



SOUTH JERSEY PORT CORPORATION
OFFICIAL BOARD OF DIRECTORS MEETING MINUTES
CAMDEN, NEW JERSEY
JANUARY 31, 2023
12:36 p.m.

Directors Present:	Richard Alaimo	Chairman ☎
	Christopher Chianese	State Treasurer Designee
	Carl Styles	Director ☎
	William Higgins	Director
	Sheila Roberts	Director ☎
	Chad Bruner	Director ☎
	Jonathan Gershen	Director ☎
	Joseph Maressa	Director ☎
	Robert D'Angelo	Director
Directors Absent:	Eric Martins	Director
In Attendance:	Janice Venables	Governor's Authorities Unit
	Andrew Saporito	Executive Director & CEO
	Louis Lessig	General Counsel
	August Knestaut	Dir. of L&R Affairs
	Victoria D'Amico	Board Secretary
	Lisa McLaughlin	CFO / Treasurer
	Neil Grossman	Financial Advisor
	Jonathan Atwood	Chief of Staff
	Chris Perks	Director of Engineering
	Kevin Duffy	COO
	Brendan Dugan	Dir. Of Business Development
	Chuck O'Leary	Security Manager
	George Englehardt	Facilities Engineer ☎
	Sandi Kelly	Phoenix Strategies
	Dan Bontempo	Stantec
	Mario Christina	GCIA
	John Linden	Conner Strong & Buckelew ☎
	Mohammad Koshem	Parker McCay
	Patrick Boyle	Senior Purchasing Agent

The Board Secretary opened the meeting at 12:36 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 5, 2023, the Board 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 2023, 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 2023. 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 – DECEMBER 6, 2022

The minutes for the South Jersey Port Corporation Board of Directors regular session meeting held on December 6, 2022 were presented for approval.

A motion was made to approve the December 6, 2022 Board of Directors Regular Open Session Meeting Minutes as presented.

Moved by:	Styles
Seconded by:	Maressa
Abstain:	
Voting against motion:	None

PRESENTATION OF CLOSED MEETING MINUTES – DECEMBER 6, 2022

The minutes for the South Jersey Port Corporation Board of Directors closed session meeting held on December 6, 2022 were presented for approval.

A motion was made to approve the December 6, 2022 Board of Directors Regular Closed Session Meeting Minutes as presented.

Moved by:	Styles
Seconded by:	Maressa
Abstain:	
Voting against motion:	None

OPERATING BILLS

The Operating Unpaid Bill list for the period 11/18/2022–1/13/2023 was presented for approval.

A motion was made to adopt Resolution 2023-01-0001 for the approval of the Operating Unpaid Bill list for the period 11/18/2022-1/13/2023.

Moved by:	Maressa
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Seconded by: Roberts

Voting for motion: All
Voting against motion: None

ADVANCE PAYMENT LIST

The Advance Payment Bill List for the period 11/18/2022– 1/13/2023 was presented for approval.

A motion was made to adopt Resolution 2023-01-0002 for the approval of the Advance Payment Bills for the period 11/18/2022-1/13/2022.

Moved by: Styles
Seconded by: Maressa

Voting for motion: All
Voting against motion: None

CREDIT LIST

The Credit List for the period ending January 31, 2023, was presented for approval.

A motion was made to adopt Resolution 2023-01-0003 for the approval of the Credit List for the period ending January 31, 2023.

Moved by: Chianese
Seconded by: Gershen

Voting for motion: All
Voting against motion: None

CHANGE ORDERS - (ONE)

CHANGE ORDER RESOLUTION NUMBER 2023-01-0004

Electrical Vehicle Charging Infrastructure MJF Electrical Contracting Change Order No. 2

By Resolution 2022-04-0053, the SJPC Board of Directors approved the award of a \$571,000 construction contract to install the required electrical infrastructure to serve the charging requirements of the initial 27 pieces of electric cargo handling equipment as funded by a NJDOT grant at both the Broadway and Balzano Terminals.

The work is currently proceeding at the Broadway and Balzano Terminals with supply chain issues continuing to delay the anticipated completion. That necessitated Board approval of

Change Order #1 (Resolution 2022-09-0106) for an initial charging location in the amount of \$16,650.00.

That location is now in use for the vehicles we have received, and will be used to permanently power the new grant funded electric rail car mover which the Port is purchasing (Resolution Number 2022-08-100 to advertise for bids).

The design and specifications of the two new 1000 kva substations were developed according to PSE&G requirements by S.T. Hudson and confirmed as compliant with an on-site inspection by PSE&G representative prior to the contractors' pre-bid meeting.

In June of 2022, after the Bid was awarded, PSE&G requested that additional electrical equipment be incorporated at the two new service locations, hence the necessity for this change order request.

The contractor then submitted their change order request for \$43,650.00 to furnish and install this additional equipment which has been reviewed and accepted by SJPC staff, the Utility and the design Engineer, S.T. Hudson.

SJPC staff therefore requests Board Approval of Change Order Number 2 to MJF Electrical Contractors in the amount of \$43,625.00 bringing the total contract amount to \$631,275.00.

Original Contract amount	\$571,000.00
Change Order #1	\$ 16,650.00
Change Order #2	\$ 43,625.00
Total adjusted Contract amount	\$631,275.00

A motion was made to adopt Resolution 2023-01-0004 for Change Order Number 2 to MJF Electrical Contractors in the amount of \$43,625.00 bringing the total contract amount to \$631,275.00

Moved by:	Roberts
Seconded by:	Maressa
Voting for motion:	All
Voting against motion:	None

CONSTRUCTION FUND REQUISITIONS

Staff presented (20) advance construction fund requests in the amount of \$1,645,107.85 and (16) unpaid construction fund requisitions in the amount of \$113,788.27

A motion was made to adopt Resolution 2023-01-0005 to approve the Construction Fund List with the exception of legal invoices for the period ending January 31, 2023.

Moved by:	Maressa
Seconded by:	Higgins
Voting for motion:	All
Voting against motion:	None

TREASURER'S REPORT

For the month of December 2022, the SJPC generated net income before non-operating interest expense and depreciation and amortization in the amount of \$218,326 which is over budget by \$148,147 for the month. Our (year-to-date) YTD net income as of December 31st is \$2,287,196 which is over budget by \$1,445,045.

Please note that we recognized \$54,673 from deferred revenue into income in December. Our deferred revenue balance at year end is \$466,195. Fuel expenses continue to be high at \$488,249 YTD, compared to \$310,913 YTD last year, which is an increase of \$177,336. Despite these increasing expenses, we continue to maintain a positive position.

COUNSEL'S REPORT

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

EXECUTIVE DIRECTORS REPORT

Total cargo tonnage in December was 236,827 s/tons: a 49% decrease over December 2021. YTD tonnage through December totaled 3,161,980 s/tons; representing a 32% decrease compared to the same period in 2021. Camden Steel imports in December 2022 showed a 85.5% increase over December 2021 and a YTD increase of 4.4% compared to 2021. There was no plywood activity in December 2022 or 2021. December YTD plywood tonnage was 82,502 tons which is 62.6% behind YTD 2021

There was no cocoa bean activity in December 2022. YTD cocoa bean imports totaled 38,376 tons which is a 49.6% decrease versus YTD 2021.

Bulk activity for December was 180,792 s/tons; a 18.2% increase from December 2021. YTD bulk reached 1,922,650 s/tons; a 0.6% decrease versus YTD 2021.

Exports of recycled metals in December was 43,577 s/tons; a 19.5% decrease compared to December 2021. YTD recycled metals decreased 2.9% compared to 2021. December cement increased 6.4% YTD. Grancem increased 199% for October 2022 with a 22.5% increase YTD. Sand volumes increased 66.8% YTD vs 2021. There was no Gypsum activity in 2022 YTD compared to 171,980 s/tons YTD 2021.

SJPC handled 14 ships in December 2022 compared to 17 in December 2021. YTD the port handled 2380 ships, compared to 223 in December 2021 YTD. December 2022 YTD ship days were 46, compared to 800 in 2021.

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

Paulsboro MT EEW

The first vessel transporting monopile segments arrived on January 2nd with 9 monopile sections. EEW is close to completing the Paint and Blast Building and is in the process of welding the first 3 segments of monopiles in the newly completed circweld building.

Upon the completion of the Paint and Blast Building, the completed monopile will be shifted over to be painted.

We continue to discuss funding and next steps with EEW and the GCIA.

American Metals Supply Chain Institute (AMSCI)

On Wednesday December 7th, Brendan Dugan and I attended the Annual AMSCI Steel Dinner in New York City. It was a well-attended event with approximately 190 people in attendance. It provided us with a good opportunity to see several customers at the event.

Earlier that day, I participated in the organization Board of Directors Meeting. Brendan attended a Customs Committee meeting on Thursday December 3rd.

CCSNJ Transportation and Infrastructure Committee Meeting

On Monday December 12th, I made a presentation at the Chamber's Transportation and infrastructure Committee meeting as part of continuing effort to promote the port to industry and civic groups .

Open House December 13th

We hosted an open house at our new offices on December 13, 2022. Our Camden based tenants and customers along with some civic and elected officials stopped by to visit our new offices.

Director Roberts also attended and had an opportunity to interact with the attendees.

Customer Visits

TATA Steel

Thyssen Krupp

Steel Summit

Outside Events

During the past month, we attended the following events:

South Jersey Development Council Board Meeting and Annual Holiday Luncheon

CCSNJ Luncheon with Governor Murphy

NJ Alliance of Action with the NJ Commissioner of DOT

Traffic Club of Philadelphia

ACTION ITEMS:

RESOLUTION 2023-01-0006: APPROVAL TO AWARD A CONSTRUCTION CONTRACT FOR PIER 1 SINKHOLE REPAIRS AT BROADWAY TERMINAL

REQUEST

Staff is requesting Board approval to award a construction contract for Pier 1 sinkhole repairs at the Broadway Marine Terminal to Paving Plus, LLC.

BACKGROUND

Pursuant to the Board's authorization to request quotations for contractor services for the Pier 1 Sinkhole Repairs project (Resolution Number 2022-04-0052), an Invitation for Bidders was advertised for the solicitation of public bids to perform the work. Four

contractors attended the pre-bid meeting, and four bids were received. Staff is recommending approval of award to the low bidder.

As the documented condition of this 120-year-old pier continues to deteriorate, periodic repairs are needed to address sinkholes which occur in the paved work area due to openings in the wood deck below. This is the third repair request for Board approval within as many years.

Plans and technical specifications were prepared by S.T. Hudson Engineers. The scope of work includes excavation, low deck repairs, then backfilling, and paving in four locations. Add alternate quantities were included to address a fifth area of concern.

The pre-bid site tour was conducted on November 15, 2022. Four bids were opened on Tuesday, December 13, 2022.

<u>Bidder</u>	<u>Location</u>	<u>Base Bid</u>	<u>Add/Alt.</u>	<u>Total Bid</u>
1 Paving Plus, LLC	Glassboro, NJ	\$ 345,675	\$ 72,600	\$ 418,275
2 Atlantic Subsea	Bridgeport, NJ	\$ 545,250	\$ 98,375	\$ 643,625
3 JPC Group, Inc.	Blackwood, NJ	\$ 623,375	\$ 144,250	\$ 767,625
4 Railroad Construction	Patterson, NJ	\$ 1,131,973	\$ 241,425	\$ 1,373,398

The bids have been reviewed by Staff, the engineer S.T. Hudson, and for legal and Insurance compliance. The lowest qualified bid is from Paving Plus, of Glassboro, NJ, at a total bid price of \$418,275.00. Funding for this project is available in the 2017A Series bond account.

A motion was made to approve Resolution 2023-01-0006 to award this construction contract to the low bidder, Paving Plus, LLC Construction Services from Glassboro, NJ, in the total bid amount of \$418,275.00.

Moved by:	Chianese
Seconded by:	Roberts
Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2023-01-0007: APPROVAL TO AWARD A CONTRACT FOR JANITORIAL SERVICES AT BALZANO AND BROADWAY TERMINALS

REQUEST

Staff is requesting Board approval to enter the New Jersey Statewide contract for

janitorial services with ACCSES NJ / CNS Services for the Balzano and Broadway Marine terminals.

BACKGROUND

The SJPC currently has two janitorial job positions. These staff clean all of the offices, breakrooms, and bathrooms at the two Camden Terminals.

These positions are exempt and not included in any union contract. One of these positions has been open for over a year, and the SJPC Humans Resources Department has advertised continuously and identified dozens of candidates. Many of these candidates have been interviewed and several job offers made, but the onboarding process has been unsuccessful. The janitor on staff is nearing retirement.

During the COVID Pandemic, SJPC utilized an outside cleaning service to supplement inhouse resources due to need for more thorough cleanings of employee and public areas at the Balzano and Broadway Terminals, and to provide backup for inhouse staff when they were not available.

Based on the performance of the previous outside vender, staff explored the option of contracting for these services on a permanent basis. In accordance with procurement policy, staff first explored the use of an applicable state contract, and identified Statewide Contract Number T1480, Contract Number A77110, which is held by ACCSES NJ CNA Services from Trenton, New Jersey ACCSESS NJ has been providing these services to New Jersey government agencies for decades and has an extensive list of New Jersey state and local government clients.

Staff conducted a walk thru of the Balzano and Broadway Terminals on January 17, 2023 and received a written proposal on January 19, 2023. Based on a review of the proposal and the need to maintain our employee and public areas in in safe and sanitary condition, staff believe that contracting these services is the best possible method for the SJPC.

The term would be one year with the Board's option for two one-year renewals. The contract amount for one year under the terms of the state contract will be \$ 79,460.00.

A motion was made to approve Resolution 2023-01-0007 to enter the New Jersey Statewide contract for janitorial services with ACCSES NJ / CNS Services for a period of one year with two one-year options in the not-to-exceed amount of \$79,460.00.

Moved by:
Seconded by:

D'Angelo
Roberts

Voting for Motion:
Voting Against Motion:

All
None

**RESOLUTION 2023-01-0008: APPROVAL TO ISSUE REQUEST FOR BIDS FOR
FIRE SPRINKLER SYSTEMS AND FIRE EXTINGUISHER INSPECTIONS AT
BALZANO AND BROADWAY TERMINALS**

REQUEST

Staff is requesting Board approval to issue a Request for Proposals for annual fire sprinkler system and fire extinguisher inspection, preventative maintenance, and emergency repair services for one year with options to renew for up to two additional years at the Balzano and Broadway Marine Terminals.

BACKGROUND

Building fire sprinkler systems are required to be inspected annually in accordance with NFPA 25 - Standard for Inspection, Testing and Maintenance of Water-Based Fire Protection Systems. This includes fire sprinkler distribution piping, piping supports, the valve control rooms, pumps, hydrants, valves, gauges, etc., as well as the performance of trip tests of the fire sprinkler zone functionality to work within a specified time. Preventive maintenance is also performed at the time of the inspections.

In addition, fire extinguishers require yearly inspection and servicing on site in accordance with NFPA 10 - Standard for Portable Fire Extinguishers.

The SJPC also needs periodic emergency responses when system failures occur. These inspection, testing, preventative maintenance and emergency response services must be performed by licensed and insured fire protection professionals at a firm certified by the State of New Jersey.

The contract terms for the requested solicitation will be for a one-year term with the option of two additional, one-year extensions at a not to exceed cost of \$100,000 per year.

A motion was made to approve Resolution 2023-01-0008 to issue a Request for Proposals for fire sprinkler systems and fire extinguisher inspection, testing, preventative maintenance, and emergency response services for one year with options to renew for up to two additional years at the Balzano and Broadway Marine Terminals.

Moved by:
Seconded by:

Chianese
Roberts

Voting for Motion:
Voting Against Motion:

All
None

RESOLUTION 2023-01-0009: APPROVAL OF CAMDEN PLANT HOLDINGS LLC LEASE EXTENSION**REQUEST**

Staff is requesting Board approval to extend the lease with Camden Plant Holdings LLC.

BACKGROUND

SJPC leases approximately 5,000 square feet of indoor storage to Camden Plant Holdings at the Broadway Terminal in Camden, for spare parts storage for power generation. The current one-year lease expires on February 28, 2023. The basic terms of the proposed lease extension are:

- 1 year extension term, from March 1, 2023 to February 28, 2024
- 8% CPI increase rental increase, to \$1,403.32 per month / \$16,839.84 per year
- Tenant pays \$100 per month electricity fee

A motion was made to approve Resolution 2023-01-0009 to extend the lease with Camden Plant Holdings LLC.

Moved by:	Chianese
Seconded by:	Maressa
Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2023-01-0010: APPROVAL OF OFFICE LEASE WITH DELAWARE RIVER STEVEDORES (DRS)**REQUEST**

Staff is requesting Board approval to lease office space in Building A-2 at Balzano Terminal to DRS

BACKGROUND

DRS is currently housing some of their terminal management staff in an office trailer at Balzano Terminal. With the vacation of a portion of the 2nd floor of Building A by SJPC staff, building space is now available to rent to DRS and allow for the removal of their trailer from the terminal which will provide additional outside storage space.

Key lease terms are as follow:

- Approximately 562 square feet of office space @ a starting rent of \$7.55 per square foot per year:
\$4,243.08 per year/ \$353.59 per month
- 2- year lease term with annual CPI escalation

- Shared DRS/SJPC use of Building A-2 kitchen, restrooms, and conference room, and with conference room use subject to schedule coordination with SJPC
- DRS responsible for cost of improvements, maintenance, damage and utilities to leased area, as well as any damage to shared common areas
- Tenant to pay share of common area maintenance expenses in the amount of \$848.52 per year, plus annual cpi escalation.

A motion was made to approve Resolution 2023-01-0010 to lease office space in Building A-2 at Balzano Terminal to DRS

Moved by: Roberts

Seconded by: Maressa

Voting for Motion: All

Voting Against Motion: None

RESOLUTION 2023-01-0011: APPROVAL OF SHARED SERVICES AGREEMENT WITH GLOUCESTER COUNTY IMPROVEMENT AUTHORITY FOR PAULSBORO MARINE TERMINAL PROJECT

REQUEST

Staff is requesting Board approval of an updated shared services agreement with the Gloucester County Improvement Authority (GCIA) for the Paulsboro Marine Terminal project.

BACKGROUND

Staff is presenting a proposed new Shared Services Agreement with the Gloucester County Improvement Authority to provide labor for continuing and future work on the Paulsboro Marine Terminal project on an "as-needed" basis, which can be provided by tradesmen in several trades under the employ of the GCIA. The Agreement contains Exhibit "A," which sets out the updated contractual wages for hourly rates for tradesmen. The term of the Agreement is for one (1) year commencing on the date of execution of the Agreement. The Agreement has an option for SJPC to extend the same in its sole discretion for an additional one (1) year term by giving written notice to the GCIA prior to the expiration of the initial one (1) year term. The Agreement contains a sixty (60) day mutual cancellation clause. The Agreement replaces the prior Shared Services Agreement with the GCIA for labor that expired on December 31, 2022.

A motion was made to approve Resolution 2023-01-0011 to approve the updated Shared Services Agreement for labor concerning the Paulsboro Marine Terminal project with Gloucester County Improvement Authority.

Moved by: Higgins
Seconded by: Styles

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2023-01-0012: ANNUAL DESIGNATION OF PUBLIC AGENCY COMPLIANCE OFFICER FOR EEO CONTRACT COMPLIANCE

REQUEST

Staff is requesting Board approval designating August E. Knestaut, Esquire, SJPC's Director of Legal and Regulatory Affairs, to serve as SJPC's Public Agency Compliance Officer (PACO).

BACKGROUND

In accordance with N.J.A.C 17:27-3.3, each Public Agency in New Jersey is required to designate an individual to serve as its compliance officer. The PACO is the liaison between the Division of Purchase and Property's Contract Compliance and Audit Unit (Division) and the Public Agency. It is the Public Agency's point of contact for all matters concerning implementing and administering the State's Equal Employment Opportunity (EEO) statutes and regulations. The PACO is also responsible for administering equal employment opportunity contracting procedures for both the Public Agency and vendors with public contracts. Vendors shall include but are not limited to, those providing goods, professional services, and general services to and for the Public Agency and construction contractors who contract with the Public Agency. As such, the PACO must have the authority to recommend changes to effectively support the administration and implementation of the applicable EEO statutes and its companion regulations.

Each year, all Public Agencies are required to submit the name, title, address, telephone number, fax number, and e-mail address of the PACO designated by the Public Agency. This information must be submitted to the Division in January of each year. In addition, it shall be the responsibility of the Public Agency to update the PACO designation at any time during the year if any changes are made concerning the designated PACO.

Staff proposes to designate August E. Knestaut, Esquire, Director of Legal and Regulatory Affairs of and for the SJPC, to serve as the SJPC's PACO for the year 2023.

A motion was made to approve Resolution 2023-01-0012 to designate August E. Knestaut Esquire to serve as SJPC's PACO for 2023.

Moved by: Styles
Seconded by: Roberts

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2023-01-0013: AUTHORIZATION TO APPROVE 2021 FINANCIAL AUDIT REPORT**REQUEST**

Staff is requesting Board approval to approve the 2021 Financial Audit Report.

BACKGROUND

As required under Executive Order #122, our Board's Audit Committee has received and reviewed the draft 2021 Financial Audit Report.

The auditors have issued what is equivalent to an unmodified opinion for the 2021 Audit Report for fiscal year ending December 31, 2021.

A motion was made to approve Resolution 2023-01-0013 acceptance of the 2021 Financial Audit and approval of the resolution certifying that each member of the SJPC Board of Directors has reviewed the audit report.

Moved by:	Maressa
Seconded by:	Styles
Voting for Motion:	All
Voting Against Motion:	None

RESOLUTION 2023-01-0014: APPROVAL TO ENTER INTO A REVISED LEASE-TO-OWN AGREEMENT FOR CARGO HANDLING EQUIPMENT**REQUEST**

Staff is requesting Board approval to amend the existing lease agreement for the lease/purchase of one (1) 30,000 lb. diesel forklift and one (1) 55,000 lb. diesel forklift via a sixty (60) month lease-to-own option for each.

BACKGROUND

Per Resolution 2021-10-0102, SJPC's Board of Directors approved the award of a 60-month lease-to-own option for one (1) 30,000 lb. Diesel Forklift, and one (1) 55,000 lb. Diesel Forklift, to Eastern Lift Truck Co., Inc. ("Eastern"), who was the lowest responsible bidder for the project at a cost of \$317,161. for the 30K lb. forklift and \$438,354. for the 55K lb. forklift. Due to interest rate hikes from 2021 to 2023, the monthly costs for these lease agreements have increased over what was previously approved by the Board. This increase occurred due to a delay in the manufacture and delivery of the equipment because of supply chain issues related to the COVID-19 pandemic.

At the time of Eastern's bid, the monthly lease payments for the Hyster PG-300 30,000lb. forklift was \$5,769.80 based upon an interest rate of 3.5%. The monthly lease payments for this forklift have now increased by \$510.37 to \$6,280.17 due to an interest rate

increase to 7%. Even with this increase, the monthly payments will remain below the previously quoted rental rates.

The 30,000 lb. Hyster PG-300 Diesel Forklift is ready, and the SJPC thereby needs to deliver the lease/purchase documents required to complete the delivery process. The 55,000 lb. Hyster H550XD48 diesel forklift is not yet ready for delivery. However, it is anticipated based upon current market conditions that lease/purchase agreement for this piece of equipment will also be subject to interest rate increases when it is ready to be delivered.

A motion was made to approve Resolution 2023-01-0014 to enter into lease-to-own agreements, subject to any market interest rate fluctuations, for both the 30,000 lb. and 55,000 lb. diesel forklifts previously approved per Resolution 2021-10-0102.

Moved by: Roberts
Seconded by: Maressa

Voting for Motion: All
Voting Against Motion: None

RESOLUTION 2023-01-0015: APPROVAL TO RENEW SJPC'S MARINE TERMINAL OPERATORS GENERAL LIABILITY/BUMBERSHOOT LIABILITY, COMMERCIAL AUTOMOBILE LIABILITY, HULL & MACHINERY/PROTECTION AND INDEMNITY (P&I) – 1959 SPUD BARGE, POLLUTION LIABILITY – 1959 SPUD BARGE, AND PUBLIC OFFICIALS' PRACTICES LIABILITY INSURANCE

REQUEST

Staff is requesting Board approval to renew SJPC's Marine Terminal Operators General Liability / Bumbershoot Liability, Commercial Automobile Liability, Hull & Machinery/Protection and Indemnity (P&I) - 1959 Spud Barge, Pollution Liability - 1959 Spud Barge and Public Officials and Employment Practices Liability insurance policies. The policies are set to renew on March 1, 2023.

BACKGROUND

Marine Terminal Operators General Liability / Bumbershoot Liability: Your current (3/1/2022 – 3/1/2023) Marine Terminal Operators General Liability / Bumbershoot Liability program provides a \$21,000,000 Occurrence / \$21,000,000 General Aggregate Limit through National Union Fire Insurance Company of Pittsburgh, PA (\$1,000,000 Per Occurrence / \$2,000,000 Aggregate Limit), Liberty Mutual Insurance Company (\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying), National Union Fire Insurance Company of Pittsburgh, PA (\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying), Navigators Insurance Company (\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying) and Stratford Insurance Company

(\$5,000,000 part of \$20,000,000 Limit excess of \$1,000,000 Underlying). The total expiring premium is \$225,000 (including TRIA and New Jersey surcharges) based on Gross Receipts of \$23,865,963.

For the 3/1/2023 – 3/1/2024 policy term, South Jersey Port Corporation provided a Gross Receipts estimate of \$26,752,332, an increase of approximately 12%. Conner Strong & Buckelew negotiated a renewal cost of \$254,000, which represents a 0.71% (+\$1,788) rate increase against the adjusted expiring pricing. Conner Strong & Buckelew pursued other insurance carriers on your behalf, and the results of our marketing effort are discussed further in our proposal. Based on the options provided, and after consultation with staff, Conner Strong & Buckelew recommends that South Jersey Port Corporation renew their Marine Terminal Operators General Liability insurance coverage with National Union Fire Insurance Company of Pittsburgh, PA (AIG). Conner Strong & Buckelew also recommends that South Jersey Port Corporation renew their Bumbershoot Liability with Liberty Mutual Insurance Company as the lead carrier. The other participating carriers will remain unchanged except for Strafford Insurance Company which will be replaced by Swiss RE Corporate Solutions American Insurance Corporation. Liberty will be providing \$5,000,000 part of \$20,000,000, National Union Fire Insurance Company of Pittsburgh, PA (AIG) will be providing \$5,000,000 part of \$20,000,000, Swiss RE Corporate Solutions American Insurance Corporation will be providing \$5,000,000 part of \$20,000,000 and Navigators Insurance Company will be providing \$5,000,000 part of \$20,000,000; all excess of the \$1,000,000 underlying. The coverages, terms, and conditions of the incumbent program is described in more detail in our proposal.

Commercial Automobile: Your current program with Chubb Insurance Company of New Jersey provides a \$1,000,000 Combined Single Limit. Chubb's renewal quote for the 3/1/2023 – 3/1/2024 policy term is \$161,155 (including NJ surcharges) and is based on 78 units versus 83 units last year. We approached other insurance companies, as detailed in our proposal; however, Chubb continues to provide the most competitive program. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew with Chubb Insurance Company of New Jersey.

Hull & Machinery/Protection and Indemnity (P&I) - 1959 Spud Barge: Your current program with National Union Fire Insurance Company of Pittsburgh, PA (AIG) provides a \$1,000,000 P&I limit and a Hull value of \$200,000. AIG has offered a renewal quote for the 3/1/2023 – 3/1/2024 policy term with the same terms and conditions as the expiring policy for a cost of \$5,670 (including NJ surcharges). Please note that this coverage is specifically for your 1959 Spud Barge. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew the coverage with AIG.

Pollution Liability - 1959 Spud Barge: Your current program with Water Quality Insurance Syndicate (WQIS) provides a \$5,000,000 Limit for a discharge of oil or hazardous substances. WQIS' renewal quote for the 3/1/2023 – 3/1/2024 policy term is \$2,515 (including NJ surcharges). Please note that this coverage is specifically for your 1959 Spud Barge. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew with the Water Quality Insurance Syndicate (WQIS).

Public Officials Liability and Employment Practices Liability Insurance: Your current program with Navigators Insurance Company provides a \$5,000,000 Limit for Public Officials and a \$5,000,000 Limit for Employment Practices Liability claims. Navigators' renewal quote for the 3/1/2023 – 3/1/2024 policy term is \$62,813, which represents a 4% (-\$4,441) rate decrease against the adjusted expiring pricing. We approached several other insurance companies on behalf of the Port and the results of our marketing effort are discussed in greater detail in our proposal. Conner Strong & Buckelew recommends that South Jersey Port Corporation renew their Public Officials Liability and Employment Practices Liability program with Navigators Insurance Company.

A motion was made to approve Resolution 2023-01-0015 to approve the above insurance renewals.

Moved by:	Maressa
Seconded by:	Styles
Voting for Motion:	All
Voting Against Motion:	None

INFORMATION ITEMS:

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.

Mohammad Koshem, Esquire of Parker McCay made an inquiry for confirmation of the term dates of the Board of Directors.

The Chairman asked if there were any discussions for closed session. There were closed sessions items to be discussed. The Chairman asked for a motion to adjourn the regular open meeting.

A motion was made to adjourn the Regular Open Meeting

Moved by:	Maressa
Seconded by:	Styles
Voting for motion:	All
Voting against motion:	None

At 1:29 p.m. the regular open session was adjourned.

Following closed session, the Regular Session was reopened at 1:40 p.m.

Upon returning to open session a motion was made to approve the remaining construction fund requisitions for Resolution 2023-01-0005

Moved by: Maressa
Seconded by: Higgins

Voting for motion: All
Voting against motion: None

A motion was made to adjourn the Regular Open Meeting at 1:40pm

Moved by: Styles
Seconded by: Roberts

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, January 31, 2023.



Victoria D'Amico
Board Secretary