



**Port of Anchorage Commission Meeting**  
**Date: June 21, 2017**  
**Time: 12:05 – 1:17 pm**  
**Location: Port Commission Chambers**

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

**I. The meeting was called to order at 12:05 pm**

- A. Roll Call of Port Commissioners
- B. Self-introduction by those present

**II. Safety Minute (Paul Rotkis)**

Mr. Rotkis spoke about the Municipal “Safety Talk” newsletter and performed a short Q and A.

**III. Approval of Agenda**

Commissioner Kroon asked if there were any changes to the Agenda. Mr. Ribuffo noted that Mr. Cowles is out of town so he would give updates on the project as part of his remarks.

- A. It was moved to approve by Commissioner Pawlowski and seconded by Commissioner Duggan.
- B. The Agenda was approved unanimously.

Mr. Ribuffo noted the arrival of Commissioner MacLeod.

**IV. Approval of Minutes**

Commissioner Kroon requested a motion to approve the minutes.

- A. Commissioner Saunders moved to approve the minutes of April 19, 2017 as presented; seconded by Commissioner Pawlowski. The minutes were approved.
- B. Commissioner Duggan moved to approve the minutes of Special Telephonic meeting of April 21, 2017 as presented; seconded by Commissioner Pawlowski. The minutes were approved.

## V. Public Comments

Mr. Brad Brown said Matson's Terminal Safety Committee is considering purchase of a rescue drone and would be approaching the Port Safety Committee to look into this. Another item he was asked to bring up to the Safety Committee is Jacobs ladders for the docks.

Mr. Ribuffo said he appreciated the suggestion to do this through the Port Safety Committee. If there is a consensus by the Committee for drones, the Port would put a one-time special assessment on tenants to purchase them. He said when a Designer of Record is hired for the terminals project, we will certainly engage with both Matson and TOTE regarding ladders.

Commissioner Kroon asked if there were Jacobs ladders staged to throw off the dock. Mr. Brown said there are several and that Mr. Jim Hill, one of the longshoremen, did an excellent job putting together a poster identifying emergency equipment along the dock, showing the location of the life rings, deployable throw sticks and everything else.

## VI. Port Director's Comments

- Mr. Ribuffo said that on Sunday, June 11<sup>th</sup>, one of the TOTE longshoremen brought his elderly dog to work and the dog walked off the dock. He said two days ago, a Security guard walking around the yards saw the dog, a week or so after the incident. He was reunited with the family, a little malnourished but otherwise alive.
- Title 21: Mr. Ribuffo updated the Commission on the results of the Assembly Title 21 actions that were first discussed at the April meeting, and for which a Commission Resolution was passed. In short, there will be no 1000-foot buffer, but there will be the requirement to get a conditional use permit for hazardous material storage facilities in the Port's Heavy Industrial (I-2) zoned area.

Commissioner Kroon asked if there was any adverse impact on anybody that was already in the process. Mr. Ribuffo said there was not.

- Tesoro: Mr. Ribuffo noted that Tesoro has a new name, Andeavor, and that they have sold their Number 1 terminal to PetroStar.
- Port Modernization Project: Mr. Ribuffo said there are contracts in place for designers for the North End and South End stabilization effort and for the Petroleum-Cement Terminal. Responsible for the design of the stabilization efforts is a Kiewit-Manson joint venture team.

The designer for the Petroleum-Cement Terminal is a company named COWI, a marine terminal design, petroleum-centric company. Mr. Cowles is currently meeting with them in their Seattle office.

Commissioner Kroon asked if the North End construction will start next year. Mr. Ribuffo said it's not likely. As Mr. Cowles reported at the last meeting, the Corps of Engineers requested a modification to the design, pulling the dock closer to shore. When we did that it moved it out of the dredge prism for the maintenance dredging project that the Corps does and put the dock in an area where new dredging has to happen before ships can pull up to the dock. That added approximately \$13 million to the project cost that wasn't budgeted for and that we don't have. It will probably

happen in 2018 if we get the money, which pushes the construction of the dock into 2019.

Commissioner Kroon asked about the backlands construction. Mr. Ribuffo said depending on how it costs out, it may not happen as part of Phase 1 but in the early part of Phase 2.

Commissioner Kroon noted there was a new person at the meeting. Mr. Evan Tanner introduced himself and said he is with the Anchorage Downtown Partnership.

## **VII. Informational Items**

### **A. Deputy Director - Sharen Walsh**

- Ms. Walsh said the Port is close to finalizing an agreement with the School District Maintenance Department to share services.
- Ship Creek Small Boat Launch Repairs: The contract was awarded to Sandstrom & Sons and they will begin work after the Fourth of July.

A separate contract has been awarded to ALCAN Electric for a surveillance camera and new lighting. This is funded by one of the Port Security Grants we received in 2015.

- Stand-By Generation Capacity: ALCAN Electric was also awarded the contract to hook up the one megawatt generator we received from the State a few years ago.
- Wharf Pile Enhancements: We will put sleeves on 50 pilings this year instead of the usual 100. The contract was awarded to Global Diving, the same group that did it last year.
- Power Feed: ML&P was going to put in a new power feed but they have had budget issues and have delayed start-up until late this year or possibly next year.
- JBER Snow Disposal Site: We're currently surveying the area. There's going to be some red tape between the Port and JBER but we're doing what we can to minimize that and keep that moving.
- Port Security Grant Application: Yesterday we submitted a grant application for power to the north end, primarily to feed lights and cameras that we will install under a previous grant.

### **B. Operations – Stuart Greydanus**

- Deployments: A chartered vessel came in and the military loaded 178 pieces of cargo for an outbound deployment.
- Cruise Ships: We have a cruise ship arriving next Monday, the third of the year.
- Ship Creek Boat Launch: We have safety-related issues at the boat launch. Mr. Jager and Mr. Ribuffo brought together the Downtown Partnership, the Alaska Railroad and Parks & Recreation to discuss different ideas about how to make it a more friendly area, whether it's an RV park, food carts or such, to make it a better place for the public.

Mr. Ribuffo said it's about how do we attract the right people and discourage the wrong types.

- Bear Incidents: Mr. Greydanus said there have been a number of bear incidents this year. The Port had to get a permit to haze the bears. However, now that everything has greened up, the bears have pretty much gone away.
- Port Security Audit: We will have an audit in July of our Security Plan.

Commissioner Pawlowski said he had attended the International Oil Spill Conference and heard information on something called UGIE, Unannounced Government Initiated Exercises, under which the Coast Guard has authority to initiate an exercise. Mr. Ribuffo said the Coast Guard does unannounced inspections all the time. Ms. Walsh said they came in and did a drill on a ship that included sounding a distress signal but they forgot to tell us it was just a drill. Commissioner Pawlowski said he just wanted to raise that as something that seemed to get more focused.

#### C. Finance Director - Cheryl Beckham

Ms. Beckham said the May “YTD Budget to Actual” report was included in the meeting packet. She said the first cruise ship of the year came in at the end of May and the first cement ship has just left, so some of the billings are lagging a little bit. We anticipate that everything will come right along as far as the amount of projected dockage and wharfage that we’re going to get through the year.

The Port’s MESA payment is due at the end of June as you’ll see in the report. We anticipate the MESA will be \$2.1 million and we have \$2.6 million budgeted. The additional \$500,000 is a dividend; a structure is being put in place through Assembly action to take a dividend on earnings for all Municipal Enterprises.

Commissioner Kroon asked about the \$500,000. Ms. Beckham said when the Port went through the budget process for 2017 we were directed to include a dividend with the methodology for it to be worked out in 2017.

Commissioner Kroon asked if the \$500,000 is a set figure. Ms. Beckham said it’s calculated on gross operating income at the time it’s paid.. The preliminary Ordinance says payments will be made in August and October. Mr. Ribuffo said, depending on who you talk to, it’s part of what will be voted on by the Assembly next Tuesday night.

- SAP Project: Ms. Beckham said the SAP project is on-going and we’re working to do our part in preparation for the anticipated go-live dates of September 11th for time entry and October 2nd for all other processes. Right now they’re still testing and doing role mapping.

Commissioner Pawlowski noted that the legal settlement money wasn’t showing in the budget. Ms. Beckham said that was in 2016 and Revenues and Expenditures recycle every year; last year’s report showed the \$12 million settlement. Halfway down the report is listed “Extraordinary Item” and that’s the amount we have received in 2017. The \$12 million received in 2016 was rolled to the Port Fund Balance on December 31st.

#### D. Modernization Project Update

Mr. Ribuffo previously spoke on this topic.

E. Director of External Affairs – Jim Jager

- Funding: Mr. Jager said there is no change in the Port's funding situation. At this point we're reviewing our options for a revenue bond to pay for the Port project. We're also looking at a number of new business opportunities that are related to new cargo through the Port and new tenants for use of the Port property.

Mr. Jager then addressed several commissioner inquiries regarding types of bonding vehicles and the Port's possible involvement with the Donlon and rail belt electrification projects.

**VIII. Old Business**

A. Maritime History Project Status – Steve Saunders

Commissioner Saunders said he had nothing new to report.

**IX. New Business**

Mr. Ribuffo said the Port had no new business to share at this time.

**X. Commissioners Around the Horn**

Commissioner Pawlowski said he had attended an International Oil Spill conference and unfortunately it was not focused on industry but on regulators. Different industry people he talked to were very frustrated about that. Also, when the Coast Guard discussed remote or critical challenges of ships in the Arctic, they ignored wrecks that have happened along Alaska's coasts and didn't see where that was relevant. From his perspective, that was the most frustrating point of an international conference.

Commissioner Thompson said for those of the group who didn't know him, he spent about twenty-four years at DOT regulating commercial vehicles and for the past eleven years has been Executive Director of the Alaska Trucking Association. He has known a number of Port Commissioners and folks at the Port for many years and have worked together on a number of different projects. He said the Port is critical to the trucking industry and thought there was a great appreciation for the work you do here and was very pleased to be part of it.

Commissioner Kroon said Olympic tug & Barge has a new Articulated Tug Barge that will be servicing Southcentral Alaska and he expected they would be in Anchorage in a week or so from Valdez with a load of petroleum for PetroStar.

Mr. Ribuffo said he had a bittersweet announcement. Shortly before the meeting Commissioner Saunders informed me this would be his last Port Commission meeting. We're very sorry to see him go in spite of the fact we appreciate the reasoning behind it. Mr. Greydanus said Commissioner Saunders has been here since the beginning of the Port Security Committee after 9/11. He said he didn't know how many hundreds of hours Commissioner Saunders worked in developing our security protocol and he appreciates everything Steve has done.

Commissioner Pawlowski asked how many years had Commissioner Saunders been on the Commission. Commissioner Saunders said he had started his 19<sup>th</sup> year the previous January. Commissioner Pawlowski said it has been a true honor to serve with you. Commissioner Kroon said we appreciate everything you've done for the Port and for a lot of the people here. Commissioner Saunders said

there has been a great group of people here to work with and he had a lot of fond memories of the Port. [Applause]

**XI. Next Meeting:**

After a discussion the date for the next meeting was scheduled for August 16<sup>th</sup>.

**XII. Meeting Adjourned at 1:17 pm**