



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
TELECONFERENCE
CAMDEN, NEW JERSEY
February 23, 2021
12:30 p.m.

| | | |
|---------------------------|----------------------|----------------------------|
| Directors Present: | Richard Alaimo | Chairman 📞 |
| | Chad Bruner | Director 📞 |
| | Christopher Chianese | State Treasurer Designee 📞 |
| | Robert DeAngelo | Director 📞 |
| | Sheila Roberts | Director 📞 |
| | William Higgins | Director 📞 |
| | Jonathan Gershen | Director 📞 |
| | Eric Martins | Director 📞 |
| | Carl Styles | Director 📞 |

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|--------------------------|----------------|----------|
| Directors Absent: | Joseph Maressa | Director |
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| In Attendance: | Rudy Rodas | Governor's Authorities Unit 📞 |
| | Raymond Zane, Esq. | General Counsel– Zane & Assoc. 📞 |
| | Andrew Saporito | Executive Director & CEO 📞 |
| | Bruno Cellucci | AssistantED/CFO/ActingBoardSec 📞 |
| | Brendan Dugan | AssistantED/Bus. Development 📞 |
| | Jonathan Atwood | Chief of Staff & External Affairs 📞 |
| | Kevin Duffy | Assistant ED/COO 📞 |
| | Chuck O'Leary | Security Manager/FSO 📞 |
| | George Englehardt | Facilities Engineer 📞 |
| | Dennis Culnan, Jr. | Phoenix Strategies 📞 |
| | Dan Bontempo | Stantec 📞 |
| | Chris Lawrence | Jacobs Engineering 📞 |

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 10, 2020, 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 2020, 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 2020. 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 – January 26, 2021

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on January 26, 2021 were presented for approval.

A motion was made to approve the January 26, 2021 Board of Directors Regular Open Session Meeting Minutes as presented.

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| Moved by: | R. DeAngelo |
| Seconded by: | J. Gershen |
| Voting for motion: | All (*C. Styles absent during vote) |
| Voting against motion: | None |
| Abstaining: | |

PRESENTATION OF CLOSED MEETING MINUTES – January 26, 2021

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on January 26, 2021 were presented for approval.

A motion was made to approve the January 26, 2021 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.

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| Moved by: | R. DeAngelo |
| Seconded by: | J. Gershen |
| Voting for motion: | All (*C. Styles absent during vote) |
| Voting against motion: | None |

OPERATING BILLS

The Operating Unpaid Bill list for the period 1/14/2021 – 2/10/2021 was presented for approval.

A motion was made to adopt Resolution 2021-02-0012 for the approval of the Operating Unpaid Bill list for the period 1/14/2021 – 2/10/2021.

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| Moved by: | R. DeAngelo |
| Seconded by: | W. Higgins |
| Voting for motion: | All (*C. Styles absent during vote) |
| Voting against motion: | None |

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 1/14/2021 – 2/10/2021 was presented for approval.

A motion was made to adopt Resolution 2021-02-0013 for the approval of the Advance Payment Bills for the period 1/14/2021 – 2/10/2021.

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| Moved by: | R. DeAngelo |
| Seconded by: | W. Higgins |
| Voting for motion: | All (*C. Styles absent during vote) |
| Voting against motion: | None |

CREDIT LIST

There Credit List for the period ending February 23, 2021 was presented for approval.

A motion was made to adopt Resolution 2021-02-0014 for the approval of the Credit List for the period 1/26/2021 – 2/23/2021.

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| Moved by: | R. DeAngelo |
| Seconded by: | C. Bruner |
| Voting for motion: | All (*C. Styles absent during vote) |
| Voting against motion: | None |

CHANGE ORDERS

There are no Change Orders for the month of June.

CONSTRUCTION FUND REQUISITIONS

Staff presented (5) advance construction fund requests in the amount of \$241,449.70 and (5) unpaid construction fund requisitions in the amount of \$434,179.73

A motion was made to adopt Resolution 2021-02-0015 for the approval of Construction Fund Requisitions for the period ending February 23, 2021 as presented.

Moved by: W. Higgins
Seconded by: C. Bruner

Voting for motion: All (*C. Styles absent during vote)
Voting against motion: None

TREASURER'S REPORT

For the month of January 2021, the SJPC generated net income before non-operating interest expense and depreciation and amortization of \$136,873.00, which is under budget by - \$43,123.00 for the month and year-to-date. If we added back extraordinary expenses (i.e. Camden City water installment payment, higher than usual legal fees, COVID-19 costs) the SJPC would be at breakeven versus budget. Lease revenue is up \$39,000 over last January. This is a commendable start to the year considering the economic environment we continue to navigate through. Our position will continue to improve once pre-pandemic ship activity rebounds.

As anticipated, our winter busy season is off to a good start and continues to trend upward. We consistently and diligently make every effort every day to increase revenues and reduce and control expenses.

We are nearing the time where our legal costs will decrease considerably as we are approaching the conclusion of various actions, the Holt arbitration specifically. The Port is still waiting to learn if its request for a FEMA grant to offset certain COVID-19 expenses will be approved. We checked with FEMA and they were not able to provide us with an estimate as to when they will be considering our request.

COUNSEL'S REPORT

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

EXECUTIVE DIRECTOR'S REPORT

Executive Director and CEO for the South Jersey Port Corporation reported total tonnage for January 2021 was 254,522 short tons, which represents a 33% decrease compared to January 2020. Year to date tonnage through January totaled 254,522 short tons, a 33% decrease compared to the same period in 2020. Camden steels cargoes decreased by 21.7% compared to

January 2020. Overall breakbulk cargo is down 37.3%. Cocoa beans were down in January compared to 2020, but indications are that all commodities will see an increase in February. Recycled metals are 66% ahead of 2020 YTD.

All SJPC terminals handled 13 ships in January 2021, compared to 23 ships in January 2020.

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

COVID 19 Update

There have been no new reports of cases since the last report and all employees have returned to work. Employees are in the process of scheduling vaccine appointments as they become available.

Paulsboro Marine Terminal

We are in the process of finalizing the Development Agreement with EEW, Orsted and GCIA and continue to participate on various calls involving construction coordination and permitting for the EEW manufacturing facility.

Port of Salem

There continues to be interest in Salem for a variety of operations. We are also in discussion with NJEDA about partnering on a Port Study to lay out a strategic plan for the port. We also continued discussions with NJDOT about additional rail improvements and NJDOT and the Army Corps of Engineers about required maintenance dredging and possible deepening of the Salem River.

MARAD

During the past month, we had two calls with representatives from MARAD to discuss upcoming funding opportunities for our Camden and Salem terminals. We are currently working with TRIAD to prepare submittals for DERA and INFRA grants which were recently announced.

NJ DEP VW Grant Awards

We have been notified by NJDEP that we are receiving two grants totaling \$6.6 million to replace 23 pieces of cargo handling equipment with electric powered models. The grants also include funding for the purchase and installation of associated charging stations.

Meetings with Mobile Harbor Crane Manufacturers

We have been meeting with manufacturers of mobile harbor Cranes to identify a replacement for the port's PACECO Container Crane. To remain competitive, we need equipment that can handle a variety of cargo types and a mobile harbor crane would provide that flexibility. An electric crane might be a good future grant candidate.

Winter Weather

Our staff at the Balzano and Broadway Terminals have done a great job this season keeping the port operating during a very stormy and cold winter season. The new snow equipment that the board authorized last year has come in handy.

ACTION ITEMS:**RESOLUTION 2021-02-0016: APPROVAL OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL 169 AGREEMENT****REQUEST**

Staff requests Board approval of negotiated contract renewal between SJPC and International Brotherhood of Teamsters Local 169, representing the Port's security personnel.

BACKGROUND

The contract with Local 169 expired on December 31, 2020. A negotiating team representing the Port has been in discussions with Local 169 since early December. The current proposal, which has been agreed to by Staff and Local 169, has been vetted by the Governor's Authorities Unit and the Port's Labor Counsel. The proposal is for a term of 30 months, retroactive to January 1, 2021, and will expire on June 30, 2023.

A motion was made to approve Resolution 2021-02-0016 to approve the negotiated contract renewal between SJPC and the International Brotherhood of Teamsters Local 169

Moved by:
Seconded by:

C. Chianese
R. DeAngelo

Voting for Motion:
Voting Against Motion:

All
None

RESOLUTION 2021-02-0017: APPROVAL TO AWARD DESIGN RFP FOR THE INSPECTION, DESIGN, AND SUPPORT DURING CONSTRUCTION FOR CONDITION SURVEY INSPECTIONS AND PRIORITY REPAIRS ON WATERFRONT MARINE STRUCTURES AT BALZANO AND BROADWAY TERMINALS**REQUEST**

Staff requests Board approval to award the design service RFP for the inspection, design, and support during construction for condition survey inspections and priority repairs on waterfront marine structures at the Balzano and Broadway Marine Terminals.

BACKGROUND

An RFP was prepared, reviewed by General Council, and distributed to our prequalified marine engineering consultant firm list. On Thursday, December 10, 2020, a site visit was held, with 10 marine engineering firms in attendance. The following nine proposals were received on January 5, 2021.

| Bidder Name and Address | Bid Amount |
|---|-------------------|
| Mid-Atlantic Engineering Partners 321 W. State St. Media, PA 19063 | \$ 287,000 |
| W.J. Castle PE & Associates 1345 Route 38 West Hainesport, NJ 08036 | \$ 331,000 |
| McLaren Technical Services 530 Chestnut Ridge Rd. Woodcliff Lake, NJ 07677 (Electronic Submission) | \$ 332,000 |
| Whitney, Bailey, Cox & Magnani (WBCM) 100 Sterling Parkway, Suite 108 Mechanicsburg, PA 17050 | \$ 372,900 |
| S.T. Hudson Engineers 900 Dudley Ave Cherry Hill, NJ 08002 | \$ 450,000 |
| Jacobs Engineering Group 2301 Chestnut St. Philadelphia, PA 19103 | \$ 499,414 |
| WSP USA 2000 Lenox Drive Lawrenceville, NJ 08648 (Electronic Submission) | \$ 571,957 |
| Urban Engineers 220 Lake Drive East, Suite 300 Cherry Hill, NJ 08002 (Electronic Submission) | \$ 686,600 |
| Mott Macdonald 111 Wood Ave South Iselin, NJ 08830 | \$1,330,000 |

Proposals were reviewed by SJPC staff and low bid interviews were conducted with the three firms having lowest price proposals. Since each of the firms understands the scope

of services to be rendered and has the diving capabilities to perform the underwater inspection work, as well as the engineering design experience to prepare priority repair details for construction contract preparation and public bidding of a repair contract, we deemed Mid-Atlantic Engineering's proposal to be the best value.

A motion was made to approve Resolution 2021-02-0017 to approve the award of design services to perform condition survey inspections and design of priority repairs for marine waterfront structures at Balzano and Broadway Terminals for the not-to-exceed amount of \$287,000.

Moved by:
Seconded by:

R. DeAngelo
C. Chianese

Voting for Motion:

All (*C. Styles absent during vote)

Voting Against Motion:

None

RESOLUTION 2021-02-0018: APPROVAL OF TATA STEEL FRAMEWORK AGREEMENT RENEWAL

Request

Staff is requesting Board approval to execute a renewal of its terminal services "Framework Agreement" with Tata Steel in order to continue the commercial and operational relationship between SJPC and Tata Steel related to the importation, handling, storage, and distribution of Tata Steel products via SJPC's Camden port facilities.

Background

Tata Steel has been a customer of SJPC for approximately 20 years, and utilizes Balzano Terminal for the importation and distribution of steel coils in order to supply its manufacturing customers in the US, including an active rail and truck logistics supply chain between Camden and Midwest points. Tata is one of the largest global steel producers and currently one of the largest import customers in Camden. Tata Steel imports to Camden originate in both the Netherlands and the UK, with most of the imports being sourced from the Netherlands. The Framework Agreement format is used by Tata as a template that governs its global "Buyer and Seller" relationships. In the context of the Framework Agreement, Tata is the "Buyer" and SJPC is the "Seller" of terminal services in Camden. The current Framework Agreement is with Tata Steel Ijmuiden BV (the Netherlands), and has a one year term expiring on April 1, 2021. Tata is requesting that two identical Framework Agreement renewals be prepared; one with Tata Steel Ijmuiden BV, and the second with Tata Steel UK, Ltd. In the event that Tata is unable to have two agreements ready for this year, then only the Tata Steel Ijmuiden BV agreement would be executed.

Requested Framework Agreement Key Terms

The following identical key terms would be incorporated into both of the requested Framework Agreements

- The Agreements would become effective upon signature of the parties subsequent to Board approval
- Initial term of the Agreements would expire on March 31, 2022 corresponding to Tata's fiscal contracting year
- Term of the Agreements can be extended from April 1, 2022 by mutual agreement between the parties for up to 3 years, or for another duration agreed by the parties
- New Jersey law is the governing law for the terms and conditions of the Agreements
- The Agreements includes stevedoring and terminal handling conditions and procedures as agreed by the parties
- The Agreements requires adherence to Tata Steel's Global Ports & Warehousing Standards, (which SJPC has already been following)
- The Agreements contains various other provisions for such items as liability limits, invoicing, and handling of claims

A motion was made to approve Resolution 2021-02-0018 to approve to execute the Terminal Services Framework Agreements with Tata Steel UK Ltd. and with Tata Steel Ijmuiden BV

Moved by:
Seconded by:

S. Roberts
R. DeAngelo

Voting for Motion:

All (*C. Styles absent during vote)

Voting Against Motion:

None

RESOLUTION 2021-02-0019: PAULSBORO JOINT SITE DEVELOPMENT AGREEMENT (JSDA)

REQUEST

Staff is requesting Board approval to enter into a Joint Site Development Agreement at The Paulsboro Marine Terminal to facilitate the construction of a monopile manufacturing facility for the offshore wind energy industry.

BACKGROUND

At the December 2020 Board meeting, staff received approval to execute a multiparty funding agreement MOU with the purpose of establishing a budget and sources of funds to facilitate the construction of the monopile manufacturing processing facility at the Paulsboro Marine Terminal. The parties to the MOU included the following:

- Ocean Wind LLC (Orsted)
- EEW American Offshore Structures, Inc. (EEW)
- South Jersey Port Corporation (SJPC)
- Gloucester County Improvement Authority (GCIA)

The MOU further provided that the parties would negotiate in good faith and create a Joint Site Development Agreement regarding development of the site, to include the construction activities consisting of the Land Improvements and the In Water Improvements. The MOU provided and established a budget and sources of funds.

JOINT SITE DEVELOPMENT AGREEMENT KEY PROVISIONS

- Provision for a Project Delivery, Work Schedule, and associated project development costs for a detailed list of activities to be performed, including permitting, regulatory approvals, and procurement of engineering design and construction contracts
- EEW and GCIA to bid, hire, and manage all contractors to achieve and complete the Joint Site Development work
- GCIA to prepare and provide monthly project updates to the parties in order to track compliance with project milestones and budgets, as well as construction team meetings to address any issues related to budget and/or construction progress
- EEW, Orsted and GCIA agree that the entire JSDA work shall be substantially complete when the JSDA work is sufficiently in conformity with the Contract Documents to permit EEW to utilize the Paulsboro Marine Terminal JSDA Project site for its intended use and to permit Orsted to fully utilize the In-Water improvements for its intended use

A motion was made to approve Resolution 2021-02-0019 to approve to enter into a Joint Site Development Agreement at The Paulsboro Marine Terminal

Moved by:
Seconded by:

R. DeAngelo
W. Higgins

Voting for Motion: All (*C. Styles absent during vote)
Voting Against Motion: None

CONSENT APPROVAL OF PURCHASE OF CLOROX PROPERTY AT PAULSBORO MARINE TERMINAL

REQUEST

Board consent for SJPC to purchase former Clorox property at the Paulsboro Marine Terminal for \$1,500,000.00.

BACKGROUND

The Board approved the purchase of this property for up to \$2,000,000.00 at the December Board meeting.

A motion was made to give consent approval of purchase of Clorox Property at The Paulsboro Marine Terminal

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

Voting for Motion: All
Voting Against Motion: None

PERFORMANCE REVIEW AND SALARY ADJUSTMENT FOR EXECUTIVE DIRECTOR

REQUEST

Board approval of salary adjustment for Executive Director, per performance review during second closed session.

BACKGROUND

The Board conducted a performance review of the Executive Director during the second closed session, and recommended a salary adjustment.

A motion was made to approve the salary adjustment of the Executive Director

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

Voting for Motion: All
Voting Against Motion: None

INFORMATION ITEMS:

STATE METALS ROOF

The roof of State Metals' "T" Building has been severely compromised. This requires SJPC to initiate an emergency investigation whether to repair or replace. Staff is working with Hudson Engineers to do a conditional roofing assessment together with a professional engineering overview and will submit a recommendation on how to best to move forward. Preliminary repair estimates indicate a minimum capital investment of \$700,000.

Based on the language within the Lease the responsibility for maintaining the roof is the responsibility of SJPC.

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 a second closed session.

A motion was made to adjourn the Regular Open Meeting.

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

Voting for motion: All
Voting against motion: None

At 1:10 p.m. the regular open session was adjourned.

Following closed session, the Regular Session was reopened at 1:31 p.m.

At 1:31 p.m. the regular open session was adjourned.

Following closed session, the Regular Session was reopened at 1:35 p.m.

A motion was made to adjourn the Regular Open Meeting at 1:35 p.m.

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| Moved by: | R. DeAngelo |
| Seconded by: | C. Styles |

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| 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, February 23, 2021.



Bruno Cellucci
Acting Board Secretary