

Port of Wilmington Expansion Task Force

Wednesday, November 4, 2015
10:00 a.m. – 12:00 p.m.
3rd Floor Conference Room
Carvel State Building
820 N. French Street
Wilmington, Delaware 19801

Meeting Attendees:

Task Force Members:

Present:

State Representative Charles Potter, Jr.
State Senator Margaret Rose Henry
State Representative Kevin Hensley
State Senator Catherine Cloutier
Secretary Jeffrey Bullock
Secretary John McMahon
Secretary Thomas J. Cook
Director Bernice Whaley
Secretary David Small
Rick Ryan
Peter Hartranft
William Ashe
Paul Cutler
Mike Evanko
Gene Bailey
John Coulahan
Kimoko Harris

E-mail:

charles.potter@state.de.us
margaretrose.henry@state.de.us
kevin.hensley@state.de.us
Catherine.cloutier@state.de.us
Jeffrey.bullock@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
p.cutlerIII@gmail.com
mevanko@portcontractors.com
gbailey@port.state.de.us
jcoulahan@murphymarine.com
kimokoh@yahoo.com

Absent:

Secretary Edwin Kee
Secretary Jennifer Cohan
Trevor Knight
Jose Gonzales
Paul Thornburg

Edwin.kee@state.de.us
Jennifer.cohan@state.de.us
TKnight@WilmingtonDE.gov
cargorepair@yahoo.com
pablothndr@earthlink.net

Staff:

Rylene Harper
Geoff Heath
LaNisha Harris
Karen Lantz
Shannon Reeder

rylene.harper@state.de.us
geoff.heath@state.de.us
lanisha.harris@state.de.us
karen.lantz@state.de.us
shannon.reeder@state.de.us

Public:

Attendees:

State Representative Bryon Short
State Representative James Johnson
Karen Lantz
State Senator Bryan Townsend
Rob Keesler
Councilman Penrose Hollins
Rosemary Carroll
Billy Carroll
Nick DiBuo
Joseph Durham
Erika Furlong
William Majett, Jr.
Peggy Schultz
Jane Dilley
John Goodridge
Michael Barnes
Lugenia Anthony
Martha Denison
Kim Gomes
Darrell Baker
Ruth Baker

Organization:

Delaware House of Representatives
Delaware House of Representatives
Delaware House of Representatives
Delaware State Senate
Delaware State Senate
New Castle County Council
Delaware Maritime Education Task Force
Delaware Maritime Education Task Force
Senior Advisor/Representative Potter
DBBR Representative
Delaware Nature Society
City of Wilmington Resident
League of Women Voters of Delaware
League of Women Voters
Local 1694-1
Local 1694-1
Local 1694-1
Executive Board Officer/RC Local 81
The Byrd Group, LLC
Merchant Marine Services
Public

State Senator Margaret Rose Henry co-chair, called the meeting to order at 10:08 a.m. She thanked the task force members and the public for attending the meeting of the Port of Wilmington Expansion Task Force.

Senator Henry asked if there were any alterations to the meeting minutes presented to the task force members. The meeting minutes were unanimously approved by a voice vote and are officially on public record.

Senator Henry recognized House of Representatives Attorney Karen Lantz, who was present to provide a review of the legal opinion of the RiverEdge Container Terminal Project environmental study request.

Representative Potter acknowledged the importance of economic development projects in the state, notably the recently announced JP Morgan expansions to occur in the near future.

Karen Lantz, Legislative Attorney for the House of Representatives, stated that the Port of Wilmington Expansion Task Force is an advisory body that can provide recommendations; however, a vote to allocate funds for an environmental assessment would not obligate the state to move forward with funding. She explained that the bond bill specifically states that \$200,000 has been set aside for the formulation of a strategic plan and can be spent with the approval of the

Port of Wilmington Board of Directors. The Port of Wilmington Expansion Task Force has the ability to provide recommendations, which can then be considered for other purposes.

Senator Henry thanked Karen Lantz for providing a legal perspective regarding the task forces' questions. She discussed the October 27th New Castle County Government meeting, in which \$150,000 was allocated for RiverEdge expansion opportunities. She also stated that representatives from the New Castle County government met with City of Wilmington officials to solidify their financial commitment toward expansion opportunities, which could total \$300,000. She asked Secretary Bullock if the Port of Wilmington Board of Directors would accept the funds, if they were allocated for future use.

Representative Potter reiterated that recent meetings have occurred and asked Secretary Bullock to address these meetings. He emphasized that the funds in the bond bill were earmarked for Port of Wilmington expansion opportunities.

Secretary of State Jeff Bullock stated that, at the last task force meeting, Secretary of Finance Tom Cook discussed the hiring of consultants for the strategic plan. He stated that the process was not focused exclusively on container ports, but also emphasized concerns with existing port facilities and ensuring viability for the future, as well as expanding opportunities for thousands of Delaware families relying on port jobs. He also highlighted the importance of improving the use of existing facilities and footprints and identifying other Delaware River expansion opportunities.

Secretary Bullock stated the Port of Wilmington Board of Directors has authorized the hiring of consultants for the strategic plan, which will be led by AECOM, who had assisted with the recent I-495 repairs. He continued to state that local participation will occur from Duffield Associates and Richardson, which will provide a national and local perspective and help finalize the scope of work needed for the area. As part of the state's work for the master plan, the state will include aspects of the RiverEdge project that is consistent with the broad strategic plan.

In regards to Senator Henry's question, Secretary Bullock stated that the money provided from other governments is welcome; however, there is a question about how the Port of Wilmington could expend it without entering another bidding process. Secretary Bullock recommended that the state complete a portion of the scope of work and the other governments can do separate but tandem efforts to help expedite the process.

Senator Henry recognized several dignitaries present, including State Senator Bryan Townsend, State Representative Bryon Short, and State Representative James Johnson. Senator Henry asked if the two governmental entities could allocate money to the Port of Wilmington.

Secretary Bullock responded that it would be best to not allocate funds to the port directly, as it is a state entity and would undergo review of state laws.

Secretary Cook stated that Secretary Bullock has outlined a process that could be expedited and the funds appropriated could be spent on an environmental assessment without allocating the

funds to the Port of Wilmington. Concurrently, the state can analyze the environmental aspect of the projects and the processes can converge together to produce a bankable document.

William Ashe, President of the International Longshoreman's Association 1694, agreed with Secretary Cook and Secretary Bullock on simultaneously proceeding between governments, so as to not hinder opportunities.

Secretary Bullock reiterated that the goal is to expedite the process and to be efficient, while also being careful and transparent with any proceedings. He recognized the importance of addressing any issues with investors and appropriators of funding, and that processes must align in the best interest of the state.

Senator Henry stated that legal issues may need to be addressed, so that city and county governments can allocate the funds appropriately.

William Ashe stated that the city and county governments would put the money forth into a grant and the funds would not go to a single private entity.

Kimoko Harris, Business Agent for the Longshoreman's Association Local 1883, stated that there was a meeting on November 4th to discuss any issues and the legal parameters of the grant process.

Senator Henry emphasized the importance of avoiding any harmful procedures. She stated that establishing a grant opportunity may be the best process.

Kimoko Harris discussed the importance of reacting to the needs of the market, due to the competitiveness of the industry. He stated that the RiverEdge site is advanced in the process because of feasibility studies and other documentation in existence. He emphasized the importance of having three terminals in Delaware at New Castle, Wilmington, and Claymont, with the Delaware State Port Authority overseeing projects and jurisdiction, similar to regional states.

Representative Potter was encouraged with the previous meetings between different stakeholders to ensure expansion opportunities remain intact. He asked Karen Lantz to examine the legal perspectives of the city and county governments' decision, to ensure all aspects of the future plans are analyzed appropriately.

Senator Henry reiterated the importance of ensuring all future proceedings remain legal. She opened the floor to task force members and for public comment. No task force members presented further comment, as they were in agreement with the current process.

Senator Henry asked Gene Bailey, Director of the Diamond State Port Corporation, if he had any issues with the outlined proceedings.

Gene Bailey stated that he has no concerns with the process being proposed by the task force.

Senator Henry opened the floor for public comment to discuss the conducting of a feasibility study and concurrently using city and county funds for grant opportunities to hire consultants to conduct an environmental assessment for the RiverEdge site.

Martha Denison, Executive Board Officer of RC Local 81, encouraged the task force to seek comment from the City of New Castle, so as to ensure all aspects of the project are reviewed appropriately.

William Ashe explained that he has met with the Mayor, City Planner, and City Solicitor of the City of New Castle. He stated that they were in support of potential projects, but that he could not speak on behalf of them entirely.

Representative Potter asked if the City of New Castle officials expressed any concerns with the expansion projects.

William Ashe responded that there were no initial concerns, but they had questions about the operation of cranes and whether they would be diesel or electric.

Representative James Johnson, who represents the City of New Castle, stated that those in authority have been positive about the project. He also emphasized the importance of the City of New Castle location and river access, as well as the pier project currently underway for recreational boating.

Senator Henry thanked Representative Johnson for providing input on the City of New Castle, and asked Secretary Bullock to discuss the path forward.

Secretary Bullock stated that if proceedings continue as planned, then a contract should be signed and the legal aspects can be finalized. He emphasized that certain elements of the project will be faster than others, including the RiverEdge site. Over the course of the next month, the consultants will interview stakeholders and conduct work toward the study. He detailed that there is a 20-week timeline in place, and there will be interim updates provided to the task force.

Representative Potter asked if the Port of Wilmington is planning to build a new warehouse.

Secretary Bullock stated that a new warehouse is not being built.

Gene Bailey stated that Berth's 5 and 6 are being replaced.

Representative Potter acknowledged New Castle County Councilman, Penrose Hollins.

Senator Henry asked if Councilman Penrose Hollins could provide any updates on the county's progress.

Councilman Penrose Hollins highlighted that the New Castle County Council passed an ordinance for \$150,000 to be provided for an assessment of the RiverEdge site, and hopes the

City of Wilmington will allocate another \$150,000. He expressed his support for the potential of the projects and an environmental assessment.

Senator Henry informed Councilman Penrose Hollins of the previous discussions regarding the financial processes, stating that it may be most suitable to continue with a grant system that is paid separately, rather than providing the money directly to the port.

Councilman Hollins stated that one of his colleagues amended the legislation, so that the funds were to be used specifically for the RiverEdge location.

Senator Henry stated the importance of having the funds go toward a grant process rather than directly to the port board.

Secretary Cook stated that holding multiple meetings in the near future may not be necessary, given the work that must be conducted for the strategic plan.

Representative Potter stated that there can be a draft of preliminary accomplishments and a path forward for the task force in place to provide updates to the members and the public.

Senator Henry stated that it may be necessary to stop meeting until more progress is reported from the various stakeholders. She explained that additional updates to the task force timeframe may occur, which may require amending legislation when the Delaware General Assembly returns in January.

William Ashe motioned to meet in January rather than December, so as to provide additional time to conduct and analyze findings. The motion was seconded by Mike Evanko. The motion was unanimously approved by a voice vote.

Senator Henry explained that the motion was necessary for further proceedings; however, the co-chairs may contact the task force members and public for a future meeting if any issues arise. She stated that she will work with Representative Potter to meet and discuss the grant process with the City of Wilmington and New Castle County governments, as well as advise the attorneys to continue analyzing any legal aspects of the projects and task force proceedings.

Ruth Baker of the public highlighted the importance of the public's attendance and involvement in future city and county meetings.

Senator Henry reiterated Ms. Baker's sentiments and emphasized the need for community support and involvement in the process to ensure future progress. She thanked the community for their involvement in the task force proceedings thus far.

Rosemary Carroll of the Delaware Maritime Education Task Force emphasized the need to improve the quality of maritime education for the younger workforce, as the average mariner is over the age of 50. She stated that there is a need for maritime training in high schools and community colleges, as well as potential internships and apprenticeships in the region. She

highlighted the importance of the maritime industry and stated that Delaware needs to be at the forefront with the large regional impact of the industry.

Senator Henry supported Ms. Carroll's comments and shared information about Delaware Technical and Community College's programs to support industry and training future work forces.

Rosemary Carroll discussed the critical need for training and educational programs, and asked for the task force to examine any opportunities for growth.

Senator Henry highlighted the economic development opportunities for the young workforce, if they are able to obtain employment in the maritime industry. She also highlighted the importance of working with the Port of Wilmington, City of Wilmington, and New Castle County Government to move forward, while also expediting efforts at the RiverEdge site.

Senator Henry adjourned the Port of Wilmington Expansion Task Force meeting at 10:52 a.m.

Minutes prepared by Geoff Heath - Legislative Assistant
Minutes reviewed by Rylene M. Harper - Legislative Assistant & Task Force Staffer