approval of a multi-party funding agreement for offshore wind support construction at the Paulsboro Marine Terminal between the State of New Jersey (NJDOT), South Jersey Port Corporation, EEW Group, and Orsted.

BACKGROUND

A multi-party funding agreement has been prepared to facilitate the construction of the monopile manufacturing processing facility and berth improvements needed to support the State of New Jersey's offshore wind initiatives. The agreement is between the State of New Jersey's Department of Transportation, South Jersey Port Corporation, EEW Group, and Orsted. The financial responsibility of each entity is as follows:

NJDOT	\$xx million	Dredging new barge berth (\$10 million) and paving and utility work (\$5 million).
SJPC	\$6.6 million	Funding and labor through the Gloucester County Improvement Authority (GCIA).
EEW	\$xx million	Site improvements and construction of various building components.
Orsted	\$xx million	Berth and upland improvements.

A motion was made to approve Resolution 2020-12-0118 approval of a multi-party funding agreement for offshore wind support construction at the Paulsboro Marine Terminal between the State of New Jersey (NJDOT), South Jersey Port Corporation, EEW Group, and Orsted.

Moved by: C. Styles
Seconded by: R. DeAngelo

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2020-12-0119: APPROVAL OF CHANGE ORDER TO FORENSIC REVIEW, EVALUATION, AND CAUSE OF EXCESSIVE PILE DEVIATION AT PAULSBORO MARINE TERMINAL CONTRACT WITH MCLAREN ENGINEERING GROUP

Staff is requesting Board approval of a change order of \$3,370 to the Forensic Review, Evaluation, and Cause of Excessive Pile Deviation at Paulsboro Marine Terminal Contract with McLaren Engineering Group.

BACKGROUND

On November 17, 2020 we held a virtual meeting with representatives from GCIA, Stantec, Jacobs, Commerce Construction and McLaren to discuss McLaren's draft report on excessive pile deviation at Paulsboro. After the meeting, GCIA forwarded additional comments and questions to us for review.

We received that package from GCIA on November 19, 2020 and reviewed them with McLaren on November 30 and December 1.

McLaren is currently preparing a response back to the GCIA requesting additional material for review prior to issuing a final report. The time and staff needed to review and respond to GCIA's questions will require a change order to the initial contract for approximately \$3,370 in additional costs, to be approved by the Board at Tuesday's meeting. The original authorized amount for McLaren's services was \$46,290. With the additional work mentioned above, McLaren has requested bringing the total authorized amount to \$49,660.

A motion was made to approve Resolution 2020-12-0119 approval to approve the change order of \$3,370 requested by McLaren Engineering Group to address additional questions and concerns from GCIA before issuing their final report on the excessive pile deviation at the Paulsboro Marine Terminal.

Moved by: C. Styles
Seconded by: R. DeAngelo

Voting for Motion:

R. Alaimo
C. Chianese
R. DeAngelo
J. Maressa
S. Roberts
C. Styles

Voting Against Motion:

C. Bruner
W. Higgins
J. Gershen

Abstaining On Motion:

E. Martins

**RESOLUTION 2020-12-0120: APPROVAL OF NON-REPRESENTED STAFF
COMPENSATION ADJUSTMENTS**

In concert with all of the Collective Bargaining Agreements (CBAs) in effect at the South Jersey Port Corporation, staff is requesting Board consideration and approval of a 2% compensation adjustment for all non-represented employees effective January 1, 2021. This includes the Executive Director and CEO, the Assistant Executive Director/CFO, Assistant Executive Director/Director, Business Development, Assistant Executive Director/COO, Chief of Staff and External Affairs, Facilities Engineer, Security Manager and Senior Executive Assistant.

A motion was made to approve Resolution 2020-12-0120 Board approval of the non-represented staff compensation adjustment recommendation.

Moved by:

R. DeAngelo

Seconded by:

S. Roberts

Voting for Motion:

All

Voting Against Motion:

None

INFORMATION ITEMS**NOVEMBER 2020 STORM DAMAGE CLAIM**

On Sunday, November 15, the Port sustained storm damage at the Balzano Marine Terminal. As a result of severe winds, several utility poles were downed along the entry roadway to the Battleship New Jersey, resulting in power loss to the whole Terminal and partial loss to communication lines providing internet and phone service.

The downed utility poles took out a significant portion of the North end of the perimeter fencing. Shed 1 sustained roofing and siding damage. Shed 2 also sustained damage to its roof, a couple of small overhead doors, and two skylights. The storm also damaged a large overhead door in M building, and both A and B buildings sustained roofing and skylight damage.

Insurance claims have been submitted and are in the process of being resolved. The response was immediate, and adjusters worked closely with SJPC staff, who continue to meet with representatives from the insurance carrier to conduct walk-throughs and thorough evaluations of the damage.

The repairs' cost is likely to be substantial, in the hundreds of thousands, and exceed the Port's insurance deductible of \$100,000. Staff will continue to update the Board of any developments related to this incident.

MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

The report was received and filed.

PORT SECURITY UPDATE

The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

The report was received and filed.

PUBLIC COMMENTS

The Chairman asked if there were any public comments.

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

A motion was made to adjourn the Regular Open Meeting.

Moved by:

C. Styles

Seconded by:

R. DeAngelo

Voting for motion:

All

Voting against motion:

None

At 1:13 p.m. the regular open session was adjourned.

Following closed session, the Regular Session was reopened at 1:54 p.m.

A motion was made to adjourn the Regular Open Meeting at 1:59 p.m.

Moved by:	R. DeAngelo
Seconded by:	C. Styles

Voting for motion:	All
Voting against motion:	None

I certify that this is a true copy of the Minutes of the South Jersey Port Corporation's Regular Open Session of the Board of Director's Meeting held Tuesday, December 8, 2020.



Bruno Cellucci
Acting Board Secretary

