

**MINUTES
NOME PORT COMMISSION
REGULAR MEETING
December 19, 2019**

The Regular Meeting of the Nome Port Commission was called to order at 7:15 pm by Chairman West in Council Chambers at City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Lean; Rowe; Sheffield; McLarty

Absent: Smithhisler; West; Henderson; (excused)

Also Present: Lucas Stotts, Harbormaster; Joy Baker, Port Director (telephonically)

In the audience: Ken Hughes; Sandra Medearis;

APPROVAL OF AGENDA

Acting Chairman Lean asked for a motion to approve the agenda:

Motion to approve made by Sheffield, seconded by Rowe.

At the Roll Call:

Ayes: Lean, Rowe

Nays:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

November 21, 2019 Motion made by Rowe, seconded by McLarty to approve minutes;
Regular Meeting

At the Roll Call:

Ayes: All

Nays:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

- None

COMMUNICATIONS

- 2019 Dec – Nome Sea Ice November 1900-2019
- 2019 Dec – USCG Slide on Northern Bering Sea Long Liners
- 2019 Dec – National Marine Fisheries Service (NMFS) In-season Report
- 19-12-09 – Alaska DNR Public Notice on Offshore Lease Sale
- 19-12-11 – Senator Murkowski Press Release on U.S. Arctic Shipping Bill

Discussion:

- Lean commented on the 2019 Dec – Nome Sea Ice article; that sea ice is one of the major drivers for moderating the temperature and is disappearing, unfortunately due to the ocean and air warming rapidly. Lean commented that he was featured in the Seattle Times and Anchorage Dispatch in October on climate change related topics, adding that if you look at the average temperature across the Northern US in a band, you will see it has risen about 2 degrees Celsius, but across the Arctic Circle (including Nome) it has risen 5 degrees Celsius.
- Lean also commented that the 2019 summer trawl survey found that one-quarter to one-third of the Pollock and Cod population have moved north of St. Lawrence Island, which results in a net increase of 15% over two years ago. This is due to the fish species habitat changing and affecting larger fish, driving them further north. The Russians are reporting commercial Cod and Pollock quantities off their coast and Lean expects commercial fishing to greatly increase in this region in the next years.
- Sheffield commented on the 2019 Dec - USCG Slide, that the 2019 season saw a massive increase in the number of the Bering Sea fishing fleet operating in close proximity to Nome. This info was from the North Pacific Fisheries Management and shows the trend of vessels moving further north chasing Pacific Cod and Pollock into the warming waters.
- Brief group discussion on Alaska DNR Public Notice. McLarty posed a question on leases that are within city limits and if the city could collect sales tax off mined minerals inside that perimeter. McLarty noted he feels this is not an indication of mining activity in the region increasing, but is DNR looking to make a profit. It was discussed that some of these claims are new leases for sale while other were potentially taken back due to non-payment or paperwork deficiencies.

COMMISSIONERS' UPDATES

- Lean mentioned the recent visit by the Adjutant General of the Alaska National Guard, who also serves as the Commissioner of the Alaska Department of Military & Veteran's Affairs who was in Nome assessing the local emergency response capabilities, and to highlight his intent to reestablish a National Guard presence in Nome.
- Lean briefly spoke about the Alaska delegation working with Congress about Arctic Shipping, the need for ice breakers and a deep draft port to service the Arctic. He also noted the first icebreaker being built is going to Antarctica, not

the northern Arctic and we are behind the times on our current timeline in Arctic activity.

HARBORMASTER'S REPORT (Verbal)

Harbormaster Stotts stated that he is currently working on wrapping up winter storage invoicing for customers whose areas have changed or for folks that said they would move property but have not yet done so. HM Stotts is also working to update the personal property storage listing that goes to the City Clerk by the end of February. HM Stotts also provided the commission an update on accounts with impounded property that will be sold at public auction in the spring and noted several customers on that list have been in contact to arrange payment plans. HM Stotts noted that he will be attending the 2020 AAHPA Winter Conference in Anchorage Feb, 11-14th to discuss and compare with other facilities paperwork and billing practices as well as forms, administrative duties, contracts, asset management, derelict vessels and more. HM Stotts also mentioned that we will be hosting the AAHPA 2020 Summer Conference in Nome this September 21- 25th. There was some discussion on housing, food, travel and other possible details for the upcoming event. HM Stotts mentioned he is working on maintenance and ordering costs for current budget amendments. HM Stotts mentioned that the Alaska Marine Surveyors have inspected the *TAGIAK PROVIDER*, and that it was hard aground half up the beach 5-7 miles west of Nome. There was discussion on the barges current location and how it may fair in the ice in the spring. Lastly, HM Stotts briefly talked about the TruFlow Systems company rep that was in Nome showing us their gasification incinerator system that could be used for the city's waste stream as well as MARPOL regulated waste.

PORT DIRECTOR REPORT (19-12-16 Written Report)

PD Baker stated that the Corps Feasibility Study is going out for Agency Technical Review (ATR) by Jan 3rd and there is an aggressive push to get the report on the street. She thanked Charlie and Lorraine Cordova for their comments and input on the report. PD Baker talked about the RFP for Engineering Services for the ramp replacement work that went out on the street Monday and is due back January 16th. There was brief discussion on the ramp project timeline, materials shipping and project schedule moving forward. PD Baker also highlighted the USACE harbor maintenance dredging project and details for the upcoming work in 2020 around the SBH and possibly Outer Harbor. There was discussion on the CAP program (Continuing Authorities Program) where Corps headquarters had recently determined they will authorize separating the deepening of the inner harbor from the larger port expansion project.

Discussion:

McLarty asked several questions on the ramp project which generated discussion such as:

- The completion date for the ramp repair project; September 30th unless specified sooner by the contractor.
- If port staff planned to utilize the East Gravel Ramp during the repair period; yes and there will be efforts made on possible upgrades to that ramp to lessen the ramp slope. There was also some discussion on past work done to that ramp.
- McLarty noted that he would like to explore all possible alternative options for vessels to haul out as October 1st would be late for when NSEDC typically hauls out their tender vessels for the winter.

OLD BUSINESS

Fiscal Plan to Fund Major Asset Repair/Replacement & Capital Improvements for Recommendation to Council.

Discussion:

- McLarty commented that each PC member has their own opinions on this subject and suggested that we table this until the next meeting when more commissioners are present at the meeting.
- Rowe noted that it was tough to go over these decisions without the rest of the group present but some discussion now could be beneficial.
- Lean commented that considering rate changes is a major deal and expressed frustration in getting all PC members to be present for this subject as it generates much better discussion with the whole group.

Due to missing 3 PC members at the table, the issue was tabled until the next meeting. It was suggested that there be a work session January 9th as well as one prior to the January 16 meeting to allow for potential decisions in the Jan 16 regular meeting.

NEW BUSINESS

Prioritization of Maintenance/Repair/Replacement Projects

Discussion:

Discussion was limited as the small group present felt they first needed to flesh out tariff revisions and have more PC members present. PD Baker commented that even if the PC did not want to prioritize or make a recommendation at this time she had a few updates on the projects listing such as; HM Stotts procured cost estimates on some of the items such as new shipgangway and CP anode replacement. The CP anode replacement will need to go out to bid and also a future funding source needs to be identified. Sheffield asked what the cruise ship numbers were looking like for the 2020 shipping season, which PD Baker responded with 8 count and it was noted that we expect to see more as more companies confirm dates. There was some discussion on the funds that would come from the state Cruise Ship Passenger Fee and how that money is received, tracked and used in accordance with state law. Sheffield noted that she sees all thing converging and it is looking to be a very busy upcoming season. McLarty suggested adding the East Ramp power line and ramp development to the prioritization listing. PD Baker noted that she is in contact with DOT on incorporating the Port Road overhead power line burry into the states project and so far they seem responsive and will update the group with more on that later.

CITIZENS' COMMENTS

- Ken Hughes thanked the PC as they had answered a number of his questions during the meeting and noted he appreciates the level of detail the group is going into and feels the port facility is in good hands. Ken stated that there is \$10Mil in gold reserves offshore Nome, shown from past numerous drill surveys and imaging work, and there is a chance it could be much more than that.

COMMISSIONERS' COMMENTS

McLarty – Thanked Ken Hughes for attending the meeting and stated that he likes the group discussion and would like to see us continue to simplify the process. It was also stated he would like to have future meeting packets bound so they cannot fall apart during the meeting.

Sheffield – Commented that she feels it is going to be a busy year and hopes we are all buckled in.

Rowe- Noted he liked the packet materials as they were informative and also thanked Ken Hughes for sticking around and participating in the meeting. Rowe also wished everyone happy holidays before the New Year and thanked the City of Nome for the turkey.

Lean- Commented that he hopes the PC body can do the tariff justice at the next meeting by taking action and thanked PD Baker for closely monitoring the USACE team and being front and center with feedback and comments to the team to ensure Nome gets what we need on the Deep Draft Port.

SCHEDULE OF NEXT MEETING

The next Regular Meeting is SCHEDULED for January 16th, 2020. Missing members will be contacted to confirm availability for holding a Work Session scheduled for January 9th, 2020.

ADJOURNMENT

Motion was made by McLarty and seconded by Rowe for adjournment – 8:35 pm.

APPROVED and **SIGNED** this 16th day of January 2020.



Charlie Lean, Vice-Chairman

ATTEST:



Joy Baker, Port Director

