



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
CAMDEN, NEW JERSEY
SEPTEMBER 25, 2023
12:32 p.m.

Directors Present:	Richard Alaimo	Chairman 🗳️
	Robert Tighue	State Treasurer Designee 🗳️
	William Higgins	Director
	Sheila Roberts	Director 🗳️
	Joseph Maressa	Director 🗳️
	Robert D'Angelo	Director 🗳️
	Chad Bruner	Director 🗳️
	Eric Martins	Director 📞
Directors Absent:	Jonathan Gershen	Director
	Carl Styles	Director
In Attendance:	Janice Venables	Governor's Authorities Unit
	Andrew Saporito	Executive Director & CEO
	Joe Antinori	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
	Dennis Culnan	Phoenix Strategies
	Dan Bontempo	Stantec 📞
	Patrick Boyle	Senior Purchasing Agent
	George Englehardt	Facilities Engineer 📞
	Chris Perks	Director of Engineering
	Ed Cooney	Conner Strong & Buckelew
	Susan Panto	Conner Strong & Buckelew
	Gus Belo	Difference Card

The Acting Board Secretary opened the meeting at 12:32 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 – AUGUST 29, 2023

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on August 29, 2023, were presented for approval.

A motion was made to approve the August 29, 2023 Board of Directors Regular Open Session Meeting Minutes as presented.

Moved by:	S. Roberts
Seconded by:	E. Martins
Abstain:	R. Tighue
Voting against motion:	None

PRESENTATION OF CLOSED MEETING MINUTES AUGUST 29, 2023

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on August 29, 2023 were presented for approval.

A motion was made to approve the August 29, 2023 Board of Directors Regular Closed Session Meeting Minutes as presented.

Moved by:	S. Roberts
Seconded by:	E. Martins
Abstain:	R. Tighue
Voting against motion:	None

OPERATING BILLS

The Operating Unpaid Bill list for the period 8/11/2023–8/31/2023 was presented for approval.

A motion was made to adopt Resolution 2023-09-0080 for the approval of the Operating Unpaid Bill list for the period 8/11/2023- 8/31/2023.

Moved by: S. Roberts
Seconded by: E. Martins

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 8/11/2023– 8/31/2023 was presented for approval.

A motion was made to adopt Resolution 2023-09-0081 for the approval of the Advance Payment Bills for the period 8/11/2023-8/31/2023.

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

Voting for motion: All
Voting against motion: None

CREDIT LIST – NONE**CHANGE ORDERS - NONE****CONSTRUCTION FUND REQUISITIONS**

Staff presented (17) advance construction fund requests in the amount of \$298,2631.86 and (10) unpaid construction fund requisitions in the amount of \$74,764.50

A motion was made to adopt Resolution 2023-09-0082 to approve the Construction Fund List for the period ending September 25, 2023.

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

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

For the month of August 2023, the SJPC had net income before non-operating interest expense and depreciation and amortization in the amount of \$109,376 which is over budget by \$96,376 for the month. Our (year-to-date) YTD net income as of August 31st is \$1,180,456, which is over budget by \$1,060,661.

Please note that we reduced revenue by \$133,433, as deferred income in August decreased. Our deferred revenue balance decreased from July and is \$304,686 at month end. August 2023 month-ended net income is approximately \$10,000 less as compared to August 2022.

COUNSEL'S REPORT

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

EXECUTIVE DIRECTORS REPORT

The Executive Director & CEO for the South Jersey Port Corporation reports cargo tonnage for August 2023 was 268,013 s/tons: a 17% increase over August 2022. Year to date tonnage through August totaled 2,022,339 s/tons; representing a 10% decrease when compared to the same period in 2022.

Breakbulk tonnage for August 2023 totaled 83,776 s/tons. This is a 25% increase when compared to August 2022. August YTD tonnage was 871,209 s/tons; a decrease of 16.1% compared to 2022.

All terminals combined handled a total 79,487 s/tons of import steel during August 2023, representing a 38.9% increase over August 2022. Combined YTD steel imports were 815,238 s/tons, representing a 9.5% decrease compared to 2022 YTD. Camden steel imports in August 2023 showed a 62.2% decrease over August 2022, and a August YTD decrease of 23.6% compared to 2022. Paulsboro Marine Terminal handled 57,849 s/tons of steel slabs in August 2023 compared to August 2022. YTD, Paulsboro handled 447,190 s/tons of steel products; a 6.6% increase compared to August 2022 YTD. There were 4,298 tons of wood products imports in August 2023 compared to 9,549 tons of plywood imports in August 2022. August YTD wood products import tonnage at 15,308 tons was 78% behind YTD 2022. There was no cocoa bean activity in August 2023 or August 2022. YTD 2023 cocoa bean imports totaled 40,663 tons, a 6% increase vs YTD 2022.

Bulk activity for August 2023 was 184,239 s/tons: a 13% increase from August 2022. Total bulk tonnage year-to-date reached 1,151,130 s/tons: a 6.5% decrease versus YTD 2022. Exports of recycled metals in August were 36,474 s/tons; a 38.7% decrease compared to August 2022. Year-to-date recycled metals export volume decreased 24%, compared to 2022. There was no cargo activity for cement in August 2023 compared to 53,693 s/tons in 2022 and decreased 4.1% YTD compared to 2022. August 2023 export Grancem at 27,461 s/tons decreased 21.3% compared to 2022 and showed a 27.54% decrease year-to-date. Salem handled 20,083 s/tons of sand in August 2023, compared to 14,910 s/tons in August 2022. August YTD sand at 122,733

s/tons, a 17% increase vs 2022 YTD. There were 115,536 s/tons of Gypsum YTD compared to no activity YTD August 2022.

SJPC's marine terminals handled 21 ships in August 2023, compared with 24 in August 2022. Year-to-date the port handled 138 ships, compared to 165 by August 2022 YTD. The number of ship days (i.e. the number of days a ship is loading or unloading at its terminals) for August 2023 was 51, compared to 62 days in August 2022. August 2023 YTD ship days were 404, compared to 613 YTD 2022.

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

NJ Alliance for Action NJ Statewide Transportation Conference

On Wednesday September 20th we attended the NJ Alliance Annual Statewide Transportation Conference which featured Governor Murphy, DOT Commissioner Gutierrez-Scaccetti and representatives from State Transportation Authorities who discussed their major transportation projects and future projects.

Approximately 600 people attended the event.

South Jersey Development Council – Sound Off for South Jersey Legislative Conference

On Friday September 15th we attended The Sound Off for South Jersey Legislative Conference which featured Governor Murphy and South Jersey legislators who discussed issues and needs related to South Jersey. Governor Murphy discussed ongoing projects focused on South Jersey including offshore wind and ongoing milestones.

Collective Bargaining Agreements Negotiations

We are still waiting for guidance from the state on proposed salary and compensation increases negotiated with state represented employees. Upon receipt of this information, we plan to resume discussions with our union representatives.

New Business Opportunities

We continue to work with a new importer of forest products to develop a monthly or a bi-monthly schedule of shipments to the Broadway Terminal. We are also in discussions with a potential new salt importer to import salt through Camden and we continue to explore potential opportunities that support the scheduled offshore wind projects.

Other Events Attended by Staff

- Ports of Philadelphia Marine Society Annual Crab Feast
- CCSNJ 150th Anniversary Celebration

Visitors Hosted

- Heidelberg Materials (FKA Lehigh)-new plant manager
- Mid Ship Logistics – steel customer
- Allied Salt – potential salt customer

ACTION ITEMS:**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

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.

A motion was made to approve Resolution 2023-09-0083 to award a construction contract to the low bidder, Jottan Inc., Delran, NJ, in the Lump Sum Bid Amount of \$344,571.00.

Moved by:	S. Roberts
Seconded by:	J. Maressa
Voting for Motion:	All
Voting Against Motion:	None

**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%

A motion was made to approve Resolution 2023-09-0084 renew the maintenance garage lease with DRS for an initial 5-year term, plus one 5-year extension option.

Moved by:	W. Higgins
Seconded by:	R. D'Angelo
Voting for Motion:	All
Voting Against Motion:	None

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.

A motion was made to approve Resolution 2023-09-0085 for 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.

Moved by:

J. Maressa

Seconded by:

R. D'Angelo

Voting for Motion:

All

Voting Against Motion:

None

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.

A motion was made to approve Resolution 2023-09-0086 to contract with The Difference Card and establish a Health Reimbursement Account option for employees.

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

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 12:54 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 1:19 p.m.

A motion was made to adjourn the Regular Open Meeting at 1:19 p.m.

Moved by: R. D'Angelo

Seconded by: S. Roberts

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 Monday, September 25, 2023.


Jonathan Atwood
Acting Board Secretary