

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING JUNE 11, 2024

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

1. APPROVAL OF MINUTES

Regular Open Meeting April 30, 2024
Closed Session Meeting April 30, 2024

**2. APPROVAL OF OPERATING BILLS
RESOLUTION 2024-06-0069**

**3. APPROVAL OF ADVANCED PAYMENT BILL LIST
RESOLUTION 2024-06-0070**

**4. APPROVAL OF CREDITS
RESOLUTION 2024-06-0071**

5. APPROVAL OF CHANGE ORDERS (ONE)

RESOLUTION 2024-06-0072: CHANGE ORDER NO. 5 TO TRACKS UNLIMITED, LLC FOR RAIL REHABILITATION AT BALZANO MARINE TERMINAL

**6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS
RESOLUTION 2024-06-0073**

7. RECEIPT OF TREASURER'S REPORT

8. RECEIPT OF COUNSEL'S REPORT



9. RECEIPT OF EXECUTIVE DIRECTOR'S REPORT

10. ADDITIONAL AGENDA ITEMS REQUIRING BOARD ACTION:

ACTION ITEMS

A. RESOLUTION 2024-06-0074: APPROVAL TO ISSUE AN INVITATION FOR BIDS FOR CONSTRUCTION REPAIRS TO THE PIER 1 SEAWALL AT BROADWAY MARINE TERMINAL

B. RESOLUTION 2024-06-0075: APPROVAL OF FOREIGN TRADE ZONE 142 TARIFF NO.1 REVISION

11. SUPPLEMENTAL BOARD INFORMATION:

C. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

D. PORT SECURITY UPDATE

E. PAULSBORO MARINE TERMINAL PROJECT UPDATES

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2024-06-0074: APPROVAL TO ISSUE AN INVITATION FOR BIDS - CONSTRUCTION REPAIRS TO THE PIER 1 SEAWALL AT BROADWAY MARINE TERMINAL

REQUEST

Pursuant to the Board's Authorization: RESOLUTION 2023-10-0093 APPROVAL OF DESIGN SERVICE TO REPAIR THE INSHORE SECTION OF PIER 1 SEAWALL AT THE BROADWAY MARINE TERMINAL, Board approval is hereby requested to issue an IFB for public bids to perform construction services to repair the Pier 1 concrete seawall at the Broadway Marine Terminal.

BACKGROUND

In mid-April 2023 during the construction of sinkhole repair work in Pier 1, it was noted that a section of the inshore concrete seawall had rotated caused by the advanced deterioration of supporting steel piles. The area of concern was cordoned off for safety considerations.

A more comprehensive inspection was performed, and design work was performed to prepare bid documents for the construction of the Pier 1 seawall repair work.

RECOMMENDATION:

Staff requests Board approval to publicly advertise a construction contract for the repairs to the Pier 1 Seawall at the Broadway Marine Terminal.



ACTION ITEM:

B. RESOLUTION 2024-06-0075: APPROVAL OF FOREIGN TRADE ZONE 142 TARIFF NO.1 REVISION

REQUEST

Staff is requesting Board approval to revise Foreign Trade Zone 142 Tariff No.1, to take effect July 1, 2024: 1) to remove references to FTZ-designated sites in Salem, Millville, and Gibbstown, New Jersey, 2) to conform the language of the tariff, to reflect that the Foreign Trade Zone is now operated under the Alternate Site Framework and 3) to revise the fee schedule to include an additional fee category and eliminate a fee ambiguity.

BACKGROUND

A Foreign Trade Zone is considered to be outside the U.S. Customs' territory, and through use of a FTZ, businesses can combine imported materials with domestic or other imported components, potentially reducing, deferring, or in some cases eliminating Customs duties. SJPC is the Grantee of Foreign Trade Zone (FTZ) No. 142 as authorized by the FTZ Board. FTZ No. 142 is governed by a Tariff/Zone Schedule, which governs operations in the FTZ, through implementation of rules, regulations, and fees.

- Removal of Designated Sites in Salem, Millville, and Gibbstown

Earlier this year, The FTZ Board notified SJPC and other FTZ Grantees around the country that certain FTZ-designated sites that did not have qualifying activity within certain time periods (5 years for magnet sites and 3 years for subzones and usage driven sites) would be "sunsetting" (de-designated) as of June 30, 2024. The FTZ Board periodically does this to reduce its administrative burden overseeing sites that are not active. Four sites within Zone 142 are among those to be sunsetted.

Site 1, Parcels A & B, totaling 90 acres in Salem

Site 2, totaling 10 additional acres in Salem

Site 3, totaling 144 acres at the Millville Airport Industrial Park

Site 4, consisting of 1,630 acres in Gibbstown at the Repauno/Greenwich Rail and Port Terminal Complex

Based on this FTZ Board action, references to these four sites, would be deleted from SJPC's FTZ 142 Tariff.

- Operation Under the Alternative Site Framework

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FTZ 142 was initially established pursuant to a Grant issued by the Foreign-Trade Zones Board, on August 25, 1987, under the traditional framework, through designations of FTZ zones, subzones, and magnet sites. Subsequently FTZ 142 was approved for Reorganization under the Alternative Site Framework (ASF) regulations which allows additional locations within the seven county FTZ to benefit from FTZ status through designation as usage driven sites. This can be done through a quicker and simpler application process than under the traditional framework.

The Tariff is to be updated to reflect the transition from the traditional framework to the ASF.

- Changes to Fee Schedule

A user may request the alteration of a zone site, but the Tariff did not specify a fee for the alteration. Modifications to the fee schedule will include a designated fee for this request. Modification of the fee schedule is also needed to eliminate a pre-existing ambiguity for manufacturing within a zone site.

RECOMMENDATION:

Staff recommends Board approval to accordingly revise FTZ 142 Tariff No.1, to take effect July 1, 2024, to remove references to the afore-mentioned FTZ-designated sites in Salem, Millville, and Gibbstown, New Jersey, which have been sunsetted, to modify the tariff's language to conform with the Zone's operation under the ASF, and to modify the fee schedule to include a new fee category for zone site alteration and to eliminate an ambiguity.



INFORMATION ITEM:

**C. MARKETING COMMITTEE REPORT &
PHOENIX/ARTLIP COMMUNICATIONS REPORT**

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INFORMATION ITEM:

D. SECURITY UPDATE:



INFORMATION ITEM:

E. PAULSBORO MARINE TERMINAL PROJECT UPDATES

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



MATTERS INVOLVING LITIGATION, PERSONNEL MATTERS & SPECIAL MATTERS

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

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