

Maryland Port Administration Open Session Meeting Minutes, #418 Tuesday, May 6, 2025

MEETING DATE & LOCATION

The Four Hundred and Eighteenth Session of the Maryland Port Commission was called to order at 9:00 a.m. on May 6, 2025, by Secretary Paul Wiedefeld. The Commission met in Open Session from 9:00 a.m. until 10:20 a.m. in the Stanton Room, 20th floor, World Trade Center, 401 E. Pratt Street, Baltimore, MD 21202.

ATTENDANCE

Chairman and Officials:

Secretary Wiedefeld and Commissioners Barber, Brewer, Neuman, Richardson, Roberts and Webb.

Executive Members:

Jonathan Daniels (Executive Director, MPA), Brian Miller (Deputy Executive Director, Operations & Logistics), Matthew Wypyski (Deputy Executive Director, Commercial Development), Robert Munroe (Deputy Executive Director, Administration and Environment)

Directors:

Bradley Smith (Director of Maritime Commercial Management & Strategic Initiatives), Cindy Burman (Director of Cruise Marketing and Business Services), Jennifer Guthrie (Director of Government Relations and External Affairs), John Boden (Director of Human Resources), Kathleen Pickett (Director of Security), Melody Countess (Director of Finance, CFO), Richard Scher (Director of Communications), Ryan Barry (Director of Operations), Steve Johnson (Director of Engineering), William Richardson (Director of the Environment), Jason Sayers (Assistant Attorney General, Assistant Deputy Principal Counsel)

Affiliates:

<u>Jasmin Todman (Budget Manager, MPA), Mary Kay Radford (Executive Finance Manager, MPA),</u> Molly Krueger (Communications), Trisha O'Neal (Deputy Director of Procurement)

Staff:

Marvis Harden (Special Assistant to the Executive Director), and Brandon Couser (Office of Information Security and Technology)

<u>APPROVAL OF PRIOR MEETING MINUTES</u>

Commissioner Roberts moved to approve the Open Session Minutes of the Four Hundred and Seventeenth Maryland Port Commission (MPC) meeting. Commissioner Brewer seconded the motion, and the Commission voted unanimously to approve the Open Session Minutes.

EXECUTIVE DIRECTOR'S UPDATE, Jonathan Daniels, Executive Director

Mr. Daniels reported on the tariffs, noting that one of the first questions raised during the recent trip to Japan related to where the administration stands on them. Mr. Daniels acknowledged that there are several unknowns and much uncertainty as to the impact of tariffs and noted that

while they'd rather not have them at all, they want some consistency in the economy. The uncertainty is impacting car manufacturer's decisions about whether to keep making cars overseas and either pay the 25% tariffs fee, or whether to pay the tariffs associated with components then manufacture and change the lines in the US. This will impact the long-term viability of their operations.

Tariffs aside, our cargo numbers remain strong. In the first quarter of 2025, the Port of Baltimore (POB) set a record for box moves of more than 167,000, equating to 300,000+ TEUs, putting us on pace for a record year. Our general cargo is up 37%, autos 40%, and containers nearly 8%. We can attribute much of this to the four new services on the container side, in addition to shippers attempting to get products into the US before the full impact of the tariffs. We are trending well, however, as we approach mid-June, we could see a reduction depending on where the administration lands with their tariff program. This would be applicable to all ports, with as much as 35% reduction for some ports. It could take between 6-12 months after tariffs are resolved to get back up to speed, with a similar lag to the post-pandemic timeframe.

Mr. Daniels also reported on the Section 301 of the United States Trade Representative (USTR) investigation/hearing, which set forth a modified action on vessel fees targeting the dominance of the Chinese shipbuilding activity and a new fee structure. Fees are set to go into effect in October. The fee structure is associated with vessel port calls in the US, and the fees taken by the US government will go into a fund to help build up US ship manufacturing. Return/waivers of these fees can be granted for up to three (3) years to companies that build or add orders for US-built vessels of equivalent capacity to their existing vessels. The new fees assessed for car carriers could potentially be problematic for all ports handling autos, including ours.

Mr. Daniels noted that his visit to attend the SeaTrade Cruise Global with Mr. Wypyski, Deputy Executive Director, Commercial Development and Ms. Burman, Director of Cruise Marketing and Business Services, was a success. Carnival Cruise Lines (CCL) is looking to bring in a Conquest Class vessel, arriving in May 2027, with more decks and adding approximately 1,000 more passengers. Mr. Daniels explained that contrary to some social media reports, Royal Caribbean Lines (RCL) is not leaving the port, but they are modifying their current schedule. RCL's decreased visits will free up space for larger lines with preferred weekend departures during the Caribbean season.

Ongoing projects include the engineering study at NLP, piers 4 and 5 and the World Trade Center redevelopment.

LEGISLATIVE SESSION WRAP-UP, Jennifer Guthrie

Jennifer Guthrie, Director of the Office of Government Relations and External Affairs, reported that the legislative session ended in April with the passage of a balanced budget.

There is the potential for a special session in the fall which is related to the possibility of federal budget cuts. The Secretary added that the upcoming bond rating meeting with the Governor could impact the special session.

Ms. Guthrie discussed reports that MPA is required to provide to the General Assembly and identified specific reporting language for MPA on pages 114-116 of the "Joint Chairmen's Report" available on the Md General Assembly website. The MPA will be coordinating internally as it prepares reports on: (1) North Locust Point Marine Terminal; (2) federal grants funding; (3) Clean Ports Program grant funding; (4) Howard Street Tunnel Project; and (5) port recovery

metrics. On the federal side, MPA will prepare a submission on federal appropriation and earmark requests to the Maryland Congressional Delegation.

Commissioner Webb asked if there has been consideration of converting NLP into another cruise terminal. Mr. Daniels explained as part of the Master Vision Plan, currently it is not an option based on the waterway, though it may appear so by land.

Commissioner Richardson asked if the AAPA has joined any of the legal challenges regarding the tariffs. Mr. Daniels responded although they have a strong alliance they have not. The only port known to have stepped out on their own is the Port of Houston.

Ms. Guthrie is working with the federal delegation and Maryland Department of Labor on tariffs.

COMMUNICATIONS UPDATE, Richard Scher

Richard Scher, Director of Communications, provided an update on his department and some of their new programs. Introducing his team Amira Hairston, Digital Media Manager/PIO and Molly Krueger, Media, Graphics Designer, & Events Coordinator. The mission of the Communications Department is to promote the MPA and POB in a positive manner using best practices via a variety of digital and print needs.

Some of their forms of communication include magazines, social media, advertisements, and the POB website. The focus on the recovery over the past year has allowed them to remind the public/followers and nation how important the port is, with the development of the tagline "The Port for Our Nation".

Promoting digital ads, once they have been accessed, a single click will direct the user to the POB website. In addition to Cruise Maryland, of which the logo has been redone with new graphics and more vibrant colors, including a new brochure.

The Communications Team issues press releases, working closely with the Secretary and the Governor's press office on announcements and updates. The POB magazine has also been improved with new features including the community corner and eco-port.

Mr. Scher noted that social media reaches the masses, and the Communications Team uses all of them (Facebook, LinkedIn, Instagram, YouTube, X-formerly Twitter, and Bluesky). The use of videos has become an important resource within the Port, adding humor and allowing the sharing of important work and staff accomplishments. They have close to 28K followers on social media, that is a 25% growth over the last five (5) years.

The website is a great resource and one way the POB shares its messages. It is currently being redeveloped by Ms. Krueger with new graphics, layouts, and design, working closely with MPA's IT department and MDOT. There are over 12K subscribers to the eblast list.

In measuring their success, they use recognition programs like the Public Relations Society of America, Maryland Chapter, MARCOM, and AAPA Lighthouse Awards, of which they won award in 2024 for a PPT.

CRUISE MARKETING UPDATE, Cindy Burman

Cindy Burman, Director of Cruise Marketing and Business Services, provided an update on the

Maryland Cruise line and its success over the last year. She began by noting how well-respected Mr. Daniels is in the cruise industry. Mr. Daniels, Mr. Wypyski, and Ms. Burman attended and hosted a booth at the 40th SeaTrade Cruise Global in Miami, FL. SeaTrade is the largest cruise conference in the world, with more than 11K registrants, representing 128 countries. The MPA team met with potential home port and port call cruise lines.

The two major home ports currently at the POB are Carnival and Royal Caribbean (RCL). The good news is Carnival is planning to bring their retractable funnel ships to the POB, bringing in a larger ship. RCL is not leaving the POB, however, they are changing their schedule to seasonal. October 22, 2026, will be their last cruise from POB, resuming in May 2027. With this change we now have Saturdays to sell, just in time for the Caribbean season. Disney is a possibility as is MSC Cruising (Musica or Lirica Class), in addition to Norwegian (Jewel Class). Although Norwegian is opening a cruise terminal in Philadelphia, they may be interested in POB as the planned terminal opening in Philadelphia may not be on schedule (April 2026). The port calls and luxury liners do not need weekends but can come during the week, which may allow us to accept some of their voyages. Ms. Burman noted that cruise passenger numbers continue to grow, and that there are a lot of repeat cruise customers at the POB.

CONTRACTS, Trisha O'Neal

Trisha O'Neal, Deputy Director of Procurement, presented the following contract for approval by the Maryland Port Commission.

 Contract #515925, Mod. No. 3 – Cox Creek Expanded Dredged Material Containment Facility Construction; Maryland Environmental Service; \$16,000,000.
Presented by: Trisha O'Neal

After discussion, a motion to approve Contract #515925 was made by Commissioner Richardson, seconded by Commissioner Roberts and approved unanimously by the Commission.

ADJOURNMENT

There being no further business, Commissioner Richardson made a motion to adjourn, seconded by Commissioner Barber. The motion carried unanimously, and the meeting was adjourned at 10:20 a.m.