

SOUTH JERSEY PORT CORPORATION



BOARD OF DIRECTORS MEETING December 8, 2020

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

- 1. APPROVAL OF MINUTES**
Regular Open Meeting October 27, 2020
Closed Session Meeting October 27, 2020
- 2. APPROVAL OF OPERATING BILLS**
RESOLUTION 2020-12-0099
- 3. APPROVAL OF ADVANCE PAYMENT BILL LIST**
RESOLUTION 2020-12-0100
- 4. APPROVAL OF CREDITS**
RESOLUTION 2020-12-0101
- 5. APPROVAL OF CHANGE ORDERS - NONE**
- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS**
RESOLUTION 2020-12-0102
- 7. RECEIPT OF TREASURER'S REPORT**
- 8. RECEIPT OF COUNSEL'S REPORT**
- 9. RECEIPT OF EXECUTIVE DIRECTOR'S REPORT &
EMPLOYEE RECOGNITION**



10. ADDITIONAL AGENDA ITEMS REQUIRING BOARD ACTION:

- A. **RESOLUTION 2020-12-0103: 2021/2022 SALEM PORT AUTHORITY BUDGET**
- B. **RESOLUTION 2020-12-0104: 2021 PILOT AGREEMENTS WITH CAMDEN COUNTY, CITY OF SALEM AND CITY OF CAMDEN**
- C. **RESOLUTION 2020-12-0105: 2021 BOARD OF DIRECTORS MEETING SCHEDULE**
- D. **RESOLUTION 2020-12-0106: 2021 SJPC HOLIDAY SCHEDULE**
- E. **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**
- F. **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**
- G. **RESOLUTION 2020-12-0109: APPROVAL TO ISSUE AN REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES FOR CIVIL ENGINEER, CERTIFIED DIVER, CONSTRUCTION MANAGEMENT, GEO-TECHNICAL SERVICES AND MARINE ENGINEER**
- H. **RESOLUTION 2020-12-0110: APPROVAL TO AWARD AN RFP FOR DESIGN SERVICES PER NJDOT'S FY 2020 RAIL FREIGHT ASSISTANCE PROGRAM GRANT**
- I. **RESOLUTION 2020-12-0111: APPROVAL OF CENTRAL METALS LEASE RENEWAL**
- J. **RESOLUTION 2020-12-0112: APPROVAL OF HARRY WILSON WELDING LEASE RENEWAL**



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- K. RESOLUTION 2020-12-0113: APPROVAL OF CHAMPION SERVICE, INC. LEASE RENEWAL**
 - L. RESOLUTION 2020-12-0114: APPROVAL OF CLOROX SITE PURCHASE**
 - M. RESOLUTION 2020-12-0115: APPROVAL OF GLOUCESTER COUNTY UTILITIES AUTHORITY LEASE**
 - N. RESOLUTION 2020-12-0116: APPROVAL OF PAULSBORO MARINE TERMINAL (PMT) LEASE AMENDMENT**
 - O. RESOLUTION 2020-12-0117: APPROVAL OF CONSENT TO SUBLEASE AGREEMENT BETWEEN PAULSBORO WATERFRONT DEVELOPMENT AND EEW AMERICAN OFFSHORE STRUCTURES**
 - P. RESOLUTION 2020-12-0118: PAULSBORO MARINE TERMINAL MULTI-PARTY FUNDING AGREEMENT**
 - Q. 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**
 - R. RESOLUTION 2020-12-0120: APPROVAL OF NON-REPRESENTED STAFF COMPENSATION ADJUSTMENTS**

11. SUPPLEMENTAL BOARD INFORMATION:

- S. NOVEMBER 2020 STORM DAMAGE CLAIM**
- T. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
- U. PORT SECURITY UPDATE**
- V. PAULSBORO MARINE TERMINAL PROJECT UPDATES**

PUBLIC SESSION FOR QUESTIONS / COMMENTS

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12. CLOSED SESSION AND/OR ADJOURNMENT



ACTION ITEM:

A. RESOLUTION 2020-12-0103: 2021/2022 SALEM PORT AUTHORITY BUDGET

REQUEST

Staff is requesting Board approval of the Port of Salem's operating budget for the 2021 fiscal year.

BACKGROUND

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

RECOMMENDATION:

Staff recommends Board approval of the Salem Port Authority 2021/2022 Budget as presented.



ACTION ITEM:

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

REQUEST

Staff is requesting Board approval for the 2021 PILOT Agreements with the County of Camden, City of Salem, and the City of Camden.

BACKGROUND

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.

RECOMMENDATION:

Staff recommends Board approval for the 2021 PILOT Agreements with the County of Camden, City of Salem, and the City of Camden.



ACTION ITEM:

C. 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.

RECOMMENDATION:

Staff recommends Board approval of the 2021 SJPC Board of Directors Meeting Schedule.



ACTION ITEM:

D. 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

RECOMMENDATION:

Staff recommends Board approval of the 2021 SJPC Holiday Schedule



ACTION ITEM

E. 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

REQUEST

Staff is requesting approval of the continued funding for the Delaware River and Bay National Oceanic Atmospheric Administration (NOAA) Physical Oceanographic Real Time (PORTS®) system in the amount of \$33,332.66.

BACKGROUND

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.

RECOMMENDATION:

Staff recommends Board approval of the PORTS® funding in the amount of \$33,332.66.



ACTION ITEM

F. 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

REQUEST

Staff is requesting Board approval to issue an RFP to the Civil list of prequalified design firms to perform condition survey inspections and design the repairs of the high mast light tower structures (HMT) at the Balzano and Broadway Terminals.

BACKGROUND

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.

RECOMMENDATION:

Staff recommends Board 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.



ACTION ITEM

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

REQUEST

Staff is requesting Board approval to issue a Request for Qualifications (RFQ) for engineering services for Civil Engineer, Certified Diver, Construction Management, Geo-technical Services, and Marine Engineer.

BACKGROUND

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.

RECOMMENDATION:

Staff recommends Board approval to issue a Request for Qualifications (RFQ) for engineering services for Civil Engineer, Certified Diver, Construction Management, Geo-technical Services, and Marine Engineer



ACTION ITEM:

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

REQUEST

Staff is presenting the results of the Request for Proposals (RFP) for design services to rehabilitate the rail track and Shed 1 rail loading platform, construction of a new rail spur and miscellaneous rail repairs at the Balzano Terminal, Camden NJ per the NJDOT Rail Freight Assistance Grant award. The request is for Board approval to award the RFP to Urban Engineers.

BACKGROUND

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

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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.

RECOMMENDATION:

Staff recommends Board approval to award the 2020 RFAP RFP to Urban Engineers.



ACTION ITEM:

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

Request

Staff is requesting Board approval to renew the Central Metals lease for a five-year term, commencing on February 1, 2021

Background

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

RECOMMENDATION:

Staff recommends Board approval to accordingly renew the lease with Central Metals



ACTION ITEM

J. RESOLUTION 2020-12-112: APPROVAL OF HARRY WILSON WELDING LEASE RENEWAL

Request

Staff is requesting Board approval to renew the Harry Wilson Welding lease for a one-year term, commencing on February 1, 2021

Background

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.

RECOMMENDATION

Staff recommends Board approval to renew the Harry Wilson Welding lease for a one-year term, commencing on February 1, 2021



ACTION ITEM

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

Request

Staff is requesting Board approval to renew the Champion lease for one year commencing on February 1, 2021

Background

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

RECOMMENDATION:

Staff recommends Board approval to accordingly renew the lease with Champion



ACTION ITEM

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

Request

Staff is requesting Board approval to purchase the approx. 10.3 acre Clorox Site from the Gloucester County Improvement Authority (GCIA).

Background

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

RECOMMENDATION

Staff recommends Board approval to accordingly purchase the Clorox site.



ACTION ITEM

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

Request

Staff is requesting Board approval to lease approximately 69 acres of open area in the upriver proximity to the Paulsboro Marine Terminal, from the Gloucester County Utilities Authority (GCUA).

Background

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

RECOMMENDATION:

Staff recommends Board approval to accordingly lease the site from GCUA.



ACTION ITEM

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

Request

Staff is requesting Board approval to amend the PMT lease between SJPC and Paulsboro Waterfront Development (PWD).

Background

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

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- 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.

RECOMMENDATION

Staff recommends Board approval to accordingly amend the lease with Paulsboro Waterfront Development, LLC (PWD).



ACTION ITEM

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

Request

Staff is requesting Board approval to consent to a sublease between Paulsboro Waterfront Development LLC (PWD) and EEW American Offshore Structures Inc. (EEW).

Background

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

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- 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



RECOMMENDATION

Staff recommends Board approval to accordingly consent to the sublease between Paulsboro Waterfront Development LLC (PWD) and EEW American Offshore Structures Inc. (EEW).



ACTION ITEM

P. RESOLUTION 2020-12-0118 : PAULSBORO MARINE TERMINAL MULTI-PARTY FUNDING AGREEMENT

REQUEST

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.

NJDOT	\$xx million	Dredging new barge berth (\$10 million) and paving and utility work (\$5 million).
SJPC	\$xx million	Funding for xx 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.

The financial responsibility of each entity is as follows:

RECOMMENDATION:

Staff recommends Board approval of a multi-party funding agreement for offshore wind support construction at the Paulsboro Marine Terminal

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between the State of New Jersey (NJDOT), South Jersey Port Corporation,
EEW Group, and Orsted.



ACTION ITEM

Q. 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

REQUEST

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.

RECOMMENDATION:

Staff recommends Board 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.



ACTION ITEM

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

REQUEST

Staff is requesting Board approval of the non-represented staff compensation adjustment recommendation.

BACKGROUND

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.

RECOMMENDATION:

Staff recommends Board approval of the non-represented staff compensation adjustment recommendation.



INFORMATION ITEM

S. 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.



INFORMATION ITEM:

T. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.

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INFORMATION ITEM:

U. SECURITY UPDATE:



INFORMATION ITEM:

V. 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.
-