



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
BROADWAY TERMINAL
CAMDEN, NEW JERSEY
September 24, 2019
12:30 p.m.

Directors Present:

Richard Alaimo	Chairman
Chad Bruner	Director
Christopher Chianese	State Treasurer Designee
Robert DeAngelo	Director
Sheila Roberts	Director
Carl Styles	Director ☎

Directors Absent:

Jonathan Gershen	Director
Eric Martins	Director
Joseph Maressa	Director

In Attendance:

Craig Ambrose	Governor's Authorities Unit ☎
Raymond Zane, Esq.	General Counsel – Zane & Assoc.
Andrew Saporito	Executive Director & CEO
Bruno Cellucci	Treasurer/CFO/Acting Board Sec.
George Englehardt	Facilities Engineer
Neil Grossman	GB Associates – FA
Dennis Culnan, Sr.	Marketing Consultant – PS&AC
Chris Lawrence	Jacobs
Mario Christina	Gloucester County Imp. Authority
John Linden	Conner Strong & Buckelew
Chuck O'Leary	Security Manager/FSO
Victoria D'Amico	Executive Administrative Assistant
Patricia Clayton	Senior Advisor
Paul Breeman	Holt Logistics

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 17, 2019, 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 2019, 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 2019. 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 27, 2019

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on August 27, 2019 were presented for approval.

A motion was made to approve the August 27, 2019 Board of Directors Regular Open Session Meeting Minutes as presented.

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

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

PRESENTATION OF CLOSED MEETING MINUTES – August 27, 2019

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on August 27, 2019 were presented for approval.

A motion was made to approve the August 27, 2019 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: C. Chianese
Seconded by: S. Roberts

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

OPERATING BILLS

The Operating Unpaid Bill list for the period 8/13/2019 – 9/10/2019 were presented for approval.

A motion was made to adopt Resolution 2019-9-0069 for the approval of the Operating Unpaid Bill list for the period 8/13/2019 – 9/10/2019.

Moved by: R. DeAngelo

Seconded by: C. Bruner

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 8/13/2019 – 9/10/2019 was presented for approval. The AMEX statement was reviewed by the Audit Committee.

A motion was made to adopt Resolution 2019-9-0070 for the approval of the Advance Payment Bills for the period 8/13/2019 – 9/10/2019.

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

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ending September 24, 2019 was presented. The list provides one (1) credit in the amount of \$7.98.

A motion was made to adopt Resolution 2019-9-0071 for the approval of the Credit List for the period ending September 24, 2019.

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

Voting for motion: All
Voting against motion: None

CHANGE ORDERS

No change orders were presented.

CONSTRUCTION FUND REQUISITIONS

Staff presented five (5) unpaid construction fund requisitions in the amount of \$223,766.01. Director DeAngelo expressed concern with the detail that is provided by GCIA for their reimbursement requests. A discussion ensued with participation from the public. It was decided that going forward, beginning with the next Board meeting, a representative from the GCIA will provide monthly reports to the Board as to the status of the project and all details related to the financing of the project.

A motion was made to adopt Resolution 2019-9-0072 for the approval of Construction Fund Requisitions presented for the period ending September 24, 2019 as presented.

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

Voting for motion: All
Voting against motion: None

TREASURER'S REPORT

The Treasurer/CFO presented the Treasurer's Report for the period ending August 31, 2019. Net income from operations before interest, depreciation and amortization for the month of August 2019 is \$185,568, versus the budget for the same period of \$212,584. Year to date net income from operations before interest, depreciation and amortization compared to the actual budget is higher by \$909,261 compared to our YTD budget figure of \$1,700,670. Income on investments for the month of August 2019 is \$184,832.15 and the YTD Total is \$1,148,560.32. The accounts receivable aging reports, which include tenant and trade customers, are attached for review.

COUNSEL'S REPORT

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

EXECUTIVE DIRECTOR'S REPORT

The Executive Director for the South Jersey Port Corporation reports total tonnage for August 2019 is 331,639 s/tons; a 6.1% decrease compared to August 2018. However, year-to-date tonnage through August 2019 is 2,825,326 s/tons, which represents a 6.5% decrease when compared to the same period during 2018. Breakbulk tonnage for August 2019 is down 39.1%, but steel is up 3.9% for the year. Scrap metal was down 31.1%; cement decreased 29.5% compared to 2018. Export Grancem increased 28.5% versus 2018 and increased 9% year-to-date. SJPC's marine terminals handled 19 ships in August down from 27 in August of 2018. YTD we have handled 487 ship days as compared to 544 days in 2018.

In addition, the Executive Director updated and informed the Board of his and Douglas Miller's attendance at the upcoming Breakbulk Americas Convention in Houston, TX from Tuesday, October 8, 2019 through Thursday, October 10, 2019.

The Executive Director also informed the Board of the Port's ongoing work and efforts towards:

- Offshore Wind Energy at the Paulsboro Marine Terminal;
- Various environmental initiatives, especially the acquisition and mobilization of spill response trailers at both the Balzano Marine Terminal and the Broadway Marine Terminal;
- Outreach efforts with tenants, customers, trade groups and other stakeholders;
- Upcoming meetings with all Unions to renegotiate all expired collective bargaining agreements.

RESOLUTION 2019-9-0073 APPROVAL OF WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY POLICY RENEWAL

Mr. John Linden, with Conner Strong & Buckelew, SJPC's insurance broker, presented a recommendation to renew the Worker's Compensation & Employer's Liability policy. SJPC's Workers' Compensation & Employer's Liability policy renews November 4, 2019. The incumbent carrier, New Jersey Manufacturers Insurance Company (NJM), has quoted a renewal cost, excluding any upfront dividend, of \$535,848, (estimated and subject to audit). The overall renewal costs decreased this year over last year due to three factors: a decrease in SJPC's Experience Modification Factor from 1.133 to

1.079, a 9.1% decrease in estimated payroll in the amount of \$601,605 and the addition of a 5% policy credit to the standard premium due to SJPC's positive claims history over the past two years.

The renewal cost of \$510,657 is a decrease of \$83,046 compared to last year's cost. Conner Strong & Buckelew, SJPC's Insurance Broker, performed an extensive marketing effort on behalf of the Port and the results of our effort are included within the Proposal.

Conner Strong & Buckelew recommends that SJPC renew with New Jersey Manufacturers Insurance Company at a renewal cost of \$510,657.

A motion was made to approve Resolution 2019-9-0073 to approve the recommendation from Conner Strong & Buckelew to renew the Workers' Compensation and Employer's Liability Policy with New Jersey Manufacturers Insurance Company at a cost of \$510,657

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

Voting for Motion: All
Voting Against Motion: None

INFORMATION ITEMS:

LEASE/PURCHASE OF RAIL CAR MOVER

The Board discussed the acquisition of a rail car mover via a lease-purchase arrangement. A rail car mover is vital to the efficient operation of the Port. The Port currently and has historically rented this piece of equipment. The current monthly rent is \$9,500.00.

Initial research and evaluation has shown that we may be able to lease from the same vendor a new rail car mover with a \$1.00 purchase option at the end at a current savings of \$1,047.50 per month (\$12,570.00 annual savings).

It was decided that the Port will submit an RFP for this piece of equipment by year's end.

MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

Mr. Dennis Culnan, Sr. presented the marketing report. The report was received and filed.

PORT SECURITY UPDATE

Mr. Chuck O'Leary presented the security report. The report was received and filed.

PAULSBORO MARINE TERMINAL PROJECT UPDATE

Mr. Chris Lawrence, Jacobs Engineering, presented the update on the Paulsboro Marine Terminal project. It was dis PMT-22 is in construction phase. PMT-20 in process and should

be complete by the end of November. The Paulsboro Wharf Phase II Construction shall continue for the next year, with completion anticipated by August 2020. The water main design will now continue with the approval of the Water Main Project, with bidding after the new year and construction beginning in the spring of 2020.

The Spine Road Project is proceeding and will be completed by November 2019. Up river piling to be completed by February 2020. The PMT Wharf Project will proceed through 2020.

PUBLIC COMMENTS

The Chairman asked if there were any public comments.

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

A motion was made to adjourn the Regular Open Meeting.

Moved by:	S. Roberts
Seconded by:	C. Chianese
Voting for motion:	All
Voting against motion:	None

At 1:04 p.m. the regular open session was adjourned.

Following closed session, the Regular Session was reopened at 1:14 PM.

A motion was made to adjourn the Regular Open Meeting at 1:15 PM.

Moved by:	S. Roberts
Seconded by:	C. Chianese
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, September 24, 2019.

Bruno Cellucci
Acting Board Secretary