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Port of Anchorage Commission Meeting

Date: April 19, 2017

Time: 12:01 – 1:37 pm

Location: Port Commission Chambers

Present	Port Commissioners:	Sue Linford, Chair; Brad Kroon, Vice Chair; Stephanie Kesler; Simon Lisiecki; Andrew MacLeod; Bob Pawlowski
	Staff:	Steve Ribuffo, Port Director; Sharen Walsh, Deputy Port Director; Cheryl Beckham, Director of Finance; Todd Cowles, Port Engineer; Stuart Greydanus, Port Operations Director; Jim Jager, Director of External Affairs; Paul Rotkis, Port Safety Coordinator; Diane Bickford, Executive Assistant
	Guests:	
Absent	Port Commissioners:	Moire Duggan; Steve Saunders
	Staff:	

I. The meeting was called to order at 12:01 pm

A. Roll Call of Port Commissioners

B. Self-introduction by those present

My name is Bob Owens, I'm with the Anchorage Law Department. Staff self-introductions

II. Safety Minute (Paul Rotkis)

Mr. Rotkis presented a talk on safe digging and how to ensure it happens.

III. Approval of Agenda

A. There being no objections or corrections, the Agenda was unanimously approved as presented.

IV. Approval of Minutes

Commissioner Kesler moved to approve; Commissioner Lisiecki seconded.

Commissioner Linford called for the vote and the minutes were approved with a noted correction.

V. Public Comments

There were none.

VI. Port Director's Comments

Mr. Ribuffo reported on his attendance at the American Association of Port Authorities' Spring Conference April 3-7 in Washington, DC. And his visits with Senator Murkowski's and Senator Sullivan's staffs.

Mr. Ribuffo said the Port staff contributed to a letter discussing the Port that Mayor Berkowitz will send to the President.

Mr. Ribuffo requested that Mr. Owens update the Commission on the lawsuit.

Mr. Owens provided the Commissioners with an update.

Commissioner MacLeod asked what was the total amount received from the private parties and what had the litigation cost to date. Mr. Owens said the amount received was \$19.35 million and the cost was approximately \$12 million. Commissioner Linford requested that he give the group updates as the case proceeds and he agreed.

Commissioner Lisiecki asked if the fact that the private litigants have settled will help in the case against MARAD. Mr. Owens said yes but he didn't know if it would make too much difference in terms of the underlying nature of the claims and the strength of our position going forward.

Commissioner Linford asked the names of the parties that settled in district court. Mr. Owens said it was PND Engineers, the principal design professionals. One of their sub-consultants was VECO which issued the report saying the design was stable; VECO has since been acquired by CH2M Hill so they were actually the named defendant. PND also employed a sub-contractor called GeoEngineers.

Commissioner Linford asked what action is pending. Mr. Owens said just the claim against MARAD in federal court.

Commissioner Kesler noted his comment that the project was underinsured and asked if we would normally look at the amount of insurance going into it. Commissioner Pawlowski asked if this was the question that would come into the Maritime Administration suit because the government self-insures. Mr. Owens said MARAD controlled all the contracts, they set everything up and that's the nature of the claim. He said they didn't self-insure but required each of the contractors to have insurance and bonds.

Commissioner Pawlowski said that brings up the question of consistency with federal acquisition regulations. Mr. Owens said that was a point made in a report done by the Office of The Inspector General, Department of Transportation.

VII. Informational Items

A. Deputy Director - Sharen Walsh

- Boat Launch Repairs: This is a \$1.5-2.0 million job.
- Standby Generation: Should cost somewhere between \$500,000 to a million.
- Small Boat Launch Cameras: The pre-bid conference will be this afternoon. It's the new lighting and camera at the Small Boat Launch that will be monitored by our Security Center.
- Wharf Pile Enhancement: This year we're doing only half the number of piles.
- Miscellaneous Maintenance: Things are proceeding and if there are any specific questions I can answer them.
- Ms. Walsh then introduced the topic of Title 21 and a spirited one-hour discussion ensued.

B. Operations – Stuart Greydanus

- Military Deployments: Mr. Billy Godwin, of TOTE Maritime, had teleconferenced and Mr. Greydanus asked him to discuss the upcoming deployment.

Mr. Godwin said TOTE would start receiving freight coming down the Haul Road in the next week which will be shipped out over the next three to five sailings. The

equipment will return sometime later this year. He said the schedule is for approximately 750 pieces of equipment, some mounted on 45' flatbeds and some ro-ro.

Mr. Greydanus said there would also be a second deployment in May on a vessel chartered by the Navy.

- **Maintenance Activities:** The yards and streets are being cleaned to get ready for this upcoming year.
- **Security Breach:** Mr. Greydanus reported on the security breach that occurred the previous Monday.
- **Operation ORCA:** The Port will participate in a military exercise called Operation ORCA, which will involve random screenings of containers and will find a container testing positive for radioactivity.
- **Police Training:** On May 3rd and 10th the Anchorage Police Department is scheduled to come to the Port for their annual testing at the North End. Commissioner Kesler thanked him for the information and said the Community Council would issue a notification.
- **Cruise Ships:** Mr. Greydanus said before the first cruise ship is scheduled to arrive the Port will meet with stakeholders involved in hosting the ships to plan the strategy for this year. He said the ships will arrive on Mondays this year.

C. Finance Director - Cheryl Beckham

Ms. Beckham said the meeting packet contained the financial report for the first quarter. Overall, there is no concerns as yet that the Port will not make our ordinary expenses.

Commissioner Kroon asked how many cement ships are scheduled this year. Mr. Greydanus said four and Ms. Walsh said each will carry more tonnage than they used to because of the dome.

D. Modernization Project Update - Todd Cowles

Mr. Cowles reported that the previous day the Port gave Notice To Proceed to Kiewit Manson JV for the North Extension Stabilization, Step 1, and South Backlands Stabilization Project. He also reported that we are in the procurement process for an Independent Cost Estimator to support our negotiations with the Kiewit Manson JV team. Everything is currently on schedule.

E. Director of External Affairs – Jim Jager

Mr. Jager said the Juneau effort is not making any progress. The Municipality's position is that we will wait until the Legislature has adjourned to confirm that nothing has happened and then the Municipality will move forward with some funding alternative.

Several new Assembly members have been elected and we're in the process of setting up tours to bring them to the Port, possibly late next week or early the following week.

VIII. Old Business

- A. Maritime History Project Status – No report.

IX. New Business

- A. There was none.

X. Commissioners Around the Horn

Commissioner Kesler thanked the staff for the active and interested engagement in the conversation about the Title 21 issue.

Commissioner Lisiecki said he had heard there would be seven new cruise ships coming next year and was curious as to whether the Port had heard anything.

Mr. Ribuffo said he did hear that there is probably going to be a different number in 2018 but we won't know for sure until we get closer to the end of this season. He noted that "The World" from the Residensea Company would be coming in this year for a couple of days.

Commissioner Pawlowski said he would attend the International Oil Spill Conference next month. He noted there is a lot of interest in the integrity of pipelines in the Inlet, and there will be a major study that's about come up on that.

Commissioner Linford said she had heard from Mr. Jim Kubitz of the Railroad that he went to the cruise conference in Florida and came away with all kind of statistics, one of them being that the cruise ships being built now are huge. Capable of carrying 6,000 people. She said the fewer ships coming in may reflect the size of the vessels.

After some discussion the next meeting was scheduled for June 21st.

Ms. Walsh said that within in the next month Mr. Rotkis will arrange to have the "earthquake ride" trailer come to the Port for a day. She said the Port staff and employees from all businesses at the Port will be encouraged to take a ride.

XI. Next Meeting: June 21, 2017

XII. Meeting Adjourned at 1:37 pm