

Port of Wilmington Expansion Task Force

Wednesday, September 30, 2015
1:00 p.m. – 3:00 p.m.
Auditorium, Second Floor
Carvel State Building
Wilmington, Delaware

Meeting Attendees:

Task Force Members:

Present:

Representative Charles Potter, Jr.
Senator Margaret Rose Henry
State Representative Kevin Hensley
State Senator Catherine Cloutier
Secretary Edwin Kee
Secretary John McMahon
Secretary Thomas J. Cook
Director Bernice Whaley
Secretary David Small
Rick Ryan
Peter Hartranft
William Ashe
Kimoko Harris
John Coulahan
Paul Thornburg
Gene Bailey
Jose Gonzales
Trevor Knight
Paul Cutler

E-mail:

charles.potter@state.de.us
margaretrose.henry@state.de.us
kevin.hensley@state.de.us
Catherine.cloutier@state.de.us
Edwin.kee@state.de.us
john.mcmahon@state.de.us
Thomas.cook@state.de.us
Bernice.whaley@state.de.us
david.small@state.de.us
baywest_61@comcast.net
peter.hartranft@gmail.com
ashejr1@aol.com
kimokoh@yahoo.com
jcoulahan@murphymarine.com
pablothndr@earthlink.net
gbailey@port.state.de.us
cargorepair@yahoo.com
TKnight@WilmingtonDE.gov
p.cutlerIII@gmail.com

Absent:

Secretary Jennifer Cohan
Secretary Jeffrey Bullock
Mike Evanko

Jennifer.cohan@state.de.us
Jeffrey.bullock@state.de.us
mevanko@portcontractors.com

Staff:

Rylene Harper
LaNisha Harris
Andrew Volturo
Geoff Heath

rylene.harper@state.de.us
lanisha.harris@state.de.us
andrew.volturo@state.de.us
geoff.heath@state.de.us

Public:

Attendees:

Mike Begatto
Peggy Schultz
John Goodridge
Michael Barnes
Jim Poling
Nick DiBuo
Toby Lamb
Brad Winfree
Gwinn Kaminsky
Ed Scrivens
Mark Jenkins
P. Cooke
Stephanie Mantegna
Bob Byrd
Mohammad Salaam
Martha Denison
Stephen Crockett
Randall Chase
Rob Keesler
Ciro Poppiti
John Flaherty
Katrina Cowart
Joseph Durham
Councilman Penrose Hollins
David Sophrin
Drew Serres
Angela Harris
Karen Hartley-Nagle
Senator Bryan Townsend
Councilman Justen Wright
Representative J.J. Johnson
Sandra Smithers
Dwight Davis

Organization:

AFSCME/DSPC
LWVDE
Local 1694-1
Local 1694-1
DNREC
Senior Advisor/Representative Potter
Local 199
PFRA
City of Wilmington
Consultant
Consultant
ILA
Delaware House of Representatives
Byrd Group
Community Person
AFSCME Executive Local 81
Delaware State Senate
Associated Press
Legislative Assistant/Senator Cloutier
New Castle County Register of Wills
Public
Delaware State Senate
DBBR Representative
New Castle County
City of Wilmington
Americans for Democratic Action
New Castle County
Self
Delaware State Senate
City of Wilmington
Delaware House of Representatives
Dunleith Community
MCI

State Representative Charles Potter, Jr., co-chair, called the meeting to order at 1:04 p.m. He thanked the task force members and the public for attending the second meeting of the Port of Wilmington Expansion Task Force. He recognized the staff that organized and compiled the minutes from the first official meeting and offered the floor to Senator Margaret Rose Henry, co-chair of the task force.

Senator Henry welcomed members of the public and acknowledged the importance of the task force, in the hopes that the Port of Wilmington can be expanded. She stated that there was a conflicting meeting that required the attendance of several cabinet secretaries in state government.

Senator Henry asked if the task force members approved the meeting minutes as received on September 30th. The meeting minutes were unanimously approved by a voice vote and are officially on public record.

Representative Potter discussed the potential meeting dates for future Port of Wilmington Task Force meetings. He stated that the next potential meeting date would be Wednesday, October 14th, from 10:00 a.m. – 12:00 p.m. The next meeting would be delayed until Wednesday, November 4th, due to the Senate being in session on Wednesday, October 28th. The following meetings would occur every two weeks on November 18th, December 2nd, and December 16th, from 10:00 a.m. – 12:00 p.m., unless otherwise altered by the task force members.

Presentations

Representative Potter stated that there were several presentations scheduled for the meeting. He recognized Secretary David Small of the Department of Natural Resources and Environmental Control (DNREC) and asked if he could provide a preliminary overview of the environmental issues for the Port of Wilmington and the related expansion projects.

Secretary David Small discussed the importance of providing an overview of the preliminary environmental and permitting processes and issues for the Port of Wilmington. He stated that the focus during the presentation would be on three sites: the Lukens Drive Site, the Claymont properties, and the Port of Wilmington.

Secretary Small highlighted the areas of review by DNREC, including environmental statutes and regulatory policies pertaining to wetlands and subaqueous lands. He also discussed the overview provided by Jim Poling of DNREC at the last task force meeting surrounding brownfield and site contamination and cleanup efforts. The final portion of the overview relates to the Coastal Zone Act and its impact on the Port of Wilmington expansion project. He also stated that there is a federal Coastal Management Act, and DNREC must ensure that all applicable rules and statutes are consistent with federal regulations. Furthermore, any retail site and port project would be subject to storm water reviews.

Secretary Small stated that the agency list provided is not inclusive for the oversight of the three locations. He highlighted the Corps of Engineers and Environmental Protection Agency (EPA) for having regulatory jurisdiction over matters pertaining to the Clean Water Act and wetlands and subaqueous lands. He stated that the U.S. Fish and Wildlife Service have oversight pertaining to fisheries, which may include the Port of Wilmington.

Secretary Small continued to state that the Coast Guard would have oversight for navigational purposes. Furthermore, the National Oceanographic and Atmospheric Administration's National Marine Fisheries Service often comments on projects of this nature as it proceeds with regulatory

processes. He stated that the State Historic Preservation Office would focus on historical aspects of the area and how it could be impacted by future development. Secretary Small continued by highlighting the Department of Transportation and their involvement with transit, rail, and maritime projects in Delaware.

Secretary Small discussed the Lukens Drive Site, located near the RiverEdge Site, I-295, and the Delaware Memorial Bridge. The graphic highlighted in the presentation was drawn to show the existing shipping channel at the site to provide an accurate sense of scale. He stated that there is minimal wetland acreage on the site that is subject to federal or state jurisdiction. He continued by highlighting that, in Delaware, the state has given authority to DNREC to manage and regulate tidal wetlands impacted by tidal exchange. The non-tidal wetlands, often considered 404 wetlands, would fall under the jurisdiction of the Corps of Engineers through its relationship with the EPA under the Federal Clean Water Act.

Secretary Small stated that the subaqueous lands, or underwater lands, would require a lease for the construction of structures that impact the lands for use, including piling, piers, and shoreline stabilization. The lease includes a permit for construction and there would need to be access from the main channel to the shoreline. Of the three sites, the distance at the Lukens Drive site is the greatest and also covers shallow waters near the shoreline and main channel. He emphasized that the subaqueous lease would likely cover dredging impacts from the shore to the main channel of the Lukens Drive Site.

Secretary Small discussed the permitting process for the site, which would include an application, public notice, and public hearings. The comments from the public hearings would be considered and a recommendation would be sent forth to the Secretary from the Hearing Officer, who would preside over the meeting.

Secretary Small stated that the brownfields and site cleanup would require a rigorous due diligence process. He continued by stating that Phase I of the process would require a paper review of historical records of activities that have occurred on the property and Phase II would be a selective characterization of the sites through examination to determine any potential contamination and risk to the environment. If risk is identified and property meets definition of Brownfield, then the port developer would enter an agreement with DNREC prior to taking title. Through the agreement, the developer would be relieved of any past liabilities that could exist prior to taking title. He stated that there would be further characterization through a Brownfield investigation to evaluate the condition and then DNREC would issue a proposed or final plan for cleanup and comment. Once the cleanup is complete, a certification is issued. If a developer is a not-for-profit entity, then they may be eligible for \$625,000 for the brownfields program. A for profit entity could receive up to \$200,000. He concluded by stating that DNREC has no documentation of contamination on site.

Senator Henry asked how long the process would take for the site.

Secretary Small responded that the duration of the process would vary depending on the infrastructure being proposed and contamination levels. If the project is minimal and there is no contamination, then due diligence could proceed with samples of the property. The wetlands

process would depend on the level of infrastructure being proposed and the amount of information provided to DNREC. He stated that he is hesitant to provide a concrete timeline of the project due to the varying factors, as public hearings may provide unanticipated information that may need further review. The process may only require five or six months or longer, but that may vary depending on the amount of work completed in the initial proceedings.

Senator Henry asked if the process could be completed in less time.

Secretary Small responded that the process could be completed in less time, but that varies depending on the initial steps and effort.

Secretary Small continued his presentation by highlighting the potential efforts at the Claymont properties, noting that the amount of dredging required at this site may be less than the other two projects. He stated that the attention of the project has shifted toward the north of the property, which may require further detail from the developers. There are no state jurisdictional wetlands identified at the Claymont properties, and the subaqueous lands would require a similar process to the Lukens Drive Site, which entails a lease for construction of structures that would impact subaqueous lands. He detailed that the state and federal permits would also require dredging access to the Port from the main channel, which still may need dredging of areas. The permitting process is also similar to the Lukens Drive Site, and incorporates an application, public notice, and public hearing.

Secretary Small specified that the Claymont properties have entered into a voluntary cleanup program agreement, but the investigation in the area adjacent to the river has not yet started. He continued to state that, once the investigation is completed, the cleanup plan is noticed for public comment. After the comments from the public are addressed, the developer will complete the cleanup and DNREC will issue the certification of remedy.

Representative Potter asked which program the developers entered.

Secretary Small responded that the developer would be for-profit and would not be eligible for state funds and would be subject to the voluntary program.

Jim Poling of DNREC clarified that the investigation is being completed in phases and the current developers are subject to the voluntary program.

Secretary Small stated that some of the wetlands near the Port of Wilmington area associated with dredging disposal areas that are managed primarily by the Corps of Engineers. He discussed the subaqueous land leases that are required for the construction of structures that impact lands and for use. He emphasized that state and federal permits will be required for dredging access to the Port of Wilmington from the main channel. He believes that the site adjacent to the main channel would have minimal impact. Furthermore, Secretary Small stated that the permitting process is similar to the other two sites, and requires an application, public notice, and public hearing.

In regards to the brownfield and site cleanup, Secretary Small stated that the Pigeon Point expansion – property the Port of Wilmington has never owned or operated – would require Phase I and Phase II assessments to evaluate whether contamination exists and poses any health or environmental risk. He emphasized that Phase II would be different because of the existing closed landfill, which has already undergone a rigorous process, which could lead to future expedited steps. If a risk is identified and property meets the definition of a brownfield, then the Port developer enters agreement with DNREC prior to taking title. He continued to state that the brownfield investigation would be conducted to further evaluate the condition depending on the nature of the site development. DNREC would issue the proposed and final plan for cleanup and public comment and, once completed, would issue the certification of remedy. He concluded by stating that the Port is eligible as a non-for-profit to receive up to \$625,000.

Secretary Small detailed the specifics pertaining to the Coastal Zone Act applicability to the Port of Wilmington. He stated that the Coastal Zone act bans new heavy industry and bulk product transfer facilities from within the coastal zone. The only reference to the Port of Wilmington in the Act is contained in the definitions, wherein the term “bulk product transfer facility” is defined as products otherwise not contained, such as oil, gas and coal.

Secretary Small continued to state that further refinement came in 1999 from the Coastal Zone Industrial Control Board, which discussed issues of bulk product, and defined it as loose masses of cargo, which are typically stored in the hold of a vessel. He stated that cargoes such as automobiles, machinery, and bags of salt, and palletized items that are individually packaged or contained are not considered bulk products in the application of this definition. Secretary Small explained that the Coastal Zone Industrial Board identified existing footprints of non-conforming uses and the Port of Wilmington. The non-conforming uses were heavy use sites, with the Port of Wilmington serving as an exception. He stated that for regulatory purposes, the footprint includes the Pigeon Point area.

Secretary Small highlighted additional regulatory provisions of uses not regulated, which includes bulk product transfer operations at dock facilities owned by the Diamond State Port Corporation, or acquired by the Corporation at any time in the future, and which are located within the Port of Wilmington. He also discussed the docking facilities used, as bulk product transfer facilities located on privately owned lands within the Port of Wilmington, which have been granted an exemption prior to the effective date of regulations. Furthermore, Secretary Small identified docking facilities, which are not used as bulk product transfer facilities, as an additional regulatory provision.

Secretary Small concluded his presentation by discussing additional guidance from the Coastal Zone Advisory Board concerning the Port of Wilmington. He specified that all proposed manufacturing uses within the footprint of the Port of Wilmington are not in any way exempted from permitting requirements and must apply for and be issued a Coastal Zone Act permit if otherwise applicable. He continued to state that proposed uses within the Port of Wilmington that constitute heavy industry uses are also prohibited. Furthermore, he explained that the regulations do not prohibit or restrict activities involving containerized, palletized, or otherwise confined materials at any location within the Diamond State Port Corporation.

Representative Potter recognized several elected officials in attendance, including New Castle County Councilman Penrose Collins, Wilmington City Councilman Justen Wright, and State Senator Bryan Townsend. He explained that task force members would have the initial opportunity to ask questions, followed by members of the public.

William Ashe, International Vice President of the ILA, asked if CRODA was the same land as identified as the RiverEdge project.

Secretary Small stated that CRODA is located on the south side of the bridge.

William Ashe asked if there were any issues with permitting regarding brownfields.

Secretary Small replied that brownfields were not an issue for CRODA, as they were not changing use of that facility. He elaborated that the issues for CRODA were relating to air emissions and because they were changing some of the processing units, they applied for and received a coastal zone permit.

William Ashe asked if the land tested was quoted.

Secretary Small responded that the lands did not require a quote for their uses, but is willing to verify that information.

William Ashe asked what the differences would be in regards to maintenance dredging from previous projects and who funds these projects, since the Corps of Engineers complete these projects annually.

Secretary Small replied that Gene Bailey, Director of the Diamond State Port Corporation, might be better suited to respond to the question. Secretary Small stated that there is generally a local cost for the Port of Wilmington.

William Ashe stated his concerns with the dredging levels for the area.

Secretary Small stated that he was not able to obtain depth data for the RiverEdge site. He continued to state that there are shallow areas that may require maintenance dredging near the Christina River. He also detailed the flaps that would have to be built up in the area due to the issues with sediments over time, and there may be regular maintenance required.

William Ashe alluded to the needs for future maintenance dredging projects, so as to ensure that the waterways remain open.

Secretary Small stated that the Ports have the responsibility to maintain dredging. He emphasized that this process is preliminary and there are no costs associated at this time.

State Senator Catherine Cloutier asked if the current levels are at 38 feet and if the dredging would cause the levels to go to 45 feet. She also asked if the Port of Wilmington competes with other regional shipping businesses.

Secretary Small replied that the current levels would increase to 45 feet. He also responded that the shipping business question may be best answered by another representative, but understands that there is competition amongst east coast businesses and ports.

Kimoko Harris, Business Agent for the Longshoremen's Association Local 1883, asked if Pigeon Point's landfills is capped at 2 feet of clay and why this may be the current process.

Secretary Small replied that this is the current process so to ensure that contamination does not migrate off site and to provide structural integrity to the site.

Kimoko Harris stated that there have been discussions to dig into the landfill and to cut the cap to proceed with a building project.

Secretary Small replied that he was unaware of such discussions.

Representative Potter stated that discussions pertaining to the Pigeon Point site will occur, and asked if other task force members or members of the public had any questions.

Paul Thornburg, Secretary-Treasurer of the General Teamsters Local Union 326 at the Diamond State Port Corporation, asked if the acreage for the projects was available.

Secretary Small stated that the acreage for the projects is not available.

Martha Denison of AFSCME Executive Local 81 expressed concerns over issues with protecting the wetlands and the needs to address potential flooding patterns.

Secretary Small stated that a minimal impact would occur following a preliminary assessment. The wetlands identified with the port exist on or near the dredging spoil locations, which are well characterized. He stated that the issues would more evolve around subaqueous structures and how they may be mitigated. He continued to state that DNREC shares concerns with storm water issues for the entire state, and believes that there are rigorous regulatory provisions in place to minimize potential impacts.

Representative Potter thanked Secretary Small for presenting before the task force. He emphasized the importance of understanding potential environmental impacts from these projects, while also recognizing the need for a quick process to remain competitive in the Greater Philadelphia region.

Brad Winfree, Principal for the Paul F. Richardson Associates, Inc. and representative of the RiverEdge project, discussed his personal and professional history with merchant and maritime experiences. He stated that the International Longshoremen's Association (ILA) retained the transportation advisory firm of Paul F. Richardson Associates, Inc. (PFRA) in June 2014, to review the potential that exists for developing a container facility at the RiverEdge property. He highlighted the importance of identifying the market and examining the supply chain to align stakeholders to serve as the driver for the scope of work developed.

Brad Winfree recognized that from the onset of the project, PFRA recognized that any effort associated with the RiverEdge Container Terminal Project be viewed as a collective offering of maritime assets in the State of Delaware. He stated that the state is controlling each element of the port process and it is important to recognize the property, although developed by private industry, is owned by the state, which provides several advantages including funding and expediting the development process.

Brad Winfree discussed the stakeholders identified in PFRA's preliminary basis. He stated that terminal operators are concerned with profitability and return on investment, and recognized that larger corporations are acquiring them. He continued to state that ocean carriers are cost-cutting engines and logistical supply chain firms are focused on the issue of a labor shortage. He stated that elected officials serve as a key stakeholder, as everyone must work together to ensure that the project can proceed. He continued to highlight port users focused on expansion opportunities for growth and efficiency, federal regulatory agencies interested in projects in need, intermodal providers focused on solutions, and the general citizenry, which serves as a good opportunity to grow, train, and educate at every level.

Brad Winfree presented several images of the available land for the RiverEdge project, as well as the different aspects of the land. He stated the site is just south of the Delaware Memorial Bridge, which is important because of air drafts and the need for large ships to eventually enter the Port.

Brad Winfree discussed the three legs of the stool for the project, including access to water, the rail lines toward the General Motors plant, and the on-dock rail, all of which present the potential for increase access.

Brad Winfree illustrated the preliminary designs for the modern containment terminal. PFRA considered designing the terminal so it was closer to the channel to reduce the dredging requirement and then expand behind the facility. He highlighted the "safe zone" area for the containers to come off of the ships and the cranes associated with the process, each of which would require 16 to 20 employees to operate the machinery. He discussed the separation of operations, which is safe and productive for the site. In addition, he mentioned that there is an opportunity to expand at the site and serve as a leader in the region. He specified that the solution is all electric, and that a cold ironing plant would be in place, which allows the ship to plug into the shore power and turn the ship off to limit potential pollution.

Brad Winfree highlighted that the citizenry is important to accomplish the RiverEdge project. He stated that there would be a variety of jobs available, ranging from information technology fields to professional drivers. He presented a graphic that would highlight potential port scenarios as they relate to employment, and stated that the Port of Savannah serves as a model for the Port of Wilmington. Due to the full support of the state, the Port of Savannah has a comprehensive plan that allows for record-level rail movements in the region. He stated that the Port of New York is not connected to the community and continues to address logistical issues.

Brad Winfree discussed the next steps to proceed with the project. He specified that the land is currently privately owned, and there is a need for the landowner and private developer to come

to a commercial agreement. Following the commercial agreement, the land would have to be ceded to a public agency and the developer would be granted concession for a long-term period. He highlighted the importance of local, regional, state, and federal agencies to work together to ensure a succinct regulatory and permitting process, where the state serves as the primary leader in these efforts. Furthermore, the state of Delaware will want a return on investment, and this aspect of the project would have to be discussed in the future.

Brad Winfree concluded by stating the importance of engaging environmental feasibility of the RiverEdge site and proves to the investors that the process could be completed in a timely manner. He stated that PFRA is in the process of preparing a scope of work to accomplish the project.

Senator Henry opened the floor for comment from the task force members and members of the public.

Peter Hartranft, task force member appointed by the Governor, asked if the Port of New York had the ability to grow in volume.

Brad Winfree replied that the Port of New York has ability to expand capacity, but has resorted to older techniques to do so.

Peter Hartranft asked if PFRA has contacted carrier firms regarding the RiverEdge site.

Brad Winfree responded that PFRA has been in discussions with several major carriers firms, all of which have been interested in the idea of expanding operations.

Secretary Thomas Cook of the Department of Finance asked what the next steps would be for expansions discussed in the presentation, specifically building outward toward the shipping channel, knowing the Port of Wilmington has worked with the ILA and have ordered cranes.

Brad Winfree responded that further studies would have to be conducted to provide details; however, it is important for the environmental issues to be addressed. The cranes serve as the longest lead-time in most maritime projects, and could be complicated if the environmental aspects are delayed.

Senator Henry recognized State Representative J.J. Johnson, who was in attendance.

Rick Ryan, Task Force member and CEO of the Intercontinental Services of Delaware, LLC, stated that the project of this magnitude would require input from the Corps of Engineers and asked if PLFA had been in contact with them in order to proceed.

Brad Winfree responded that he has not received any information about input from the Corps of Engineers, but is willing to respond in the near future.

Rick Ryan asked if the landowner or anyone else has offered to start the funding for the project.

Brad Winfree replied that he does not have a specific answer, but will provide additional information when it is readily available. He continued by stating that PLFA have introduced these matters to the investment community, who has expressed interest.

Senator Henry reiterated the importance of the environmental impact study in order to continue with additional portions of the project. She stated that the City of Wilmington and State of Delaware are working to have the environmental impact study completed to ensure other processes can continue.

Brad Winfree explained that he could not speak on behalf of the ILA, but his understanding is that they would like to move the project forward.

William Ashe explained that the ILA has committed to putting \$100,000 for the project, and hopes the state will remain involved so that it can become a diamond state initiative.

Dwight Davis, member of the public, explained that the readability test would be over because most of the public dislikes the project. He explained that there is a continued discussion pertaining to maritime law and oversight issues, and has heard state regulators discuss the relevant statutes. He asked if anyone from the federal government that is a part of the task force could provide clarification on the current statutes. Concurrently, he asked for clarification on background checks and identification cards for employment opportunities. He would like a representative from the federal government to be involved in educational outreach to the public regarding this project and its details.

Senator Henry explained that Brad Winfree is not present to represent the federal government, but can refer the questions to Delaware's congressional delegation.

Brad Winfree reiterated that President Obama's Build in America Program fits well into the proposed RiverEdge project. Concurrently, he stated that a recent Journal of Commerce Study recognized the shortage of employment in the logistics industry, and that there is a need for labor and employment opportunities in the region. He highlighted the potential employment opportunities for drivers and starting salaries that could be beneficial to the workforce.

John Flaherty, member of the public, asked what would be envisioned for the General Motors Plant, as it related to the Port of Savannah expansion projects.

Brad Winfree stated that the proposed project could not be comparable in scale; however, there are goals to increase expansion and increasing rail car transportation.

Martha Denison asked what type of infrastructure would be built, and whether it would require new rail lines in the Port of Wilmington.

Brad Winfree explained that the current infrastructure would be suitable, but it is an element of the project worth examining.

Representative Potter asked how many burrs are proposed for the RiverEdge project.

Brad Winfree stated that there is room to build a third burr at the project site, and each is 1000 feet.

Senator Henry explained that the task force must hear from other presenters, and thanked Brad Winfree for providing insight on the proposed project at the RiverEdge site.

Gene Bailey, Director of the Diamond State Port Corporation, explained that the Diamond State Port Corporation is a private company. He thanked the many elected officials who continue to support the Port of Wilmington, even in years when capital has been limited.

Gene Bailey discussed the Board of Directors, which is comprised of eight ex-officio members: including the Secretaries of Transportation, Finance, State, Homeland Security, and the Director of the Delaware Economic Development Office, as well as the Controller General and Co-Chairs of the Joint Bond Committee of the Delaware State Legislature. He continued by mentioning that seven other members of the Board of Directors were appointed by the Governor, each having business or labor experience.

Gene Bailey highlighted the business metrics and economic impact of the Port of Wilmington, including the 435 vessels and 6.6 million tons of cargo that were handled in fiscal year 2015. The Port continues to serve as a national leader in key import and export commodities, and has had a notable economic impact, including 5,600 family sustaining regional jobs, \$417 million annual business revenue, \$391 million annual personal income, and \$39 million regional annual tax revenue.

Gene Bailey explained that the Port of Wilmington is the first major port on the Delaware River, and has 308 acres at the confluence of the Christina and Delaware Rivers. He stated that there are two additional multipurpose gantry cranes on order and will be delivered in 2016, which will support the two existing multipurpose gantry cranes.

In addition, Gene Bailey discussed the cargo portfolio at the Port of Wilmington, which includes fresh tropical and deciduous fruit, containerized cargo, juice concentrate, vehicles and roll-on-roll-off, dry and liquid bulk, break bulk, project cargo, wind turbine components, and livestock. Specifically, he highlighted the cargo portfolio of fresh fruit, with the Port of Wilmington serving as the top banana port in North America and importer of fresh fruits in the United States, respectively. Concurrently, the Port of Wilmington serves as the top United States discharge port for juice concentrate. In regards to vehicles and roll-on-roll-off components, the Port of Wilmington has 100 vessel calls per year, and is the hub for General Motor and Chrysler exports, as well as military shipments. He highlighted that, in regards to dry and liquid bulk, the salt storage is completely gone after several poor seasons of winter weather. He continued to highlight the relationship with steel imports and exports and project cargo, including Victory Brewing Company's brewing tanks imported from overseas, with the potential for a local brewing industry to start importing products shortly.

Gene Bailey discussed the tonnage by commodity groups, noting that container business and bulk cargo is increasing; however, automobile tonnage has steadily declined. He mentioned the

possibility of automobile tonnage increasing with the Port of Wilmington's relationship with Chrysler.

Gene Bailey highlighted several competitive advantages pertaining to supply chain logistics, including the central Mid-Atlantic location; the overnight access to 1/3 of United States and Canadian consumers; six-hour round voyage savings compared to Philadelphia and Camden; multiple berths with no congestion; one-quarter mile distance to I-495; and on-dock rail service with shared access. Despite the competitive advantages, Gene Bailey recognized the various competing marine terminals in the area. He highlighted the Paulsboro Port, which has been under construction, as well as the Port of Philadelphia's aggressive pursuit for a southern port.

Gene Bailey concluded his presentation by highlighting several expansion opportunities for the Port of Wilmington. He stated that new development has the potential to add 170 acres to the existing site, and he has already had the opportunity to meet and discuss this potential with the joint processing group. He discussed the issue of financing expansion opportunities, noting that in 2008, there was discussion of \$600 to \$800 million for funding. He explained that he has not had any discussions about stripping off the landfill at Pigeon Point, but has discussed opportunities for using it for storage. He concluded his presentation by expressing his concern for the people of Delaware, and is hoping that expansion opportunities can occur in the near future.

Senator Henry asked Secretary Thomas Cook of the Department of Finance to update the task force about the Request for Qualifications (RFQ) process.

Secretary Cook detailed the purpose of the RFQ and the master plan, which is to include detailed studies and analysis of each of the multiple locations that could be developed on the Delaware River, including technical, environmental, and legal aspects of each, individually and comparatively, to determine the desirability for investment and successful Port expansion. He highlighted the various RFQ Evaluation Committee members, including himself, Secretary Jennifer Cohan, Peaches Whalen, Michael Evanko, Gene Bailey, and Parul Shukla.

Secretary Cook stated that the RFQ Evaluation Committee has received four responses from highly qualified candidates, including AECOM, Duffield Associates, Tetra Tech, Inc., and WSP Parsons Brinkerhoff. The evaluation committee will interview the respondents and the recommendation to the Port of Wilmington Board of Directors will be presented the week of October 12th. The Port of Wilmington Board of Directors is scheduled to discuss the recommendation the week of October 19th, and finalize the contract and begin work the week of November 2nd. He stated that the RFQ Evaluation Committee understands that the project is time sensitive, and has expedited the timeline 45 days.

Representative Potter acknowledged the details brought forth by Secretary Cook, and reiterated the importance of timeliness as the task force addresses environmental, regional, and competitive issues. He stated that the environmental issues serve as the main priority and other tasks can be addressed simultaneously.

Martha Denison asked if the committee would examine the sites discussed at the third task force meeting.

Secretary Cook replied that the sites would be examined and the strategic plan will be important, so as to continue to move the process forward.

Senator Henry asked when the Board of Directors would receive the recommendation from the RFQ Evaluation Committee.

Secretary Cook answered that the evaluation committee will meet the week of October 12^h and to present and discuss the recommendation. The Board of Directors will then meet on October 20th to evaluate, improve, and proceed with the process. He explained that the contract would be signed by November 2nd.

Senator Henry responded by recognizing the importance of the process and that the task force looks forward to receiving an update on the process.

Secretary Cook replied that he could provide an update at the October 14th meeting after interviews have been conducted.

John Flaherty thanked the task force members for their thorough, complete and transparent presentations, and looks forward to attending future meetings.

Bob Byrd, representing the Commercial Development Company who has purchased the Claymont Steel Site, stated that they are in the process of cleaning up the site. He stated that the first objective should be to conduct a thorough environmental analysis, since there is a deeded 100 acreage that is currently underwater. He thanked the task force for their efforts, and will update them with any proceedings.

Representative Potter discussed the importance of proceeding with the current project and acknowledged the importance of the current Claymont site.

Bob Byrd replied that an institutional market study is being conducted, and that the Commercial Development Company is a private entity and would not receive any state funding. He emphasized that as part of the project, the company has dedicated 12 acres to build a new train station in Claymont.

Closing

Senator Henry thanked the task force members and members of the public for their attention and questions, and looks forward to receiving updates at the next meeting on October 14th.

Representative Potter adjourned the Port of Wilmington Expansion Task Force meeting at 3:08 p.m.