

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING SEPTEMBER 24, 2024

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

1. APPROVAL OF MINUTES

Regular Open Meeting August 27, 2024

Closed Session Meeting August 27, 2024

2. APPROVAL OF OPERATING BILLS

RESOLUTION 2024-09-0114

3. APPROVAL OF ADVANCED PAYMENT BILL LIST

RESOLUTION 2024-09-0115

4. APPROVAL OF CREDITS

RESOLUTION 2024-09-0116

5. APPROVAL OF CHANGE ORDERS (ONE)

RESOLUTION 2024-09-0117: APPROVAL OF CHANGE ORDER NO. 8 FOR TRACKS UNLIMITED

6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS

RESOLUTION 2024-09-0118

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 2024-09-0119: APPROVAL TO AWARD A CONTRACT FOR REPAIRS OF THE SANITARY SEWAGE PUMPING STATION AT BUILDING “B” AT THE BALZANO MARINE TERMINAL**
- B. RESOLUTION 2024-09-0120: APPROVAL TO AWARD A CONTRACT FOR SANITARY SEWER INSPECTIONS, MAINTENANCE AND REPAIRS AT THE BALZANO AND BROADWAY MARINE TERMINALS**
- C. RESOLUTION 2024-09-0121: APPROVAL TO AWARD A CONSTRUCTION CONTRACT FOR PAVING AND DRAINAGE OF THE LOT AT 551 SOUTH 2ND STREET AT THE BALZANO TERMINAL**
- D. RESOLUTION 2024-09-0122: APPROVAL OF WORKERS’ COMPENSATION & EMPLOYER’S LIABILITY RENEWAL (11/04/2024-03/01/2025)**
- E. RESOLUTION 2024-09-0123: APPROVAL OF CRIME AND ABOVE GROUND STORAGE TANK POLLUTION LEGAL LIABILITY RENEWALS (12/15/2024-03/01/2026)**
- F. RESOLUTION 2024-09-0124: APPROVAL TO ISSUE RFP FOR TWIC ESCORT SERVICES**
- G. RESOLUTION 2024-09-0125: APPROVAL TO ESTABLISH AN EMPLOYEE HEALTH REIMBURSEMENT ACCOUNT**
- H. RESOLUTION 2024-09-0126: APPROVAL OF CONSENT TO ASSIGNMENT OF JOINT SITE DEVELOPMENT AGREEMENT BY OCEAN WIND, LLC TO EEW-AOS PAULSBORO URBAN RENEWAL, LLC**



11. SUPPLEMENTAL BOARD INFORMATION:

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

J. PORT SECURITY UPDATE

K. PAULSBORO MARINE TERMINAL PROJECT UPDATES

PUBLIC SESSION FOR QUESTIONS / COMMENTS

12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2024-09-0119: APPROVAL TO AWARD A CONTRACT FOR REPAIRS OF THE SANITARY SEWAGE PUMPING STATION AT BUILDING “B” AT THE BALZANO MARINE TERMINAL

REQUEST

Staff are requesting Board Authorization to award a contract to repair the sanitary sewage pumping station at Building B at the Balzano Marine Terminal.

BACKGROUND

All of the bathrooms, kitchens, and sinks within the B Building at the Balzano Marine Terminal are served by one duplex sanitary sewage pumping station in the ground floor of the building. Over forty Local 18 and Local 1040 employees routinely utilize these facilities as their break room, showers, and lockers are in the building.

Over the past three years, these pumps have burned out and been replaced numerous times. There are also costs incurred for an outside contractor to come and evacuate the pump pit each time. In June, staff determined that they could not repair the existing station again and the bathroom facilities are now out of service. A temporary bathroom trailer is being rented in the interim.

This pump station, along with the other 10 grinder type sanitary sewage pump stations at the two Camden terminals, was installed in 1987.

Staff advanced this project in an expedited manner by issuing a request for competitive bids. The scope of the work is to supply and install new replacement pumps and motors, motor controller, check valves, an air relief valve, and all associated plumbing and electrical work.

The project was advertised in three newspapers and posted on the website. Six qualified local firms were notified of the bid opportunity. A pre-bid site visit was held on August 29. Bids were opened on September 12, 2024. One bid was received:

Firm Name	Bid Amount
Municipal Maintenance Co. Cinnaminson, NJ	\$ 126,230

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RECOMMENDATION:

Staff is requesting Board approval to award a contract to furnish and install the specified sanitary pumping station equipment in the B Building at the Balzano Marine Terminal to the low bidder, Municipal Maintenance Company from Cinnaminson, NJ, in the lump sum bid amount of \$126,230.



ACTION ITEM:

B. RESOLUTION 2024-09-0120: APPROVAL TO AWARD A CONTRACT FOR SANITARY SEWER INSPECTIONS, MAINTENANCE AND REPAIRS AT THE BALZANO AND BROADWAY MARINE TERMINALS

REQUEST

Staff are requesting Board Authorization to award a contract to perform inspections, maintenance and repair services for sanitary sewer pump stations at the Balzano and Broadway Marine Terminals.

BACKGROUND

Sanitary sewage flows for the Balzano Marine Terminal are collected at five (5) canned grinder pump stations where the raw sewage is pumped via small diameter pressure sanitary sewer lines to the City of Camden sewage collection system in the surrounding streets.

At the Broadway Terminal, four (4) SJPC operated grinder pump stations and small diameter lines discharge to a common 10 horsepower duplex pump station which then pumps to the City’s gravity lines in South Broadway. The nine (9) grinder type sanitary sewage pump stations at the two Camden terminals were installed in 1987.

Competitive publicly advertised bids were solicited from qualified contractors to perform biannual inspections, preventive maintenance, and repair services as need for all ten of the sanitary pump stations and systems. The initial term is for a period of one (1) year and may be renewed for an additional (2) one-year terms, subject to the approval of the SJPC Board.

The project was advertised in three newspapers and posted on the website. Six qualified local firms were notified of the bid opportunity. A pre-bid site visit was held on August 15. Four addenda were issued. Bids were opened on September 12, 2024. One bid was received.

Firm Name	Bid Amount
Municipal Maintenance Co. Cinnaminson, NJ	\$ 39,100

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RECOMMENDATION:

Staff is requesting Board approval to award a contract to perform inspections, maintenance, and repair services for all sanitary sewer pump stations at the Balzano and Broadway Marine Terminals to the low bidder, Municipal Maintenance Company from Cinnaminson, NJ, in the lump sum bid amount of \$ 39,000.



ACTION ITEM:

C. RESOLUTION 2024-09-0121: APPROVAL TO AWARD A CONSTRUCTION CONTRACT FOR PAVING AND DRAINAGE OF THE LOT AT 551 SOUTH 2ND STREET AT THE BALZANO TERMINAL

REQUEST

Staff is requesting Board authorization to award a construction contract to perform grading, paving, and drainage construction at the 551 S 2nd Street lot on the Balzano Terminal.

BACKGROUND

The 1.25-acre property at 551 South 2nd Street was acquired by SJPC from the City of Camden in August 2019, with the stipulation that the existing brick building, often referred to as the Goldstein Building, was to be demolished within three years.

In September 2021, a contract was awarded, the building was demolished, and a stone surface was provided. Recently, an underground storage tank on the site was remediated.

The port is consistently in need of outdoor laydown areas to accommodate the demand to handle increased cargo. By paving and providing drainage on the 551 South 2nd Street site, this space becomes available to operations for the placement of cargo, and the parking of trucks and port yard equipment. The design engineer is PS&S.

In accordance with Resolution 2024-04-0064, the project was duly posted and advertised.

The pre-bid site visit was held on August 29, 2024. One addendum was issued. The bids were opened on September 12, 2024. One bid was received.

Company	Bid Amount
Paving Plus, LLC Glassboro, NJ	\$ 470,470

RECOMMENDATION:

Staff recommends Board award of a construction contract to the lowest responsible bidder Paving Plus, LLC, from Glassboro, NJ, in the lump sum amount of \$ 470,470 to perform the grading, paving and drainage at the 551 South 2nd Street lot at the Balzano Marine Terminal.



ACTION ITEM:

D. RESOLUTION 2024-09-0122: APPROVAL OF WORKERS' COMPENSATION & EMPLOYER'S LIABILITY RENEWAL (11/04/2024-03/01/2025)

Workers Compensation & Employers Liability: South Jersey Port Corporation's (SJPC) Workers' Compensation & Employer's Liability policy renews November 4, 2024. The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted an extension to 03/01/2025 of \$171,413, (estimated and subject to audit). This amount will be due in 4 equal installments of \$42,853.25, up 2.5% from the current monthly cost of \$41,808.00.

This slight uptick is attributable to an 18.5% annualized increase in payrolls, which was largely offset by an 18.3% decrease in rate for class code 8292 - Storage Warehouse and an improvement in SJPC's Experience Modification Factor from 1.293 to 1.245, as factored by the New Jersey Compensation Rating & Inspection Bureau.

As a result of Conner Strong & Buckelew's efforts and a positive relationship between NJM's Claims Team and SJPC, Conner Strong & Buckelew recommends SJPC renew with New Jersey Manufacturers Insurance Company.

RECOMMENDATION:

Staff recommends Board Approval of the recommendation from Conner Strong & Buckelew to approve the Workers' Compensation & Employer's Liability Policy renewal policy with New Jersey Manufacturers Insurance Company at a cost of \$171,413, effective November 4, 2024 – March 1, 2025.



ACTION ITEM:

E. RESOLUTION 2024-09-0123: APPROVAL OF CRIME AND ABOVE GROUND STORAGE TANK POLLUTION LEGAL LIABILITY RENEWALS (12/15/2024-03/01/2026)

Crime: The Port's current insurance carrier is National Union Fire Insurance Company of Pittsburgh, PA (AIG) who provides a \$500,000 limit with a \$20,000 deductible. The expiring premium was \$9,272, including New Jersey surcharges. AIG has offered an extended period from 12/15/2024-03/01/2026 for a premium of \$11,551.00. In annualized figures this renewal is up about 3% vs expiring which is a great result given a recent large loss in excess of \$400,000.

Storage Tank Pollution Legal Liability: The Port's current insurance carrier is ACE American Insurance Company (Chubb), who 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 \$2,817, including TRIA and New Jersey surcharges. ACE American Insurance Company is unable to provide any renewal quotes until October at which time they would only be able to provide a renewal quote for an annual period 12/15/2024 – 12/15/2025. As such Conner Strong & Buckelew completed a targeted marketing effort to 3 key alternative insurers. Crum & Forester offered 1,000,000 Each Pollution Condition / \$3,000,000 Aggregate Limit subject to a \$5,000 deductible per storage tank, for the period between 12/15/2024 to 03/01/2026 for \$2,097.00. This is 39% decrease annualized. Crum is unable to offer \$3,000,000 Defense Expense limits offered in the ACE policy. However, they would be matching coverage otherwise including honoring the current retroactive dates.

RECOMMENDATION:

Staff recommends Board Approval of the recommendations from Conner Strong & Buckelew for the above insurance renewals.



ACTION ITEM:

F. RESOLUTION 2024-09-0124: APPROVAL TO ISSUE RFP FOR TWIC ESCORT SERVICES

REQUEST

Staff requests Board approval to issue Request for Proposals (RFP) for Transportation Worker Identification Credential (TWIC) escort concession services.

BACKGROUND

In accordance with the Maritime Transportation Security Act, all persons requiring unescorted access to restricted SJPC facilities must possess a Transportation Worker Identification Credential (TWIC), issued by the Transportation Security Administration (“TSA”), before such access is granted. Persons seeking access to SJPC facilities who do not physically possess a TWIC may only enter SJPC facilities with an SJPC-approved TWIC escort as a side-by-side companion and or line of sight companion.

SJPC currently does not have a contract for escort services, rather they are administered on an ad-hoc basis. This would allow SJPC to establish a set of parameters for fees, hours of service, as well as provide a small measure of revenue to the Port.

RECOMMENDATION:

Staff recommends that the Board approve issuing an RFP for TWIC escort concession services.



ACTION ITEM:

G. RESOLUTION 2024-09-0125: APPROVAL TO ESTABLISH AN EMPLOYEE HEALTH REIMBURSEMENT ACCOUNT

REQUEST

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

BACKGROUND

The State Health Benefits Plan (SHBP) has recently allowed members to offer their employees a Health Reimbursement Account option. Our insurance broker, Conner Strong and Buckelew, conducted a publicly advertised Request for Proposals process, for HRA Services pursuant to New Jersey law and recommended a company called The Difference Card to provide HRA services to Port employees who enroll in an HRA-eligible health plan.

By enrolling in an HRA-eligible health plan, employees receive the same benefits at a lower premium. SJPC will fund an HRA for each enrolled employee, which the employee can use 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. It is SJPC's intention to offer our employees the opportunity to enroll in the Direct Access/Aetna Freedom 2035 plan with a fully funded Health Reimbursement Account in the amount of \$14,720 for each employee regardless of the level of coverage (single, member/spouse, parent/child, family) to be effective January 1st, 2025.

Reducing premium costs will result in potentially significant cost savings to both the employee and the Port. All contracts are subject to review by legal counsel.

RECOMMENDATION:

Staff recommends that the Board approve contracting with EB Employee Solutions, LLC, dba as The Difference Card and establishing a Health Reimbursement Account option for employees.



ACTION ITEM:

H. RESOLUTION 2024-09-0126: APPROVAL OF CONSENT TO ASSIGNMENT OF JOINT SITE DEVELOPMENT AGREEMENT BY OCEAN WIND, LLC TO EEW-AOS PAULSBORO URBAN RENEWAL, LLC

REQUEST

Staff is requesting Board approval to authorize SJPC’s Executive Director and CEO to execute a Consent to Assignment Agreement (hereinafter the “Consent”) that imparts SJPC’s written consent to and for that certain Assignment and Assumption Agreement between Ocean Wind, LLC (“OWL”) and EEW-AOS Paulsboro Urban Renewal, LLC (“EEW-AOS”) providing for OWL’s assignment of all its right, title and interest in, to and under Joint Site Development Agreement – Paulsboro, New Jersey, dated April 29, 2021 (hereafter the “JSDA”) to EEW-AOS (the “Assignment Agreement”), subject to SJPC’s legal counsel’s review and final approval.

BACKGROUND

At the February 23, 2021, Board meeting, the Board approved SJPC’s entry into the JSDA, which was a multiparty agreement that included the SJPC, the Gloucester County Improvement Authority (“GCIA”), EEW American Offshore Wind Structures, Inc. n/k/a EEW-AOS Paulsboro Urban Renewal, LLC (“EEW”), and OWL. The JSDA provided for the establishment of a budget and sources of funds (financing) to facilitate the construction of a monopile manufacturing processing facility to support the offshore wind energy industry at the Paulsboro Marine Terminal (“PMT”). The JSDA further provided for the development of the monopile manufacturing facility itself on a portion of the PMT site, to include construction activities consisting of the land improvements and the in-water improvements. The JSDA was entered into by all the parties, and effective, on April 29, 2021.

OWL has made the decision to no longer pursue offshore wind energy projects that it is involved with off the coast of New Jersey, and along the entire eastern seaboard. As such, OWL has entered into a Construction Loan Purchase and Sale Agreement with EEW-AOS for the assignment/sale by OWL of call those certain loan rights and obligations related to the PMT that OWL is responsible for to EEW-AOS (hereinafter the “Purchase Agreement”). It is a condition to the closing of the sale and assignment transaction contemplated by the Purchase Agreement, and a part of the consideration provided by EEW-AOS thereunder, that OWL and EEW-AOS enter into the Assignment Agreement. However, for

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the Assignment Agreement to be effective, all the other parties to the JSDA must each give their written consent thereto pursuant to Section 20, paragraph 20.1 of the JSDA. Accordingly, OWL and EEW-AOS have now sought the said required written consent of and from the SJPC and GCIA in order that the Assignment Agreement will be effective, which will in turn allow for OWL and EEW-AOS to move forward with the transaction and closing contemplated under and in their Purchase Agreement.

SJPC's, as well as the other parties to the JSDA's, consent to the Assignment Agreement will allow for, and ensure, that the financing and construction provided for therein as it regards the PMT, and its role in supporting the offshore wind energy industry, will continue forward, and be completed.

RECOMMENDATION:

Staff recommends Board approval to authorize SJPC's Executive Director and CEO to execute the Consent that imparts SJPC's written consent to and for that certain Assignment Agreement between OWL and EEW-AOS providing for OWL's assignment of all its right, title and interest in, to and under the JSDA to EEW-AOS, subject to SJPC's legal counsel's review and final approval.



INFORMATION ITEM:

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

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INFORMATION ITEM:

J. SECURITY UPDATE:



INFORMATION ITEM:

K. 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