

# SOUTH JERSEY PORT CORPORATION



## BOARD OF DIRECTORS MEETING AUGUST 30, 2022

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

1. APPROVAL OF MINUTES  
Regular Open Meeting July 26, 2022
2. APPROVAL OF OPERATING BILLS  
RESOLUTION 2022-08-0085
3. APPROVAL OF ADVANCE PAYMENT BILL LIST  
RESOLUTION 2022-08-0086
4. APPROVAL OF CREDIT - NONE
5. APPROVAL OF CHANGE ORDERS (FOUR)

**RESOLUTION 2022-08-0087: CHANGE ORDER NO.1 E BLDG CATWALK**

**RESOLUTION 2022-08-0088: CHANGE ORDER NO.2 PERIMETER SECURITY FENCE**

**RESOLUTION 2022-08-0089: CHANGE ORDER NO. 1 BLAZANO SPRINKLER SYSTEMS**

**RESOLUTION 2022-08-0090: CHANGE ORDER NO. 1 KOCKS CRANE REPAIRS**



- 6. APPROVAL OF CONSTRUCTION FUND REQUISITIONS  
RESOLUTION 2022-08-0091**
- 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 2022-08-0092: APPROVAL TO PURCHASE  
MODULAR RESTROOMS AT THE BALZANO MARINE  
TERMINAL, CAMDEN NJ**
- B. RESOLUTION 2022-08-0093: APPROVAL TO EXECUTE ONE-  
YEAR RENEWAL OPTION FOR TRASH REMOVAL  
CONTRACT AT BALZANO AND BROADWAY MARINE  
TERMINALS**
- C. RESOLUTION 2022-08-0094: APPROVAL TO ISSUE AN RFP FOR  
DESIGN SERVICES TO EXTEND RAIL TRACK AT BROADWAY  
MARINE TERMINAL**
- D. RESOLUTION 2022-08-0095: APPROVAL TO AWARD A  
CONSTRUCTION CONTRACT FOR THE PERFORMANCE OF  
MAINTENANCE DREDGING AT THE BALZANO AND  
BROADWAY MARINE TERMINALS**
- E. RESOLUTION 2022-08-0096: APPROVAL TO IMPLEMENT A  
STORAGE CONGESTION FEE ON IMPORTED PLYWOOD AND  
STEEL**



- F. RESOLUTION 2022-08-0097: APPROVAL FOR EXECUTIONS OF MEMORANDA OF SUBLEASE AND TERMINATIONS OF MEMORANDA OF SUBLEASE AT PAULSBORO**
  
- G. RESOLUTION 2022-08-0098: APPROVAL FOR EXECUTION OF CONSENT TO AMENDMENT TO PAULSBORO MARINE TERMINAL SUBLEASE**
  
- H. RESOLUTION 2022-08-0099: APPROVAL TO ISSUE RFP TO PURCHASE TWO MOBILE RAIL LOADING DOCKS**
  
- I. RESOLUTION 2022-08-0100: APPROVAL TO ISSUE RFP TO PURCHASE AN ELECTRIC RAIL CAR MOVER**
  
- J. RESOLUTION 2022-08-0101: APPROVAL TO ISSUE RFP TO DISPOSE OF SPUD BARGE**
  
- K. RESOLUTION 2022-08-0102: CONSIDERATION OF CANDIDATE FOR EMPLOYMENT FOR THE POSITION OF CHIEF FINANCIAL OFFICER/TREASURER**
  
- L. RESOLUTION 2022-08-0103: CONSIDERATION OF CANDIDATE FOR EMPLOYMENT FOR THE POSITION OF DIRECTOR, LEGAL AND REGULATORY AFFAIRS**

**11. SUPPLEMENTAL BOARD INFORMATION:**

- M. MARKETING COMMITTEE REPORT & PHOENIX/ARTLIP COMMUNICATIONS REPORT**
  
- N. PORT SECURITY UPDATE**
  
- O. PAULSBORO MARINE TERMINAL PROJECT UPDATES**

**PUBLIC SESSION FOR QUESTIONS / COMMENTS**



**12. CLOSED SESSION AND/OR ADJOURNMENT**



**ACTION ITEM:**

**A. RESOLUTION 2022-08-0092: APPROVAL TO PURCHASE MODULAR RESTROOMS AT THE BALZANO MARINE TERMINAL, CAMDEN NJ**

**REQUEST**

Approval is requested to purchase a modular restroom structure to replace the existing unit located in Shed 2 at the Balzano Terminal, Camden, NJ.

**BACKGROUND**

The existing men / women's modular unit in Shed 2 is deteriorated and requires frequent repairs to maintain operating toilets and sinks. These restroom facilities are used by port field personnel as well as materials transport truckers.

SJPC staff has prepared the design criteria and engaged the services of Boxx Modular, a manufacturer of modular buildings, for a pricing proposal and preliminary floor plan design. The removal of the existing restrooms and installation of the new unit will be performed by SJPC maintenance staff. Boxx Modular will manufacturer and deliver the modular unit to the port.

We have received a quotation from Boxx Modular for this project through the TIPS National Cooperative Purchase contract #200902 (SJPC member number 966276) in the amount of \$ 85,508.00. Funds are being provided through the 2017A Capital Projects account.

**RECOMMENDATION**

Staff is therefore recommending Board Approval to purchase replacement restrooms at the Balzano Marine Terminal for the amount of \$ 85,508.00.



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**ACTION ITEM:**

**B. RESOLUTION 2022-08-0093: APPROVAL TO EXECUTE ONE-YEAR RENEWAL OPTION FOR TRASH REMOVAL CONTRACT AT BALZANO AND BROADWAY MARINE TERMINALS**

**REQUEST**

Staff is requesting Board approval to execute the option to extend the existing Trash Removal Contract for the first of the two additional one-year options with Green Guys Recycling in Deptford, NJ. This contract extension will be for one year starting October 1, 2022.

**BACKGROUND**

Pursuant to RESOLUTION 2021-08-0081 TRASH REMOVAL CONTRACT, Green Guys Recycling of Deptford, NJ, was awarded the contract on September 16, 2021 for trash removal at the Balzano and Broadway Marine Terminals. The contractor has been performing trash removal at for a one-year period. The contract included two one-year options to extend the trash removal services at the discretion of the SJPC. Based on their good performance, staff are recommending that the first of the two one-year renewal options be executed at this time. Estimated volumes are twenty-five to forty, 30 or 40 cubic yard containers per month, and up to three cubic yard containers to be emptied twice per week. Rates proposed in the initial bid proposal remain the same in the renewal period.

Contractor	Rates
Green Guys Recycling 1014 Tanyard Rd. Deptford, NJ 08096	30 yd. - \$600.00 per pick up 40 yd. - \$700.00 per pick up (3) 4 yards pick up (2x week): 623.52/monthly Extra pick-ups: \$32.00 per 4 yd.

**RECOMMENDATION**

Staff recommends Board approval to execute the first one-year option for continued trash removal services at Balzano and Broadway Marine Terminals to Green Guys Recycling of Deptford, NJ.



**ACTION ITEM:**

**C. RESOLUTION 2022-08-0094: APPROVAL TO ISSUE AN RFP FOR DESIGN SERVICES TO EXTEND RAIL TRACK AT BROADWAY MARINE TERMINAL**

**REQUEST**

Staff is requesting Board approval to issue an RFP to the list of prequalified civil engineering firms to perform design services to extend the existing rail track at the Broadway Marine Terminal in Camden, NJ.

**BACKGROUND**

South Jersey Port Corporation has been awarded a grant of \$1,108,254.17 from the New Jersey Department of Transportation's (NJDOT's) FY 2022 Rail Freight Assistance Program (RFAP) for the Port's "Rail Integration Project." The grant will enable SJPC to purchase an electric rail car mover, two mobile rail loading docks, and extend the existing rail at the Broadway Marine Terminal. The scope of track work includes design for installation of approximately 300' of new rail, adjacent pavement restoration, and installation of the end of rail track bumper.

This RFP is for engineering design of the rail extension portion of the project.

**RECOMMENDATION**

Staff recommends Board approval to issue a request for proposals to perform design services for the extension of rail track at the Broadway Marine Terminal.



**ACTION ITEM:**

**D. RESOLUTION 2022-08-0095: APPROVAL TO AWARD A CONSTRUCTION CONTRACT FOR THE PERFORMANCE OF MAINTENANCE DREDGING AT THE BALZANO AND BROADWAY MARINE TERMINALS**

**REQUEST**

Pursuant to the Board Authorization: RESOLUTION 2022-02-0021 APPROVAL TO ADVERTISE CONSTRUCTION BIDS FOR MAINTENANCE DREDGING AT BALZANO AND BROADWAY TERMINALS, an Invitation for Bidders was advertised for the solicitation of public bids to perform maintenance dredging and disposal of the dredged material.

**BACKGROUND**

Dredging was last completed at the Port of Camden marine terminals in January of 2019, and since then, gradual sedimentation has resulted in the need for dredging which is becoming critical for the berthing of the approximately 140 ships which visit the terminals each year.

Accordingly, soundings were performed in January 2022, and it was determined that a total of approximately 65,000 cy of material will be removed from the two marine terminals and disposed of at an upland facility.

A pre-bid meeting was held on August 3, 2022, with four (4) contractors in attendance. The bids were received on August 18, 2022. A single bid was received from Weeks Marine, Inc., from Covington, LA, with a local office in Camden, NJ, in the amount of \$ 3,167,270.00.

**RECOMMENDATION**

Staff is recommending Board approval to award a construction contract for maintenance dredging of the Balzano and Broadway Terminals in Camden to Weeks Marine, Inc. in the Lump Sum Bid Amount of \$ 3,167,270.00.





**ACTION ITEM:**

**E. RESOLUTION 2022-08-0096: APPROVAL TO IMPLEMENT A STORAGE CONGESTION FEE ON IMPORTED PLYWOOD AND STEEL**

**REQUEST**

Staff is requesting Board approval to implement a storage congestion fee on imported plywood and steel coils in order to encourage warehouse inventory turnover at SJPC's Broadway and Balzano Terminals.

**BACKGROUND**

SJPC's Camden terminals are two of the primary marine gateways in the US for imported plywood and steel coils and have an excellent reputation for efficient handling and warehousing these commodities, which are sensitive to the elements and require indoor storage. SJPC is continuing to experience strong demand for accepting plywood and steel ships, but largely due to SJPC's comparatively very liberal tariff storage escalation rates, many plywood crates and steel coils tend to sit in the terminal warehouses longer than should be expected before the importers arrange truck pickups for delivery to manufacturing and construction sites. This situation causes SJPC to delay additional ship calls due to lack of warehouse capacity, which combined with low storage rates, causes SJPC to lose potential revenue. SJPC has reviewed storage fees at several competitive ports, which definitely supports monthly escalations to a storage fee of approximately \$0.88 per 100 lbs. per month for plywood and \$0.74 per 100 lbs. for steel, at the 4-month threshold, with incremental escalations thereafter. Upon board approval, staff's intent would be to append this congestion fee to the Camden Terminal Tariff 300 as soon as possible, to remain in place through the end of 2022, at which point SJPC would anticipate including a general storage rate tariff update as part of a comprehensive update to SJPC's Camden Terminal Tariff 300.

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**Requested Storage Congestion Fee Structure for Plywood**

<b>TIME ON PORT</b>	<b>CURRENT MONTHLY SJPC STORAGE RATE</b>	<b>CONGESTION FEE</b>	<b>COMBINED MONTHLY STORAGE RATE TOTAL</b>
2 Months	\$0.22 per 100 lbs. (\$4.85 mt)	\$0.30 per 100 lbs. (\$6.61 mt)	\$0.52 per 100 lbs. (\$11.46 mt)
3 Months	\$0.28 per 100 lbs. (\$6.17 mt)	\$0.45 per 100 lbs. (\$9.92 mt)	\$0.73 per 100 lbs. (\$16.09 mt)
4 months	\$0.28 per 100 lbs. (\$6.17 mt)	\$0.60 per 100 lbs. (\$13.22 mt)	\$0.88 per 100 lbs. (\$19.40 mt)
5 months	\$0.28 per 100 lbs. (\$6.17 mt)	\$0.70 per 100 lbs. (\$15.43 mt)	\$0.98 per 100 lbs. (\$21.60 mt)
6 months	\$0.33 per 100 lbs. (\$7.27 mt)	\$0.80 per 100 lbs. (\$17.63 mt)	\$1.13 per 100 lbs. (\$24.91 mt)

+\$0.10 per month thereafter

**Requested Storage Congestion Fee Structure for Steel Coils**

<b>TIME ON PORT</b>	<b>CURRENT MONTHLY SJPC STORAGE RATE</b>	<b>CONGESTION FEE</b>	<b>COMBINED MONTHLY STORAGE RATE TOTAL</b>
2 Months	\$0.11 per 100 lbs. (\$2.42 mt)	\$0.30 per 100 lbs. (\$6.61 mt)	\$0.41 per 100 lbs. (\$9.04 mt)
3 Months	\$0.14 per 100 lbs. (\$3.09 mt)	\$0.45 per 100 lbs. (\$9.92 mt)	\$0.59 per 100 lbs. (\$13.00 mt)
4 months	\$0.14 per 100 lbs. (\$3.09 mt)	\$0.60 per 100 lbs. (\$13.22 mt)	\$0.74 per 100 lbs. (\$16.31 mt)
5 months	\$0.14 per 100 lbs. (\$3.09 mt)	\$0.70 per 100 lbs. (\$15.43 mt)	\$0.84 per 100 lbs. (\$18.51 mt)
6 months	\$0.17 per 100 lbs. (\$3.75 mt)	\$0.80 per 100 lbs. (\$17.63 mt)	\$0.97 per 100 lbs. (\$21.38 mt)

+\$0.10 per month thereafter

**RECOMMENDATION**

Staff is therefore requesting Board approval to implement a storage congestion fee on imported plywood and steel coils in order to encourage warehouse inventory turnover at SJPC’s Broadway and Balzano Terminals.



**ACTION ITEM:**

**F. RESOLUTION 2022-08-0097: APPROVAL FOR EXECUTIONS OF MEMORANDA OF SUBLEASE AND TERMINATIONS OF MEMORANDA OF SUBLEASE AT PAULSBORO**

**REQUEST**

Staff is requesting Board approval to approve executions of Memoranda of Sublease and Terminations of Memoranda of Sublease at Paulsboro.

**BACKGROUND**

EEW American Offshore Structures is currently subleasing a portion of the Paulsboro Marine Terminal, on which they are constructing a monopile manufacturing facility for New Jersey's offshore wind turbine installations. In order to obtain financing to complete the monopile manufacturing facility, EEW is requesting memoranda of leases from each lease party for the sequence of leases in place at Paulsboro as a requirement for recording purposes to satisfy EEW's lender title company requirements. In order to assist this effort, SJPC would execute a Memorandum of Sublease for each of the Paulsboro sublease agreements it is a party to, which is then recorded against title. In addition to executing each Memorandum of Sublease, Conflict Counsel is also recommending execution of a corresponding Termination of Memorandum of Sublease, to be held in escrow for expediency purposes in the event of termination of any of the leases, so that title can be cleared without issue. The specific documents for which a Memorandum of Sublease and a Termination of Memorandum of Sublease are being requested are the following:

- January 16, 2006 Lease between Borough of Paulsboro and SJPC
- August 1, 2009 Port Essex Project Site Ground Lease, as amended, between Borough of Paulsboro and SJPC
- November 6, 2014 Paulsboro Marine Terminal Lease between SJPC and Camden Waterfront Development, as assigned to Paulsboro Waterfront Development, and as amended

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Counsel would review each Memorandum of Sublease and Termination of Memorandum of Sublease prior to execution.

**RECOMMENDATION**

Staff therefore requests Board approval to approve executions of Memoranda of Sublease and Terminations of Memoranda of Sublease at Paulsboro.



**ACTION ITEM:**

**G. RESOLUTION 2022-08-0098: APPROVAL FOR EXECUTION OF CONSENT TO AMENDMENT TO PAULSBORO MARINE TERMINAL SUBLEASE**

**REQUEST**

Staff is requesting Board approval to authorize SJPC'S Executive Director and CEO to execute a Consent to an Amendment of the Sublease between Paulsboro Waterfront Development and EEW American Offshore Structures, subject to Legal Counsel review.

**BACKGROUND**

On January 11, 2021, SJPC's Executive Director and CEO executed a Consent to Sublease with Paulsboro Waterfront Development (PWD) as Sublandlord, and EEW American Offshore Structures (EEW) as Subtenant, wherein PWD subleased approximately 70 acres of the Paulsboro Marine Terminal (PMT) to EEW for construction of its monopile manufacturing facility. The sublease provided for temporary use of a portion of PWD premises until such time as the Clorox site was ready for occupancy and use by EEW, at which time an amendment to the sublease would be executed to commemorate the addition of the Clorox site to the EEW sublease premises and the return of the other acreage to PWD's premises. In anticipation of PWD and EEW executing this amendment to the sublease, SJPC should be prepared to execute a consent to the sublease amendment.

**RECOMMENDATION**

Staff is therefore requesting Board approval to authorize SJPC'S Executive Director and CEO to execute a Consent to an Amendment of the Sublease between Paulsboro Waterfront Development and EEW American Offshore Structures, subject to Legal Counsel review.



**ACTION ITEM:**

**H. RESOLUTION 2022-08-0099: APPROVAL TO ISSUE AN RFP TO PURCHASE TWO MOBILE RAIL LOADING DOCKS**

**REQUEST**

Staff is requesting Board approval to issue a request for bids to purchase two mobile rail loading docks.

**BACKGROUND**

South Jersey Port Corporation has been awarded a grant of \$1,108,254.17 from the New Jersey Department of Transportation's (NJDOT's) FY 2022 Rail Freight Assistance Program (RFAP) for the Port's "Rail Integration Project." The grant will enable SJPC to purchase an electric rail car mover, two mobile rail loading docks, and extend the existing rail at the Broadway Marine Terminal.

**RECOMMENDATION**

Staff recommends Board approval to issue a request for bids to purchase two mobile rail loading docks.



**ACTION ITEM:**

**I. RESOLUTION 2022-08-0100: APPROVAL TO ISSUE RFP TO PURCHASE AN ELECTRIC RAIL CAR MOVER**

**REQUEST**

Staff is requesting Board approval to issue a request for bids to purchase an electric rail car mover.

**BACKGROUND**

South Jersey Port Corporation has been awarded a grant of \$1,108,254.17 from the New Jersey Department of Transportation's (NJDOT's) FY 2022 Rail Freight Assistance Program (RFAP) for the Port's "Rail Integration Project." The grant will enable SJPC to purchase an electric rail car mover, two mobile rail loading docks, and extend the existing rail at the Broadway Marine Terminal.

**RECOMMENDATION**

Staff recommends Board approval to issue a request for bids to purchase an electric rail car mover.



**ACTION ITEM:**

**J. RESOLUTION 2022-08-0101: APPROVAL TO ISSUE RFP TO DISPOSE OF SPUD BARGE**

**REQUEST**

Staff is requesting Board approval to issue a request for bids to dispose of the spud barge.

**BACKGROUND**

SJPC purchased the spud barge that has been docked along Berth 1 in 1990 for \$24,000. The spud barge, which is 275' x 60', has not been used over the last several years, and no longer floats or functions on its own, which is further damaging the spuds holding the barge in place.

**RECOMMENDATION**

Staff recommends Board approval to issue a request for bids to dispose of the spud barge.





**ACTION ITEM:**

**K. RESOLUTION 2022-08-0102: CONSIDERATION OF CANDIDATE FOR EMPLOYMENT FOR THE POSITION OF CHIEF FINANCIAL OFFICER/TREASURER**

**REQUEST**

Staff is requesting Board approval of Lisa McLaughlin, for the position of Chief Financial Officer/Treasurer.

The position has a starting salary of \$130,000.

**RECOMMENDATION**

Staff recommends that the Board consider and approve the employment of Lisa McLaughlin, for the position of Chief Financial Officer/Treasurer at a starting salary of \$130,000.



**ACTION ITEM:**

**L. RESOLUTION 2022-08-0103: CONSIDERATION OF CANDIDATE FOR EMPLOYMENT FOR THE POSITION OF DIRECTOR, LEGAL AND REGULATORY AFFAIRS**

**REQUEST**

Staff is requesting Board approval of Augustus E. “Gus” Knestaut, Esquire, for the position of Director, Legal and Regulatory Affairs.

The position has a starting salary of \$130,000.

**RECOMMENDATION**

Staff recommends that the Board consider and approve the employment of Augustus E. Knestaut for the position of Director, Legal and Regulatory Affairs at a starting salary of \$130,000.



**INFORMATION ITEM:**

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

PHOENIX STRATEGIES/ARTLIP COMMUNICATIONS REPORT ATTACHED.

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**INFORMATION ITEM:**

**N. SECURITY UPDATE**



**INFORMATION ITEM:**

**O. 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. GENERAL COUNSELS REPORT**