

**MINUTES
NOME PORT COMMISSION
REGULAR MEETING
April 18th, 2019**

The Regular Meeting of the Nome Port Commission was called to order at 6:06pm by (acting) Chairman Lean in Council Chambers at City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Lean; Henderson; Rowe; Smithhisler (telephonic); Sheffield;

Absent: West (excused); McLarty (excused);

Also Present: Lucas Stotts, Harbormaster;

In the audience: Sandra Medearis, Arctic News

APPROVAL OF AGENDA

Chairman Lean asked for a motion to approve the agenda:

Motion was made by Sheffield to approve the agenda, seconded by Henderson:

At the Roll Call:

Ayes: Henderson, Rowe, Lean, Smithhisler, Sheffield

Nays:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

March 21st, 2019 Motion was made by Henderson, seconded by Rowe to approve the minutes:
Regular Meeting

At the Roll Call:

Ayes: Henderson, Rowe, Smithhisler, Sheffield, Lean

Nays:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS None

COMMUNICATIONS

- 19-4-2 ERA Advisory Committee Letter
- 19-3-25 House Joint Resolution No.14
- 19-03-23 Navy High-Tech Warship First Trip to the Arctic
- (Added) Port Commissioner Verbal Updates

Discussion: There was some discussion on the Emergency Response in the Arctic (ERA) Advisory Committee meeting and a brief overview of the teleconference, noting the highlights and takeaways. Sheffield asked

for clarification on which the Rensselaer group, UAA and NC State were and what was the purpose of the meeting, what other communities or voices were heard at this meeting and also asked who the person who contacts the tribes was.

There was also some discussion on the House Joint Resolution No.14. Lean added there was a House Transportation hearing on HJR 14 earlier today that he listened/watched at the legislative office. Lean noted that our Mayor (Richard Beneville) and Rep. Neil Foster spoke on the subject. Port Director Joy Baker attended telephonically as well. Sheffield asked how people knew this was going on and Lean noted that he was contacted by Josie Stiles. Lean noted that the meeting was not open for testimony but there will be future meetings that would be. Lean thought the legislators were frustrated with getting too much information and suggested if anyone was going to testify in the future to keep it focused to a few points only for clarity. Lean noted that everything seemed fairly well received and that the purpose for this was not to ask for money but to request DOT to assist the City with technical advice and write a letter to the delegation saying this was a good idea and to push Congress for funding.

There was a brief overview on the Navy's high-tech destroyer that visited Ketchikan. It was asked how far the vessel would go north into the Arctic and noted that they were only stopping in Ketchikan. Sheffield noted that she is curious about the special hull paint on these high-tech vessels and how they would withstand the impacts of ice and clearing ice off hulls and bulwarks.

Sheffield spoke about her being invited to meet with USCG Sr. Policy Advisor Shannon Jenkins and staff in Council Chambers along with the Mayor and a few Nome City Council members. It was noted that Mr. Jenkins wanted to know what the big issues were in 'our eyes'. Sheffield recapped her update on the loss of the cold water barrier separating the south and northern ecosystems and how this shift should increase anticipation of large fishery traffic in the future. It was also stated that the research community was very interested in this issue and has been ramping up projects in the region, contributing to the increased traffic. Lean noted that things are changing and it is all unknown but the changes are coming faster than anyone anticipated.

Lean updated the group on the ship simulations at the USACE research office in Vicksburg, MS that he attended and witnessed for over 8 days with two Alaska Marine Pilots and PD Joy Baker. Lean gave a good overview of the simulations, vessels and facility design models that were used (3A modest approach, 4A USACE engineer's preference and 8B as the Pilots and City's favorite). The overall takeaway from the Pilots and City seemed to be that 8B was the most preferred option due to more maneuvering space and protection. There was group discussion on the designs and justifications on selecting which one, pro and cons. Lean stated that he hopes this testing will bring new light to the economic analysis as that is what the Washington USACE is focused on.

Lean stated that he didn't think this simulation was designed to show that and the people at the simulations were not prepared to discuss that at this time. It was noted that with the larger design we would also be able to more easily allow vessels to have greater protection in the winter months while stored in the ice.

HARBORMASTER'S REPORT *(Verbal)*

Harbormaster Stotts updated the commission on tasks to be completed around the Port Office including; Updating seasonal forms and documents, prepping the office for season start, obtaining quotes needed for spring ordering and PO's, debt collection calls/impoundments and spring surplus sale, as well as installing facility ladders and fenders.

HM Stotts provided a brief update on snow removal around the port facility and the status of PWR equipment needed to do so. There was also mention of the Causeway and Lower IP surfacing and that we will need to do some grade work this spring due to heavy traffic at the end of last season after the ground froze. A copy of the latest ship schedule was provided to the group, along with an overview of the types

and numbers of cruises and vessels that will be here this season and how port staff will have to manage those lightering cruises to meet all security needs shore side.

HM Stotts advised that Assistant Harbormaster Chris Schuneman will transition back to the port facility from PWR on May 6th and the Office Manager from last season, Caitlin LeClair, will be returning May 20th having previously trained staff is a huge help when starting up the season. It was noted that the Dock Watch position is presently being advertised.

Discussion:

There was group discussion on the cruise schedule and how it is increasing, putting ships in this region later in the season when the weather is much stormier. There was a discussion on the need for additional port staff with a TWIC to assist in security points for cruise ships, mainly when we have overnight vessels and multiple cruises lightering to the SBH at the same time.

Harbormaster Stotts provided the commission three different harbor work skiff options presently being considered for possible purchase. There was much discussion on the various models, with good and bad things noted. The majority of the PC members liked the *Tuff Boat* model and design vs the *Catalyst Marine Engineering* and *Metal Shark* designs and costs. It is most likely to be the skiff model that we will purchase. HM Stotts said he will work with the *Tuff Boat* manufacturer on vessel particulars and get a total package quote for bringing back to the group. Commissioner Smithhisler commented on the City's procurement policy and asked that we be sure we were within those guidelines as he ran into small issues with the NVFD new firetruck during purchasing.

Commissioner Henderson commented on the current state of Port Road and that several areas are sinking in the road and beginning to cause damages to their fuel trucks. HM Stotts said he would convey this to Joe Horton with Public Works but that Joe is already aware of the issue and working on a fix. C. Rowe commented that Bering Air has had to issue some complaints or requests to DOT over the winter on the state of Airport Road and that it would be good for local businesses to comment directly to PWR or City Hall on road requests.

PORT DIRECTOR REPORT (Projects Update) (19-04-15 Report)

HM Stotts updated the commission for PD Baker on some highlights including;

Arctic Domain Awareness Center's reception that was held prior to this meeting at the Richard Foster Building and also of the workshop being held the following day (April 18) at Northwest Campus that would discuss various elements of managing a complex crisis in the Arctic. PC members were encouraged to participate if they were able, and noted that Charlie Lean and Capt. Howard Farley would be participating in the storytelling section.

C. Sheffield commented that the exercise had this scenario involving a container ship in the Southern Bering Sea but it was being located far south in the deep water of the trade route and that this exercise was frustrating and soft - C. Lean agreed.

OLD BUSINESS

Vessel Haul Out Plan Submittal Form (Draft)

HM Stotts provided an overview and discussion points on info that may be included on the new Port of Nome Vessel Haul Out form. The new procedure was included in Tariff No. 15 for vessels over 50 ft in length. Port staff would require this form to be submitted and approved prior to vessels launching or hauling out. Some info discussed to be included was; all vessel information (length, beam, weight), desired haul out/launch date and time, method of haul out/launch (airbags, trailer, skids, spuds), list of equipment to be used, crew info as well as foreman and safety officer designation and names, detailed description of operational plan, and a checklist of items required by the port prior to launch (vessel insurance, approved

docking permit application, etc.). HM Stotts noted that there are several facilities around the state that require the same type of application prior to haul out/launch.

Discussion:

C. Smithhisler commented that we should be sure to include a section to identify the location and position the vessel will be stored on the uplands to ensure it ends up in the correct location. C. Henderson asked if port staff anticipate any additional requests to store other vessels in the Outer or Inner Harbor ice now that we have had the *TAGIUK PROVIDER* and Phoenix Marine Jack-up rig both winter in the ice. HM Stotts added that as of now we have not had any additional requests but that there are several other new mining operations heading to Nome this season and it is possible others could ask. HM Stotts commented on a 125ft landing craft called the *THORS HAMMER* coming from the Washington State area but that as of now they plan to travel back south for the winter, but that was subject to change once they arrive in Nome.

C. Henderson asked if the Port would be receptive to new folks wanting to store in the ice like the current two are. HM Stotts stated that this would be covered in the new vessel haul out plan form and that each case would be looked at individually and there will be a process. There was group discussion on what the PC body had talked about at past meetings concerning the wintered vessels in the ice and the conditions that were required prior to allowing them to do so. C. Henderson commented that we should all be thinking about where we could possibly allow others of a similar size to winter in the ice to be prepared for others in the future requesting to do so. C. Henderson also asked if port staff had heard more on if there would be an assist tug positioning them in Nome this 2019 season and would that reduces the number of day's commercial vessels is delayed at getting into the facility.

NEW BUSINESS

Consideration of Tariff Rate Adjustments/Capital Improvements Fee

C. Lean stated that at the previous joint work session with the City Council, it was suggested that the PC review the tariff rate schedule and that a late season tariff adjustment may be considered by the Council.

Discussion:

C. Lean added that one reason not to change anything at this time was due to how close the season start was and that companies have already made business plans for the summer and that a mid-summer switch in the tariff would not be well received by anyone. There was discussion that the Council expressed the desire to begin talking on this subject this fall so there could be a full discussion and not have to compress a complex and important subject like this into the early spring annual tariff revision. HM Stotts added that PD Baker would be in Nome the week of May 13th and asked if we would like to hold a work session to begin talking about this subject. C. Sheffield commented that she felt it would be helpful to wait and observe part of this summer season so we can see the future coming make a decision with that in mind.

C. Lean added that this would be a tariff adjustment in the fall that would be effective for the winter season but that there could also be another tariff adjustment in the spring to include other changes if needed. C.

Rowe commented that Council had asked for something back from the PC group by the end of June but that City Manager John Handeland had added that maybe this was something that the PC should think on a little longer so maybe wait closer to the end of summer or fall to present something to the City Council. C.

Henderson added that since it is such a hot topic he was fine with starting discussions on this a little sooner and if we felt the need for a work session in May to reach out and check everyone's availability. C.

Henderson also states that the joint work session with the City Council went very well and that the council seemed very receptive to what the PC group was thinking. It was also noted that when we wait until spring to do the entire tariff revision things seems a little rushed so getting an early start on it would be nice.

C. Lean added that he would like a work session but would like some of the ideas that were recently presented by PD Baker explained more, such as; inflation, proofing and some things that other ports do that we don't, such as head tax. This would not need to be effective now but could help us plan ahead for

maybe next season. C. Henderson added that he was very interested as well on subjects such as a head tax and what would that mean in terms of total revenue and felt this would help in him be able to more effectively suggest a tariff increase. C. Henderson also noted that if we begin talks this summer about any increases to the tariff, more port users would be in Nome and available to participate in discussion on this subject vs in the winter when everyone is gone. C. Sheffield added that she would like to see some type of a 'road-map' on the ports revenue and expenses so it was easier to see the flow of money between the City's General fund and the Port. That was echoed by several other members as a useful tool for the future.

CITIZENS' COMMENTS (None)

COMMISSIONERS' COMMENTS

S. Smithhisler – None.

C. Rowe – None.

C. Henderson – Felt this work session is a really good idea and also felt this more recent analysis provided at the joint work session was the best yet and provided great information on how the port currently operates. Also stated that the more everyone talks about this subject, it is getting a little better each time so is glad we are keeping up with this conversation.

C. Sheffield- Commented on the Ice Flow Impacts Study provided in the packet and thought it was interesting information. Also noted that we should make sure we get the packet up on the city website as soon as possible so the public can get it and participate more.

C. Lean – Noted that he wanted to get into his container at the port facility and was waiting on some snow removal by port staff when they could get to it. C. Lean also stated that we will most likely see more marine sea mammals hauling up on the Port Causeway rocks and we will have to see if that causes any issues here.

SCHEDULE OF NEXT MEETING

The next meeting is SCHEDULED to May 16th, 2019.

ADJOURNMENT

Motion was made by Henderson and seconded by Sheffield for adjournment.

APPROVED and **SIGNED** this 16th day of May 2019.

Jim West Jr

Jim West, Chairman

ATTEST:

Joy Baker

Joy Baker, Port Director