

Maryland Port Commission
Open Session Minutes
March 7, 2024

The Four Hundred and Fifth Session of the Maryland Port Commission was called to order at 9:03 a.m. by Secretary of Transportation Paul J. Wiedefeld. The Commission met in Open Session from 9:03 a.m. until 10:05 a.m. in the Stanton Room, 20th floor, World Trade Center, 401 E. Pratt Street, Baltimore, MD 21202.

Present: Secretary Wiedefeld and Commissioners Barber, Dandy, McDonald, Richardson, Roberts, and Webb.

Staff: Jonathan Daniels (Executive Director), Brian Miller (Deputy Executive Director, Operations and Logistics), Robert Munroe (Deputy Executive Director, Administration and Environment), Philip Whaling (Assistant Attorney General and Principal Counsel), Richard Scher (Director of Communications), Dominic Scurti (Director of Planning), Ryan Barry (Director of Operations), Holly Miller (Director of Harbor Development), Steve Johnson (Director of Engineering), Richard Powers (Director of Business Development), Bradley Smith (Director of Maritime Commercial Management & Strategic Initiatives), Charles Santerre (Senior Security Specialist), Wonza Spann-Nicholas (Director of Finance), Jennifer Guthrie (Director of Office of Government Relations and External Affairs), William Richardson (Director of the Environment), John Boden (Director of Human Resources), John Arnold (Director of Internal Audits), Cindy Burman (Deputy Director of Business Development and Cruise), Margie Koppelman (Procurement Supervisor, Services/IT/Commodities), Mark Riesett (Procurement Supervisor, Construction/AE), Andrea Williams (Manager, Safety and Risk Management), Jayson Knott (Maryland Department of Commerce Senior Director, Office of Business Development), Paul Wainana (Office of Information Security and Technology), and Krystal Jones (Executive Office).

Minutes of the Four Hundred and Fourth Closed Session and Open Session Meeting

Commissioner Dandy moved to approve the Closed Session and Open Session Minutes of the Four Hundred and Fourth Port Commission meeting. Commissioner McDonald seconded the motion. The Commission then voted unanimously to approve the Closed and Open Session Minutes.

Executive Director's Update, Jonathan Daniels, Executive Director

New MPA Executive Director Jonathan Daniels provided an update on recent activities at the Port of Baltimore. Mr. Daniels thanked Brian Miller, who served as the Interim Acting Executive Director prior to Mr. Daniels' hiring as the Executive Director, and Bob Munroe, Deputy Executive Director of Administration and Environment, as well as the entire MPA executive staff, for their leadership during the transition. Mr. Daniels held an introductory meeting with MPA Directors and met separately with the staff of the entire organization at a "meet and greet" to introduce himself to the organization.

Mr. Daniels was immersed in the workings of the agency from the start of his role as MPA Executive Director. Mr. Daniels attended legislative meetings with elected officials in Annapolis and testified at House and Senate Budget hearings of the Maryland General Assembly, providing an update on the Maryland Port Administration. Mr. Daniels thanked Jennifer Guthrie, Director of Government Relations and External Affairs, for her assistance and guidance with the legislative meetings. Mr. Daniels held meetings with Port customers and Port stakeholders across all lines of business. Mr. Daniels noted that the Port of Baltimore community is very strong, and he is proud to be a part of it.

Mr. Daniels recently attended the Trans-Pacific Maritime (TPM) 2024 conference in Long Beach, California. He relayed that there is an excitement about the Port of Baltimore and the state of Maryland, the opportunities here and the steps that the Port and State are taking to be the preeminent distribution center hub on the East Coast and in the United States.

Mr. Daniels met with Tradepoint Atlantic and toured its site and discussed Tradepoint Atlantic's joint venture with Terminal Investment Limited (TIL) to develop Sparrows Point Container Terminal. This facility will be the highlight of the East Coast.

The MPA is working on grant submittals for the Port Infrastructure Development Program (PIDP) which is administered by the U.S. Department of Transportation, and the Clean Ports program which is administered by the Environmental Protection Agency. The MPA is working with Port stakeholders to determine the best options for infrastructure development and clean ports/electrification projects. More in-depth discussions will be held on scopes and potential projects next month.

Mr. Daniels stated that the MPA will be updating its Strategic Plan. The goal is to develop a long-term master vision plan for the Port and a short-term plan to allow for the MPA to be nimble and responsive. The long-term plan will be a 20-year outlook.

Mr. Daniels gave a review of commercial statistical numbers. There has been a general softening in commercial lines with the realignment of trade lanes and geopolitical issues impacting trade. Through the end of January, overall tonnage is up .7%. Containers are up slightly higher at 1.6%. Roll-on/Roll-off cargo is up 13%, and breakbulk cargo is up 4%. Automobiles are down 4.4%, however, and forest products are down 27%. Factors affecting forest product numbers include a two-month strike last year at a UPM paper mill in Finland, and the selling and eventual shutdown of a printing plant in Lancaster, Pennsylvania. MPA, having spoken to forest products representatives, expects the numbers to rebound.

On the cruise side, ships calls increased by ten (10) calls year-to-date, and capacity numbers are up. Cruise Maryland is seeing families and guests occupying double occupancy (2-person) rooms, increasing overall capacity. Cruise Maryland is seeing a rebound in cruising. Mr. Daniels reported on some develops in the cruise industry around the country. The New York City Council has announced efforts to implement emissions standards for cruise ships at the Manhattan Cruise Terminal. The proposal is to require cruise ships to access shore power when docked at the City's terminals in order to limit emissions instead ships using fuel power. Currently, only the Brooklyn Cruise Terminal has shore power capabilities. The City Council is also evaluating noise and traffic congestion mitigation plans in response to the impact of visiting ships on communities. Norwegian Cruise Line recently made a surprise announcement that it

has reached an agreement to begin sailings from the Port of Jacksonville in Florida. There is a shift to other ports in the industry due to port congestion at homeport terminals and the end of homeport cruising in Charleston, South Carolina.

Safety Program Annual Report, Andrea Williams, Manager, Safety and Risk Management

Ms. Williams presented an update of the MPA Safety and Risk Management Annual Report which features MPA’s safety efforts to protect its greatest asset, its employees. Ms. Williams reviewed the MPA’s endeavors to create, maintain and promote a safe environment for its employees and for the Port of Baltimore, in general. The MPA works within the port community to encourage and advance an atmosphere of safety. The MPA’s goal is to foster a safe workplace which helps to preserve costs and helps to maintain a safe environment for employees and the families that depend on them. Highlights of Ms. Williams’ presentation included the following:

Safety Pillars of the MPA

There are four safety pillars of the MPA’s safety program. “Safety Policy and Objectives” establish the commitment of senior management to continually improve safety and define the parameters to meet safety goals. “Safety Risk Management” determines the need for and the adequacy of new, or revised risk controls. “Safety Assurance” evaluates the effectiveness of programs. “Safety Promotion” is encouraged through instructor-led training courses and facilitation, web-based training development and the annual MDOT Safety Awards.

MDOT Safety Commission Mission Statement and Annual MDOT-Wide Safety Fair

“MDOT desires to elevate and promote safety as a value. MDOT’s goal is that every day, each member of the MDOT family returns home to their loved ones, safe and sound.” The MDOT Safety Commission encourages the input of all its member modes in order to promote and preserve the safety of the entire MDOT family of which the MPA is a part.

The MDOT Safety Commission is planning the Third Annual MDOT-Wide Safety Fair which is scheduled for June 6, 2024. The Safety Commission will confer awards in four categories:

- Safety Hero (An employee who has gone above and beyond).
- Safety Leader (An employee who exhibits safety leadership in their position).
- Safety First (This category is engineering, design, project, and program focused).
- Safety Champion (This is a new category).

The MPA won two safety awards in 2023 including the Safety Leader which was awarded to Ms. Williams.

MPA OSHA Total Recordable Incident Rate

The Recordable Incident Rate is useful for comparing working conditions in workplaces and industries. It is calculated by combining the actual number of safety incidents and total work hours of all employees with a standard employee group.

There was an uptick in 2023 for the MPA in the Occupational Safety and Health Administration (OSHA) Total Recordable Incident Rate. The safety program is focusing on operational needs and increasing the situational awareness of employees of potential hazards around in an effort to reduce the incident rate.

MPA's Safety Programs

Training: MPA safety training programs include OSHA 10 (Safety Basic) and OSHA 30 (Safety and Industry Specific Training); First Aid, CPR, and AED training; National Fire Protection Association (NFPA) 70 E – Electrical/Arc Flash Safety training; Competent Rigging I and Rigging II training; and, Equipment Safety & Operation training.

Compliance: MPA must maintain compliance with various safety regulations and policies, many required by OSHA. Compliance requirements and standards include Injury & Illness Recordkeeping; Heat Stress Program; Global Harmonized System/Hazardous Communication Program; lockout/tagout equipment procedures; Respiratory Crystalline Silica standards; and an Emergency Response Plan.

MPA In-House Training Capabilities

MPA's in-house training capabilities result in a cost savings of \$26,060+ per year. Training capabilities include an 8-hr Hazwoper Refresher, Harness and Lanyard Inspections, First Aid/CPR/AED Certifications, Asbestos Awareness, OSHA 10 and 30 Certifications; and other safety trainings – Confined Space, Electrical, Heavy Equipment, Lockout/Tagout, etc.

Commitment to Continuous Improvements in Occupational Health and Safety in 2023

Continuous improvement measures include an internal audit program; building inspections; root cause analyses; and training with the goal of prevention and creating situational awareness.

Financial Impacts

Work Injury Costs – 2023: The total costs of work injuries in 2023 for the MPA was \$31,503 and includes both indemnity and medical. It does not include lost wages, productivity losses, or administrative expenses. Focusing solely on 2023 costs, the total cost in 2023 was \$20,849 with 7 injuries. This is in comparison to an average of 189 MPA employees for 2023.

Direct and Indirect Costs: Direct costs include the increase in Worker's Compensation premiums and potential penalties and fines. Indirect costs include the loss of productivity; training and retraining; the hiring of new staff, if necessary; post-accident employee morale; legal costs; and the completion of required forms.

Safety and Health Initiatives for 2024

The goal of the MPA and the Safety and Risk Management department is to implement and engage in proactive safety measures to prevent the occurrence of a potential incident. These measures help to encourage and promote a positive safety culture on MPA properties, aid in averting future accidents, and improve health and safety budgeting.

Some proactive safety measures and initiatives that the MPA utilizes for continuous improvement are arc flash studies; training capabilities; inspections, audits and observations; root cause analysis; emergency response; ergonomic assessments; and the yearly review, update and enhancement of the MPA safety manual and safety procedures.

The continuous improvements of MPA's safety programs are further enhanced and guided by MPA's sustainability strategy.

MDOT MPA Insurance Update

Insurance Coverage – Property and Electronic Data Processing (EDP) Equipment 2023 Totals

- 2023 Building Replacement Costs – \$1,415,793,960
- 2023 Contents Replacement Costs – \$35,874,211
- 2023 EDP Replacement Costs – \$2,377,195.86

Loss Runs 2021 – 2023

Loss Run Overview

- A Loss Run report is a claims history report that includes the types of claims filed in the past, the frequency of past claims filed and the related costs. This data is used by insurer carriers to help determine how risky a business is to insure. The calculated risk directly impacts the premium amount a business will pay for insurance. Risk levels also help determine whether an insurer will offer a policy or renew a policy.

Loss Run Yearly Totals

- 2021:
 - 4 loss runs
 - Total paid out – \$3,518.02
- 2022:
 - 5 loss runs (3 still open)
 - Total paid out – \$20,246.01
- 2023
 - 1 loss run (still open)
 - Indemnity Reserve = \$10,000

2024 Legislative Preview, Jennifer Guthrie, Director, Office of Government Relations and External Affairs

Jennifer Guthrie gave a review of the current legislative session at the Maryland General Assembly and other activities of the Office of Government Relations and External Affairs. Ms. Guthrie reported that recent budget hearings were held before the House and Senate in the Maryland General Assembly. Ms. Guthrie also advised that the MPA has met with all key members of the Maryland General Assembly leadership over the last several weeks including the chairs of House and Senate committees and subcommittees which are important to the MPA.

Ms. Guthrie reported on the following significant legislation currently being considered in the Maryland General Assembly during this legislative session:

SB 20 – Cox Creek Citizens Oversight Committee

The purpose of the bill is to amend the composition and responsibilities of the Cox Creek Citizens Oversight Committee (“Cox Creek COC”) to replace six obsolete [or inactive] member entities and update the responsibilities of the committee to allow for more coordination and collaboration with key stakeholders active in the area.

The benefits of this bill are crucial to MPA’s community engagement under the dredged material management program (DMMP). MPA will be testifying again tomorrow in the Maryland House of Delegates in support of this bill. The bill, as amended, provides for continued support for the long-term plan for dredged material management, specifically the Cox Creek DMCF, and will ensure the continuation of valuable and diverse citizen input and feedback.

HB 886 – Confined Aquatic Disposal Task Force

This bill would establish a Confined Aquatic Disposal Task Force. As background, a new dredged material management approach called confined aquatic disposal (CAD) has emerged as a possible option for the placement of dredged material in the Baltimore region. This option is in addition to use of containment facilities and the employment of innovative and beneficial uses of dredged material to manage capacity.

As amended, this bill fully preserves the DMMP process and structure by relying on the existing broad and inclusive cross-section of partners (federal, state, and local governments; nonprofit organizations, community groups; citizens, businesses). It preserves the decision-making authority granted to the existing Executive Committee by the legislature to make final recommendations to the Governor on the state’s management of dredged material.

Other bills of significance during this legislative session include:

- *SB 1060 – Maryland Railway Safety Act of 2024* – This bill addresses crew size, train length maximums and union representative investigations.
- *Port of Baltimore – Renaming – SB 156* – This bill would officially rename the Port after Helen Delich Bentley through legislation.

Upcoming initiatives for the MPA Office of Government Relations include providing port tours to stakeholders as a method of engagement and outreach, meeting with the Maryland Congressional delegation on congressional legislation and appropriations, and federal grants; and, meeting with Baltimore City to raise awareness of the maintenance needs of roads vital to the Port.

Contract for Approval, John Thornton, General Manager, Procurement

Mark Riesett, Procurement Supervisor, Construction/AE, presented the following contract to the Maryland Port Commission for approval:

1. Contract #522803 – Environmental Engineering Consulting Services for Various Locations to support the State of Maryland’s Dredged Material Management Program

(DMMP), Straughan Environmental, Inc., Columbia, Maryland. Amount: \$3,000,000 NTE. Term: April 4, 2024 – April 3, 2029 (Five Years).

After discussion, a motion to approve Contract #522803 was made by Commissioner McDonald, seconded by Commissioner Barber, and approved unanimously by the Commission.

Move into Closed Session

At 10:05 a.m., in accordance with State General Provisions Article, Sections 3-305(b)(1)(i)(ii) of the Annotated Code of Maryland, Commissioner Barber moved that the Commission meet in Closed Session, and Commissioner Richardson seconded the motion. The motion was approved unanimously. See attached Closing Statement. The Commission met in Closed Session from 10:05 a.m. until 10:24 a.m. Secretary Wiedefeld and Commissioners Barber, Dandy, McDonald, Richardson, Roberts, Webb, and Jonathan Daniels (Executive Director), Brian Miller (Deputy Executive Director, Operations and Logistics), Robert Munroe (Deputy Executive Director, Administration and Environment), and MPA Staff Krystal Jones (Executive Office) were present for the closed session. During the closed session, the Commission, pursuant to the Commission's statutory authority in §6-201.2 of the Transportation Article of the Code of Maryland voted to approve the compensation of one individual. The closed session adjourned at 10:24 a.m. 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 10:24 a.m.