

**Maryland Port Commission
Open Session Minutes
February 4, 2020**

The Three Hundred and Sixty Second Session of the Maryland Port Commission was called to order at 9:01 am by Acting Secretary Gregory Slater at the World Trade Center, 401 E. Pratt Street, Stanton Room, 20th Floor, Baltimore, Maryland 21202. The Commission met in Open Session from 9:01 until 9:55 am.

Present: Acting Secretary Slater and Commissioners Dandy, Dean, Huber, Lunn, McDonald and Richardson.

Staff: Dave Thomas (Acting Executive Director), Bob Munroe (MPA Principal Counsel), Richard Scher (Director of Communications), Mike Miller (Director of Maritime Commercial Management), Wonza Spann-Nicholas (Director, Finance), Kristen Fidler (Director of Harbor Development), Steve Johnson (Director, Engineering), Jim Dwyer (Director of Planning), John Thornton (Manager of Procurement), David Espie (Director of Security), Brian Miller (Director of Operations), Brad Smith (General Manager, Strategic Initiatives), and Chris Nichols (Executive Office).

Minutes of the Three Hundred and Sixty First Open and Closed Session Meetings

Commissioner Richardson moved to approve the Open Session Minutes of the Three Hundred and Sixty First Port Commission meeting. Commissioner Huber seconded the motion. The minutes were approved unanimously without discussion.

FY 2021 Operating Budget Request, Wonza Spann-Nicholas, Director, Finance

Ms. Spann-Nicholas provided an overview of the FY 2021 Operating Budget. The Legislative Analyst is reviewing the request and will make recommendations. House of Delegates budget hearing is scheduled for February 20, 2020 at 1:00 pm and the Senate Budget Hearing is scheduled for February 24 at 1:00 pm. The Operating Budget allowance for FY 2021 includes \$23.1 in discretionary funds, 45% of the total budget.

**FY 2021 Allowance TBU Summary
(\$ Millions)**

Business Units	Permanent Positions	Contract Positions	Total Positions	Budget	% Budget
The Secretary's Office	322.0	10.0	332.0	\$ 881.0	15%
State Highway Administration	2,959.5	88.0	3,047.5	1,894.8	32%
Maryland Port Administration	210.0	1.2	211.2	194.6	3%
Maryland Vehicle Administration	1,707.5	6.5	1,714.0	254.0	4%
Maryland Transit Administration	3,364.0	16.0	3,380.0	1,550.5	26%
Maryland Aviation Administration	494.5	0.5	495.0	279.7	5%
Maryland Transportation Authority	1,727.0	-	1,727.0	860.4	15%
Total MDOT	10,784.5	122.2	10,906.7	\$5,915.0	100%

FY 2021 Capital Budget Request, Jim Dwyer, Director, Planning

Mr. Dwyer presented the FY 2021 MDOT MPA Capital Budget Request for informational purposes. The total MPA budget for FY 2021 is 206.2 Million dollars with 40%, 80.3 Million, allotted towards funding for the Howard Street Tunnel Project, newly added to the budget this year.

- At \$1,160M, the new 6-year Capital program is the largest for MPA.
- The **Howard Street Tunnel** project (\$441M) was added to the 6-year program.
- **Harbor Development's** program is \$80M less than last year due to budget cuts. Its FY21 Budget is similar to FY20. Cox Creek, Masonville and SMT Berth 3 increase activity, but Pearce Creek water project is now completed.
- **Landside's** program is \$45M less than last year due to budget cuts. Its FY21 budget is similar to FY20's budget; new projects start: DMT Berth 3 Reconstruction, DMT Berth 11 Deck Ph. II, AW Utility upgrades, and NLP Pier 10. Completed projects include FMT Wet Basin and SLP Fruit Slip Development.
- The funding for FY24 and FY25 will need to be fortified in the future.

MPA Capital Program							
FY 20 - FY 25 Final CTP, Jan. 2020							
(Millions of Dollars)							
	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Total
Harbor Development	\$ 82.8	\$ 84.2	\$107.2	\$ 64.2	\$ 72.9	\$ 53.9	\$ 465.2
Landside	\$ 39.4	\$ 36.5	\$ 65.7	\$ 39.0	\$ 19.1	\$ 23.0	\$ 222.7
Howard Street Tunnel	\$ 10.0	\$ 80.3	\$117.3	\$119.0	\$114.5	\$ -	\$ 441.1
Operating-to-Capital	\$ 5.1	\$ 5.2	\$ 5.2	\$ 5.0	\$ 5.0	\$ 5.0	\$ 30.5
Total	\$137.3	\$206.2	\$295.4	\$227.2	\$211.5	\$ 81.9	\$1,159.5

MPA Capital Program							
Landside Projects, Final CTP, Jan. 2020							
(Millions of Dollars)							
	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Total
1. FMT Wet Basin TIGER	\$ 1.8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.8
2. Cruise Terminal	0.8	-	-	-	-	-	0.8
3. SLP Fruit Slip Development	4.3	0.3	-	-	-	-	4.6
4. Security Projects	2.0	1.6	-	-	-	-	3.6
5. Stormwater Management	0.9	-	3.2	3.0	-	-	7.1
6. DMT Property Purchase	-	0.1	-	4.9	-	-	5.0
7. DMT Berth 3 Reconstruction	-	6.8	19.3	6.9	-	-	33.0
8. Deck Mods & Berth Improvements	3.0	4.6	9.7	4.0	2.3	2.2	25.8
9. World Trade Center	0.7	0.2	2.5	1.0	1.0	1.0	6.4
10. Chrome Ore Processing Residue	4.6	4.4	4.7	4.8	4.5	4.0	27.0
11. A/E, System Preservation, Other	21.3	18.5	26.3	14.4	11.3	15.8	107.6
Total	\$ 39.4	\$ 36.5	\$ 65.7	\$ 39.0	\$ 19.1	\$ 23.0	\$ 222.7

MPA Capital Program Harbor Development, Final CTP, Jan. 2020 (Millions of Dollars)							
	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	Total
Masonville	\$ 8.4	\$ 17.3	\$ 29.3	\$ 19.3	\$ 20.3	\$ 11.3	\$ 105.9
Cox Creek	29.6	21.8	34.1	21.6	22.5	17.3	146.9
Poplar Island	7.0	6.4	11.4	9.6	16.7	9.3	60.4
Hart-Miller Island	3.7	3.5	3.4	3.4	3.5	3.4	20.9
Mid-Bay Option	1.5	1.6	2.0	3.0	6.0	8.0	22.1
Seagirt Berth 3 Modernization	11.0	14.4	7.5	-	-	-	32.9
Studies, Mitigation ,Other	21.6	19.2	19.5	7.3	3.9	4.6	76.1
Total	\$ 82.8	\$ 84.2	\$107.2	\$ 64.2	\$ 72.9	\$ 53.9	\$ 465.2

Howard Street Tunnel Expansion Project, Brad Smith, General Manager, Strategic Initiatives

Mr. Smith provided an overview of the Howard Street Tunnel Project, highlights included:

- The Howard Street Tunnel is a 1.7-mile single-track rail tunnel built in 1895 by the Baltimore and Ohio Railroad Company and is currently owned and maintained by CSX.
- The tunnel is currently 18 inches too short for double stack rail cars.
- The purpose of the project is to break a long-standing bottleneck and create a double-stack rail network to/from the Port of Baltimore and along the entire I-95 Rail Corridor.
- Improvements will be made to the HST and 22 bridges Between Baltimore and Philadelphia.
- The cost of the HST project is \$446 Million and consists of three components:
 - Camden Street Storm Line Project (completed by CSX in 2019)
 - Relocation of 48-inch drainage structure.
 - \$22.5 million
 - Howard Street Tunnel Clearance Project
 - Reconstruction of tunnel - \$263.2 million
 - Highway/Rail Grade Separation Projects
 - Clearance improvements at 22 bridges between Baltimore and Philadelphia
 - \$180.3 million (no Maryland State funding being used for the DE and PA projects)

Funding Plan

INFRA Grant	\$125.0 million
State of Maryland	\$202.5 million
CSX	\$113.0 million
PennDOT Grant*	\$22.5 million
FHWA Formula Funds**	\$3.0 million
TOTAL	\$466.0 million

- Project Roles and Responsibilities:
 - Maryland will administer the federal INFRA grant and reimburse CSX for eligible costs with state and federal funding.
 - CSX is responsible for engineering, permitting, construction, and all future maintenance of the tunnel and other CSX assets.
 - The State of Maryland and CSX will work together on community outreach.

Economic Benefits of HST Project

- Approximately 7,290 jobs in Maryland could be generated in the long term:
 - 2,950 direct jobs
 - 3,400 induced jobs
 - 940 indirect jobs
- New container activity will be a major source of personal and business revenues in Maryland:
 - \$613 million annually – personal income and spending/local consumption
 - \$443 million annually – business revenues
 - \$65 million annually – state and local taxes
- In addition to the above, 6,550 construction jobs will be generated over the construction period.

Next Steps

- The MPA is currently working with CSX and the Federal Railroad Administration to advance pre-construction activities.
- Project Schedule
 - 2020 – Agreements, NEPA, Engineering, Permitting
 - 2021 – Construction begins
 - 2024 – Construction complete, start of double-stack service
- Community outreach and involvement will be a priority.

Acting Secretary Slater stated that projects are most successful when the community is involved and provide feedback. MDOT and MPA need to educate the community on the status of the project and keep them updated.

Contracts for Approval, John Thornton, Manager of Procurement

Mr. Thornton requested approval for the following contract:

1. **Contract 215018A2-IT, Modification No. 2** (Renewal No. 1) – IT Service Desk and Desktop Field Support; Gantech, Inc., Columbia, MD; Term: 09/01/20 – 08/31/25; Amount: \$915,533.

Motion to approve made by Commissioner Dandy, seconded by Commissioner Richardson and approved unanimously by the Commission.

Move into Closed Session

At 9:55 am, in accordance with State Government Article, Section 10-508 (a)(4), Annotated Code of Maryland, Commissioner Dean moved that the Commission meet in Closed Session, and Commissioner McDonald seconded the motion. The motion was approved unanimously. See attached closing statement. The Commission met in Closed Session from 9:55 am until 10:30 am. Staff attending: David Thomas (Acting Executive Director), Bob Munroe (MPA Chief Counsel), and Christina Nichols (Executive Office).

The following topic was discussed during the MPC Personnel Update: Executive deliberation on compensation and succession planning for MPA Executive Director vacancy. No votes were taken. The Closed Session ended at 10:30 am and the meeting returned to Open Session.

Adjournment

There being no further business, a motion to adjourn was made by Commissioner Richardson and seconded by Commissioner McDonald. The motion carried unanimously. The meeting adjourned at 10:30 am.