Maryland Port Commission Open Session Minutes January 11, 2021

The Three Hundred and Eighty Third Session of the Maryland Port Commission was called to order at 10:00 am by Secretary James Ports. The Commission met in Open Session from 10:00 am until 10:45 am in the Stanton Room, 20th floor, World Trade Center, 401 E. Pratt Street, Baltimore, MD 21202.

- **Present:** Secretary Ports and Commissioners Dandy, Dean, Huber, Lunn, McDonald, and Richardson (all attended via Teams).
- Staff:William Doyle (Executive Director), Brian Miller (Deputy Executive Director),
Bob Munroe (MPA Principal Counsel), Christina Nichols (Chief of Staff), Rick
Powers (Director of Marketing), Richard Scher (Director of Communications),
David Espie (Director of Security), Ryan Barry (Director of Operations), Dominic
Scurti (Director of Planning), Steve Johnson (Director of Engineering), Kristen
Fidler (Director, Harbor Development), Brad Smith (General Manager of
Strategic Initiatives), Jennifer Guthrie (Legislative Manager), James Bond (Living
Classrooms), Erica Lewis (Living Classrooms), and Logan Dean (Living
Classrooms).

Minutes of the Three Hundred and Eighty Second Open Session Meeting

Commissioner McDonald moved to approve the Open Session Minutes of the Three Hundred and Eighty Second Port Commission meeting with an edit to page two to make the word "dike" plural and on page three to change Christian to Christina. Commissioner Dandy seconded the motion. The minutes were approved unanimously with the above changes.

Business Update, William P. Doyle, Executive Director

Mr. Doyle provided an update on the following:

Contracts:

Prior to the end of 2021, the Port of Baltimore extended and/or entered into 3 new agreements:

- Mercedes Benz has agreed to remain in Baltimore for the long term and in doing so agreed to enter early negotiations for a follow-up contract. This agreement is a firm 10-year extension starting in 2024 with two 5-year extension options thereafter.
- Royal Caribbean Cruise Line has agreed to a 5-year extension agreement.
- Carnival Cruise Lines (CCL) has agreed to a 6-month extension agreement. The signed agreement term is 6 months due to corporate prioritization on other matters by CCL.

Cost of Materials

Prices for nearly every type of construction material are rising.

The producer price index for inputs to new nonresidential construction, the prices charged by goods producers and service providers such as distributors and transportation firms, jumped 0.9% in November and 22.1% over 12 months. Those increases dwarfed the rise in the index for new nonresidential construction, a measure of what contractors say they would charge to erect five types of nonresidential. That index climbed by 0.3% for the month and 12.4% from a year earlier.

A wide range of products used in construction, as well as trucking services, posted double-digit price increases over the past 12 months. The price index for steel mill products more than doubled, soaring 141.6% since November 2020. The index for aluminum mill shapes jumped 41.1% over 12 months, while the index for copper and brass mill shapes rose 37.8%. The index for plastic construction products climbed by 32.5%. The index for gypsum products such as wallboard rose 20.9% and insulation costs increased 17.4%.

Trucking costs climbed 16.3%, as did the index for asphalt felts and coatings. The index for architectural coatings increased 12.4% and the index for lumber and plywood rose 12.2%. The index for diesel fuel, which contractors buy directly for their own vehicles and off-road equipment and indirectly through surcharges on deliveries of materials and equipment, soared 81% over 12 months despite a 2.9% decline from October.

Coal Plant Dust Explosion at Curtis Bay

Exports from a CSX owned coal terminal in Baltimore have been halted due to a December 30, 2021 explosion at a coal transfer tower. The terminal is a major thermal coal port hub to markets in India, Europe, and the Middle East.

The impacted shipments are likely to be rerouted to the Hampton Roads area Virginia. CSX rails also serve Kinder Morgan's Pier IX terminal and the Alpha Metallurgical Resources and Archowned DTA terminal in Virginia. CSX and Norfolk Southern rails also serve the CNX Marine Terminal in Baltimore.

Most of the energy complex at Curtis Bay is private enterprise—both owned and operated. The explosion is still being investigated by Occupational Health and Safety Administration(OSHA). Once that inspection is finalized CSX will send in a team of engineers to do an analysis on what if any corrections or changes that OSHA might require.

CONSOL Energy may pick up a small amount of the business.

Legislative Overview, Jennifer Guthrie

Ms. Guthrie provided a legislative update to include:

State Government interim session outreach highlights included the following visits to the Port of Baltimore:

- Senate Budget and Taxation, Public Transportation, Safety, & Environmental Subcommittee July 15, 2021
- House Appropriations, Transportation and Environmental Subcommittee September 14, 2021
- House Environment and Transportation Committee September 24, 2021

The Maryland General Assembly 2021 session wrap-up included the Secure Minimum Wage Act Study intended to raise the minimum wage.

2022 Session preview includes:

- Environmental Agenda "electrify everything"
- Two-Man Crew Rail Bill

2022 Session Hearing/Briefings include:

- Eastern Shore Delegation January 28, 2022
- Senate Transportation and Environmental Subcommittee February 25, 2022
- House Transportation and Environmental Subcommittee February 28, 2022

Local Government Legislative outreach includes:

- Baltimore City Point Breeze Rezoning Bill enacted July 14, 2021
- Maryland Association of Counties Board of Directors Port of Baltimore Update and port Private Sector Roundtable November 18, 2022

Federal Government priorities and outreach includes:

Legislative Priorities:

- Mid-Chesapeake Bay island Project
- Infrastructure Investment and Jobs Act Increased funding for grant opportunities
- Water Resources Development Act 2022

Outreach:

- Maryland Congressional Delegation
- Assistant secretary of the Army for Civil Works Michael Connor
- U.S. Army Corps of Engineers Director of Civil Works Alvin Lee
- Office of Budget and Management President Biden's intent to nominate Shalanda Young

Living Classrooms' Production, Warehousing, Distribution Training Program, James Bond, Erica Lewis, and Logan Dean Living Classrooms

Living Classrooms is a nonprofit organization that provides unique learning environments to help build safer, stronger, and healthier communities. Mr. James Bond, President and CEO, Ms. Erica Lewis, Director of Workforce, and Mr. Logan Dean, Director, outlined the training program designed to prepare Baltimore for careers in production, warehousing, and distribution (PWD Training). The presentation included the following:

- Living Classrooms has been providing a hands-on learning, workforce development, health and wellness, and community safety programs in the communities of Baltimore for over 30 years and is always consistent in working with the Maritime Academy to enhance this program.
- They are continually seeking to innovate new programs to meet changes in the landscape of the economy and employment.
- Deep inequalities in Baltimore create chronic barriers to education and employment; access to income and employment improves health, education, reduces crime, and provides families with a path forward for generations to come.
- Living Classrooms provides a method combining technical job skills, case management, and essential workplace skills and addresses hands-on learning, real life training, conduct, safety policies and dress code, and case management, career coaching, and academic remediation work to address personal barriers.
- The partnership is designed to serve the industry partners and participants simultaneously.
- Out of the 25 trainees in the pilot program 17 have graduated, 18 have earned an OSHA certificate, 12 have earned forklift certification, and 16 have secured employment offers post-graduation.
- The Living Classrooms PWD training is continuing to build partnerships with local business leaders. With Under Armour as the founding partner, PWD partnerships has expanded to include TradePoint Atlantic, FedEx, Ceva Logistics, Express Logistics, GEODIS, Black + Decker, McCormick, and First Team.

<u>Adjournment</u>

There being no further business, a motion to adjourn was made by Commissioner McDonald and seconded by Commissioner Dean. The motion carried unanimously. The meeting adjourned at 10:45 am.