

Maryland Port Commission
Open Session Minutes
September 1, 2020

The Three Hundred and Sixty Eighth Session of the Maryland Port Commission was called to order at 9:02 am by Secretary Slater at the Cruise Maryland Terminal, 2001 E. McComas Street, Baltimore, Maryland 21230. The Commission met in Open Session from 9:02 until 10:36 am.

Present: Secretary Slater and Commissioners Dandy, Dean, Huber (by phone), Lunn, McDonald and Richardson

Staff: Bill Doyle (Executive Director), Dave Thomas (Deputy Executive Director), Bob Munroe (MPA Principal Counsel), Christina Nichols (Chief of Staff), Richard Scher (Director of Communications), Rick Powers (Director of Marketing), Mike Miller (Director of commercial Management), Kristen Fidler (Director of Harbor Development), Wonza Spann- Nicholas (Director of Finance), David Espie (Director of Security), Steve Johnson (Director of Engineering), Brian Miller (Director of Operations), Dominic Scurti (Director of Planning), John Thornton (Manager of Procurement), and Kristen Keene (Harbor Development).

Minutes of the Three Hundred and Sixty Seventh Open Session Meeting

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

Opening Remarks

Secretary Slater introduced William P. Doyle as the new Executive Director of the Maryland Port Administration (MPA). Secretary Slater thanked Dave Thomas for his role as Acting Executive Director during an unprecedented time in our history because of the pandemic.

Mr. Doyle thanked Secretary Slater and the Port Commission for giving him the opportunity to serve as the Maryland Port Administration Executive Director. Mr. Doyle stated that the Port of Baltimore is starting to see improvements in our cargo numbers. He stated that this is because of the POB's central location for Ecommerce and the rising importance of Ecommerce in determining where the ships will call. A good example of this is Trade Point Atlantic which just signed a long-term lease with Amazon for a warehouse that drives commerce and cargo through the Port. Mr. Doyle stated the most important project for the Port is the Howard Street Tunnel. He said this will be a "gamechanger" for the port that will create significant business opportunities in the Ohio Valley and Midwest. Mr Doyle noted that he looks forward to being the Executive Director who can get this project done.

COVID 19 Update, Bill Doyle, Executive Director

Mr. Doyle stated that we are starting to see the numbers improve at the port to include the following:

- July 2020 numbers increased month-over-month from June 2020
- Automobiles up 55%, General Cargo up 15%, Roro up 14% and Containers up 12%.
- New and increased business—Rite Aid, Big Lots, Aldi, Levin Furniture.
- Also seeing cars go right from ships to dealerships.
- Seagirt Marine Terminal handled the Maersk Edinburgh on August 21 breaking the record for container moves at 5,536.

Mr. Doyle reported that all major cruise lines have extended their no-sail until the end of October. This has been a very challenging time for the cruise industry, but bookings have been strong for 2021. He looks forward to welcoming back Carnival and Royal Caribbean who will be bringing new ships to the Port of Baltimore in 2021.

Seagirt Marine Terminal Berth 3 should be operational next summer, and the MPA has a great partnership with Ports America Chesapeake. The Howard Street Tunnel expansion project is in the planning and environmental reviews process, and MPA is hoping construction begins by the end of next year.

Mr. Doyle stated that he is very proud of MPA employees who are working through the biggest crisis of our lives. Health and safety of our entire POB workforce is paramount and we're continuing to encourage face coverings, social distancing, and teleworking for those who can.

First Draft of Annual Maryland Port Commission Report to the Legislature, Dominic Scurti, Deputy Director of Planning

Mr. Scurti presented the First Draft copy of the Maryland Port Commission Report to the Legislature, and requested that any edits or comments be sent to Christina Nichols to be incorporated into the Final report which will be presented for Approval at the October 6 Maryland Port Commission meeting.

FY20 Close-out Summary, Wanza Spann-Nicholas, Director of Finance

Ms. Spann-Nicholas presented the FY 2020 Financial Results and stated that the MPA had eight great months before the COVID pandemic hit. The MPA team worked hard with our partners to ensure the Port remained strong and resilient despite the pandemic. Long term leases helped to stabilize the MPA revenues and account for approximately 65% of the total. Ms. Spann-Nicholas provided an overview of the FY 2020 year-end operating results as set forth in the chart on the following page.

FY 2020 Year End Budget Closeout

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Appropriation	FY 2020 Actual	FY 2020 Difference	% Difference
Operating Program						
01 - Salary and Wages	\$ 17,108,001	\$ 18,309,334	\$ 18,766,155	\$ 18,620,728	\$ (145,427.4)	-0.8%
02 - Technical and Special	150,269	246,267	572,568	159,234	(413,334)	-72.2%
03 - Communications	348,237	325,566	366,892	309,681	(57,211)	-15.6%
04 - Travel	387,982	429,079	530,737	166,105	(364,632)	-68.7%
06 - Fuel and Utilities	5,259,941	4,708,805	5,681,461	3,777,954	(1,903,507)	-33.5%
07 - Motor Vehicle Operations	690,053	724,842	871,769	701,721	(170,048)	-19.5%
08 - Contractual Services	16,992,703	18,435,984	18,960,038	18,438,619	(521,419)	-2.8%
09 - Supplies and Materials	686,001	771,274	933,503	675,887	(257,616)	-27.6%
10 - Equipment - Replacement	190,960	219,014	381,725	198,606	(183,119)	-48.0%
11 - Equipment - Additional	100,856	100,392	213,125	58,222	(154,903)	-72.7%
12 - Grant and Subsidies	275,000	25,000	25,000	35,000	10,000	40.0%
13 - Fixed Charges	3,392,722	3,446,195	3,590,403	3,292,812	(297,591)	-8.3%
14 - Land and Structures	273,887	339,874	477,803	603,271	125,468	26.3%
Total Operating Program	\$ 45,856,612	\$ 48,081,627	\$ 51,371,179	\$ 47,037,839	\$ (4,333,340)	-8.4%

In closing Mrs. Spann Nicholas stated that the MPA managed to perform positively during the COVID pandemic. Secretary Slater commented that the resiliency at the port has a lot to do with our positive working relationships with the International Longshoreman’s Association and our customers.

Innovative Reuse of Dredged Material, Kristen Fidler, Director of Harbor Development and Kristen Keene, Innovative Reuse Program Manager

Mrs. Fidler informed the Commission that a Request for Proposal (RFP) for Innovative Reuse (IR) and Beneficial Use of Dredged Material was advertised on eMaryland Marketplace Advantage in November 2019. The RFP is for research and development for novel dredged material end-use applications. The RFP is unique in that it is designed so that MPA can make multiple, not just one award. Each award cannot exceed \$300,000. The RFP is drafted so that the maximum volume of dredged material to be allocated under the RFP is 5,000 cy per proposal. A total of two million dollars is available to fund RFP awards, majority of funds will likely be expended in FY21-FY22.

So far, nine proposals have been received to date; one proposal was rejected, 5 proposals are in review stages, two proposals are under contract development and one contract is being presented today for Port Commission approval. This contract will be with Belden-Eco Products (BEP), and they have proposed to use Cox Creek dredged material for commercial production of ceramic bricks and permeable pavers. Steps in this contract include:

- Collect dredged material, perform screening and testing, develop product “recipes” to determine optimal dredged material reuse %.
- Shipping of materials to production facility in Netherlands, conduct pre-firing exercise to evaluate feasibility of recipes and produce products.
- Shipping to secondary facility, simulate industrial-scale production and refine firing parameters.

- Return shipping of products to Baltimore, conduct ASTM testing to analyze product performance, and perform leaching tests to evaluate adherence to regulatory parameters.
- Development of RFP deliverables.

This is the first contract that has made it through the review process, future RFP contracts will be coming to the Port Commission for consideration in October – January.

The benefits of the IR RFP include:

- Spurs research and development to expand the portfolio of dredged material end-use options.
- Creates a foundation for potential P3 opportunities on the Tronox property.
- Aids in future capacity recover projections from the Harbor Dredged Material Containment Facility (DMCF).
- Furthers the state’s position as a national leader in the reuse of dredged material and contributes to Governor Hogan’s Waste Reduction and Resource Recovery EO.
- IR program is closely integrated with the Maryland Department of Environment’s regulatory policies.

Commissioner Richardson asked if tax credits can be given to incentivize for renewable energy, Kristen Keene responded the team will research the issue, and report back to the Commission.

Contracts for Approval, John Thornton, Manager of Procurement

Mr. Thornton requested approval for the following contracts:

1. Contract #220020-S, Planning and Economic Consulting Services, John C. Martin Associates, LLC, Lancaster, PA; \$612,000; Term: October 8, 2020 – October 7, 2025 (Five Years). Presented by John Thornton

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

2. Contract #220005A-S, Innovative Reuse of Dredged Material from Cox Creek Dredged Material Containment Facility (DMCF), Belden-Eco Products, LLC, Canton, OH; \$298,061; Term: October 15, 2020* – March 15, 2021 (**or earlier upon BPW approval*). Presented by John Thornton

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

Adjournment

There being no further business, a motion to adjourn was made by Commissioner McDonald and seconded by Commissioner Lunn. The motion carried unanimously. The meeting adjourned at 10:36 am.